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Thursday, February 6, 1992 [1]

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Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Memo	From Rose Zamaria to Matt Smith Re: VonWeizsachers visit [redaction of personal information] (1 pp.)	02/11/92	(b)(6)	
02. Memo	From Susie to Patty [Presock]/Rose [Zamaria] Re: Phone Call from Congressman Ralph Regular [redaction of personal information] (1 pp.)	02/06/92	(b)(6)	
~~03a.~~ Letter	From George Bush to Charles L. Bartlett (1 pp.)	02/06/92	~~(b)(1)~~	
~~03b.~~ Memo	From Charles L. Bartlett to President Bush (1 pp.)	02/03/92	~~(b)(1)~~	

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Collection:

Record Group: Bush Presidential Records
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WASHINGTON

PRESIDENT BUSH

FEBRUARY 6

, 1992

[illegible]

WASHINGTON

SIGNAL SWITCHBOARD

February 6 , 1992

[illegible]

PRESIDENTIAL MOVEMENTS

Washington, D.C.
Cleveland, Ohio

LOCATION Las Vegas, Nevada

DATE 6 February 1992

TIME

MOVEMENTS

0718	Oval Office
0941	South Grounds
0947	Depart South Grounds via Marine One
0953	Arrive Andrews Air Force Base, Maryland
1004	Depart Andrews Air Force Base via Air Force One
1100	Arrive Cleveland-Hopkins International Airport,
	Cleveland, Ohio
1112	Depart Cleveland-Hopkins International Airport
	via Motorcade
1146	Arrive University Hospital of Cleveland
1211	Depart University Hospital of Cleveland via Motorcade
1226	Arrive Stouffers Tower City Plaza Hotel
1307	Depart Stouffers Tower City Plaza Hotel via Motorcade
1327	Arrive Cleveland-Hopkins International Airport
1338	Depart Cleveland-Hopkins International Airport
	via Air Force One
1416	Arrive Mc Carran Airport, Las Vegas, Nevada
1429	Depart Mc Carran Airport via Motorcade
1445	Arrive Opportunity Village
1510	Depart Opportunity Village via Motorcade
1524	Arrive University of Nevada At Las Vegas (Low Key)
1621	Depart University of Nevada At Las Vegas
	via Motorcade (Low Key)
1633	Arrive University Medical Center

PST

PRESIDENTIAL MOVEMENTS

LOCATION Las Vegas, Nevada
San Diego, California

DATE 6 February 1992

TIME	MOVEMENTS
1756	Depart University Medical Center via Motorcade
1816	Arrive Mc Carran Airport
1823	Depart Mc Carran Airport via Air Force One
1903	Arrive North Island Naval Air Station,
	San Diego, California
1927	Depart North Island Naval Air Station via Motorcade
1944	Arrive U.S. Grant Hotel

CONGRESSIONAL MONITOR



Thursday, February 6, 1992

Volume 28, Number 16

News From the Hill

HOUSE FLOOR: 'October Surprise' task force created.

Last night the House was debating a resolution (H Res 258) to establish a special task force to investigate allegations that officials from the Reagan-Bush campaign team negotiated with Iran in 1980 to delay the release of the U.S. hostages until after the November election, preventing an "October surprise."

The 13-member task force would be made up of members of the Foreign Affairs Committee and chaired by Lee H. Hamilton, D-Ind. Henry J. Hyde, Ill., would serve as the ranking Republican.

Democrats contend that questions continue to surface and an investigation will put the issue to rest. Republicans claim the probe is a "fishing expedition" designed to politically damage President Bush.

House Post Office. The House also approved, 254-160, a resolution (H Res 340) to authorize an investigation of revelations that a House Post Office employee sold drugs on Capitol Hill. The probe will also focus on embezzlement of \$28,000 from the Post Office.

The House voted to have the House Administration Committee conduct the investigation, over the objections of GOP members, who favored the creation of a select committee.

Jerry Lewis, R-Calif., said that lax oversight by the House Administration panel had led to the problems.

SENATE FLOOR: Energy bill debate starts in divided body.

Senators yesterday began official work on a comprehensive energy bill (S 2166) after opponents ran out of chances to further delay its consideration.

The measure, similar in many respects to a bill (S 1220) that stalled in a filibuster last year, seek to promote increased domestic oil production, wider use of alternative fuels and adherence to national energy conservation goals.

Unlike S 1220, however, the new bill does not contain provisions on fuel efficiency standards for automobiles or provisions to allow oil exploration in Alaska's Arctic National Wildlife Refuge (ANWR).

Many members were dismayed at the removal of the ANWR section, saying that exploration of the refuge is warranted given the high likelihood of discovering huge oil deposits.

Members spent hours in debate before voting 57-39 to table, or block, an amendment by James M. Jeffords, R-Vt., that would have authorized the Energy secretary to mandate that oil refiners produce and market a minimum amount of alternative fuels for transportation.

FETAL TISSUE research ban would be eliminated under NIH bill.

In a vote that could lead to an abortion fight with the Bush administration, the Senate Labor Committee yesterday approved a bill (HR 2507) that would lift a ban on the use of tissue from aborted fetuses for scientific research.

The legislation, approved by a 13-4 vote, would also reauthorize the National Institutes of Health (NIH), including \$2.5 billion for the National Cancer Institute and \$1.7 billion for the Heart, Lung and Blood Institute.

But debate over the use of tissue from aborted fetuses dominated the session. The Reagan administration imposed the ban in 1988, and President Bush renewed it.

Supporters of the legislation cite the help the tissue can be in aiding health research. "I know that fetal tissue research can help people with Parkinson's [disease]," said Paul Simon, D-Ill.

But opponents of the measure say using tissue from aborted fetuses could encourage abortions. "This debate is about abortion," said Dave Durenberger, R-Minn. "It is also a test of our ethics."

Today

Floor Action: Members plan to spend a long day in session trying to finish work on energy legislation (S 2166) before the Senate goes out for a one-week recess.

Senators may consider an amendment to allow limited oil exploration in Alaska's Arctic National Wildlife Refuge (ANWR).

While sponsors of the bill say they doubt such an amendment will be agreed to, some members want all senators to go on the record either for or against exploration for oil in ANWR.

The House is not in session today.

Commerce Nomination: Barbara Franklin, President Bush's nominee to replace Robert A. Mosbacher as secretary of Commerce, appears before the Senate Commerce panel today on the road to what is expected to be a routine confirmation.

The 51-year-old Franklin is a businesswoman and former member of the Consumer Product Safety Commission. Mosbacher resigned to take a post with the president's re-election campaign.

Franklin, who would be the third woman in Bush's Cabinet, will likely face questioning about the Commerce Department's role in combating the recession and in promoting U.S. business.

Committee Chairman Ernest F. Hollings, D-S.C., is likely to use the hearing to press for an expanded federal role in boosting the development of new technologies that would help U.S. companies compete in the global marketplace.

The panel is expected to vote on the nomination at its next business session, after the Senate returns from its President's Day recess.

Administrative Judges: A bill (S 826) to establish an independent corps to protect administrative law judges (ALJs) from outside pressures will be marked up by the Senate Judiciary Committee.

See TODAY on p. 4

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NEWS from p. 1

The Bush administration has threatened to veto the bill if it contains the fetal tissue language.

The panel rejected, by a 4-13 vote, an amendment by ranking Republican Orrin G. Hatch, Utah, that would have retained the ban while authorizing a study on establishing a fetal tissue registry that relied solely on tissue removed during ectopic pregnancies and miscarriages, not from induced abortions.

DRUG PRICES would have to be reduced for federal clinics.

The Senate Labor and Human Resources Committee yesterday approved, 17-0, a bill (S 1729) that would require drug manufacturers to offer reduced prices to federal Public Health Service clinics.

Support for the measure grew after drug companies reacted to a 1990 law requiring discounts for drugs sold to Medicaid by raising drug prices for other federal programs.

The Department of Veterans Affairs (VA) has been hardest hit by the price hikes. Last November the House Veterans Affairs' panel approved a bill (HR 2890) that would restore VA drug discounts.

But the VA was not the only agency affected. A survey of federally funded

family planning clinics found that the price of birth control pills has increased by 42 percent from 1990 to 1991.

The bill would require that Public Health Service clinics be able to purchase drugs at a set discount rate or the price negotiated by the VA, whichever is lower.

HAITIAN REFUGEE reprieve approved by Judiciary panel.

By a 5-3 party-line vote, legislation (HR 3844) that would delay the repatriation of Haitian refugees was approved yesterday by the House Judiciary Subcommittee on International Law, Immigration and Refugees.

The original measure would have prohibited repatriation until the restoration of democracy in Haiti. But members approved, 5-3, a substitute amendment offered by subcommittee Chairman and bill sponsor Romano L. Mazzoli, D-Ky., that would bar repatriation for six months.

The bill also allocated 2,000 slots for Haitian refugees in the total annual U.S. refugee quota.

The measure is not expected to be acted on by the full committee until after the upcoming congressional recess.

In the Senate, Edward M. Kennedy, D-Mass., announced that he would seek action on a similar bill this week.

ECONOMIC GROWTH plans abound at Ways and Means hearing.

Ways and Means Committee members received an earful from their House colleagues yesterday on provisions to include in an economic growth package.

The proposals ranged from repealing the luxury tax on general aviation airplanes, suggested by Dan Glickman, D-Kan., to exempting family farmers over age 55 from a capital gains tax, proposed by Jim Slaterry, D-Kan. And Robert W. Davis, R-Mich., told committee members they should consider repealing a user fee on recreational boaters as part of a growth package, calling it an unfair tax.

Richard E. Neal, D-Mass., suggested that the economy could be stimulated by allowing new Individual Retirement Account (IRA) tax benefits to increase the nation's savings rate.

Most of the members who trooped before the committee yesterday had only a single issue they were pushing, but New York Democrat Charles E. Schumer offered an entire economic package.

Schumer proposed indexing for inflation all income from investments and savings, not just capital gains as some have proposed, and encouraging companies to have employees deposit a portion of their paychecks directly into savings accounts or IRAs.

Senate Averts Fight Over Pocket Veto

The Senate on Tuesday sidestepped a dispute between the executive and legislative branches over the use of the so-called pocket veto and passed newly introduced legislation rather than pressing for a showdown over a previous bill that President Bush maintains he pocket vetoed.

The new legislation (S 2184) is similar to a bill (S 1176) cleared late last year to establish an environmental studies foundation and scholarship fund honoring former Arizona Rep. Morris K. Udall. The measure would create the Morris K. Udall Scholarship and Education Foundation in Tucson to expand awareness of environmental issues and to award scholarships, fellowships and research in environmental studies.

President Bush opposed the initial version of the bill — complaining that its provision for the appointment of five of the nine voting members of the foundation's board of directors by Congress (four) and the University of Arizona (one) — was unconstitutional. In fact, Bush noted that the congressionally appointed members might be lawmakers themselves saying, "such appointments would raise serious problems under the Incompatibility and Ineligibility clauses of the Constitution." The president would have appointed the other four members.

Bush said the bill has "a worthy goal and attempts to honor a respected public servant," but he withheld his approval because of the board's composition.

Pocket Veto or Law?

In a Dec. 20, 1991, memorandum of disapproval, Bush never mentioned the word veto. He noted that because he had not signed the bill within 10 days after receiving it from Congress and because Congress had adjourned, the bill would

not become law.

But congressional supporters say that the president cannot pocket veto a bill as long as an officer of the Congress has been appointed to receive the president's veto message. During the December recess, the secretary of the Senate was designated to receive such messages.

Although Congress left town Nov. 27, it did not officially adjourn "sine die" until Jan. 3, 1992. Therefore, lawmakers were technically still in session when the president said he pocket vetoed the bill.

Bill sponsor Dennis DeConcini, D-Ariz., said that forcing the issue of whether the bill was technically a law — as lawmakers maintain because it was never officially returned to them as being vetoed — would take several years in the courts and that it is more important to get the foundation "off and running."

The new measure, S 2184, includes language repealing S 1176, because, as DeConcini says "under the Constitution S 1176 is presently a law, even if the president's memorandum does not recognize that fact."

DeConcini said similar board designations exist for congressionally sponsored fellowships in the names of former Sen. Barry Goldwater and presidents Harry S. Truman and James Madison. But in an effort to get the foundation underway, the new measure modifies the board's appointment provisions to meet the president's objections, DeConcini said.

An bill identical to S 2184 was introduced in the House yesterday and is expected to pass easily. This time, the president is also expected to sign it.

—By Christine C. Lawrence

Ways and Means Chairman Dan Rostenkowski, D-Ill., said he intends to mark up tax legislation next Wednesday.

In related action yesterday, House Democratic leaders met with rank-and-file members to discuss the tax bill drafted by leaders and Rostenkowski. But some members leaving the caucus opposed the party line.

"The message in there is tax equity," said Schumer. But Schumer and others told the leadership they favored funding a jobs program rather than a modest tax cut.

House Speaker Thomas S. Foley, D-Wash., acknowledged the differences within the party but said the tax cut will help those suffering from the recession. "Four hundred dollars is not insignificant to many people."

BOSKIN CAUTIONS against big economic stimulus package.

President Bush's chief economic adviser yesterday warned against efforts to produce a massive economic growth package, saying that anything more than the relatively modest administration proposals would probably drive up interest rates and wipe out any gains.

Michael J. Boskin, chairman of the Council of Economic Advisers, briefed reporters on the council's annual report and the annual Economic Report of the President, which he will discuss this morning in testimony before the Joint Economic Committee.

Boskin will also undoubtedly be asked about his views on monetary policy — whether further interest rate cuts are desirable, for example.

Boskin told reporters that the current recession, although caused by a combination of factors, was triggered by the August 1990 increase in oil prices precipitated by the Iraqi invasion of Kuwait. Other factors, Boskin noted, were the weakness in the real estate and banking industries, the tight monetary policy of 1989-90 and cuts in defense spending.

Boskin said that if the president's economic plan (or something closely akin to it) is not enacted soon, the economic recovery will be even slower than the administration's relatively pessimistic forecast.

He pointed to several Bush proposals that he said would provide a needed short-term stimulus, including reductions in income tax withholding and tax breaks for first-time home buyers.

DOMESTIC PROGRAMS must get more funds, says Byrd.

In an emotional two-hour speech that was sharply critical of the spending practices of successive Republican administrations, Chairman of the Senate Appropriations Committee Robert C. Byrd, D-W.Va., urged the Budget Committee yesterday to revise the 1990 budget agreement and allow defense spend-

ing to be shifted to domestic programs.

Rather than scrapping the hard-won budget agreement, which set strict caps on three distinct categories of federal spending (defense, domestic and international), Byrd said the budget rules should be revised only to permit some funds slated for defense to be allocated for domestic programs in fiscal 1993.

Under the budget pact, the so-called fire walls that prevent the shifting of funds from one category to another are slated to be eliminated in fiscal years 1994 and 1995.

In his budget request, the president has proposed reducing defense outlays by \$50 billion over five years and using the savings to finance a proposed increase in the personal tax exemption.

But Byrd said the administration's plans "are just window dressing cuts" that he said were "altogether too conservative."

The defense spending practices of the Reagan and Bush administrations have transformed the defense budget into a "giant woolly mammoth" that is "eating us out of house and home," he said. The administration "has become so fond of the big beast that it will only agree to give it a haircut and a shave," he added.

Republican defenders of the president's budget plan have said Congress should not base its defense spending decisions solely on the collapse of the Soviet Union and that domestic programs should not be funded at the expense of military preparedness.

ARMS TREATY ratification should be delayed, say senators.

Secretary of State James A. Baker III used a wide-ranging meeting with Senate Foreign Relations Committee members yesterday to urge approval of the Strategic Arms Reduction Treaty (START) with the former republics of the Soviet Union.

But Joseph R. Biden Jr., D-Del., questioned why the Senate should consider the treaty, signed in 1991 by President Ronald Reagan and Soviet leader Mikhail S. Gorbachev, when President Bush and Russian leader Boris N. Yeltsin have agreed to deeper weapons cuts.

Biden said that unless the arms pact was updated, defense officials would find a reason to retain more nuclear warheads than the United States needs to defend itself. "There are lots of guys in the basement of the Pentagon looking for new targets for these weapons," he said.

Baker said ratification of the treaty would encourage the republics of Ukraine, Belarus and Kazakhstan to work toward a "non-nuclear future."

But Biden and Richard G. Lugar, R-Ind., urged Baker to negotiate further cuts.

Under START, the U.S. nuclear arsenal would be limited to 8,000 to 9,000 warheads, while the former republics could retain about 1,000 fewer than the United States. Bush has proposed a ceil-

ing of 4,700 warheads and Yeltsin has called for a cut to 2,500.

Baker also said that the United States would not extend \$10 billion in loan guarantees to Israel unless it got assurances that the funds would not be used for policies the Bush administration opposes.

New Israeli settlements in areas mostly occupied by Palestinians are seen by the administration as an obstacle to a U.S.-brokered Arab-Israeli peace accord.

STEAMTOWN COSTS capped at \$66 million by House Interior.

A last-minute deal between a key House Interior Committee member and a top House appropriator produced a compromise bill (HR 3519) to authorize funding for the controversial Steamtown National Historic Site.

The bill gained Interior Committee approval yesterday by voice vote.

The project, designed to bring visitors back to the age of the steam locomotive, is being built in Scranton, Pa., in the district of Joseph M. McDade, the Appropriations Committee's ranking Republican.

Steamtown, which offers steam-powered excursions and showcases a collection of 19th century locomotives and rail cars, was originally authorized in a 1986 omnibus spending bill and has since come under attack as a pork barrel project with limited historical significance.

As approved by the National Parks and Public Lands Subcommittee, HR 3519 would have capped the authorization for the unfinished project at \$53 million, only \$1 million more than already appropriated. But, after negotiations with McDade, subcommittee Chairman Bruce F. Vento, D-Minn., offered an amendment that raised the cap to \$66 million.

As introduced by McDade, the bill would have authorized \$73 million.

The revised bill would limit the number of locomotives that could be refurbished and require that user fees cover 75 percent of the cost of the railroad rides.

Still, several committee members expressed reservations about Steamtown.

"Steamtown was never on anybody's priority list," said Joel Hefley, R-Colo. "It is here because its champion is on the Appropriations Committee."

SPY AGENCIES to be reorganized under Intelligence bills.

The two chairmen of the House and Senate Select Intelligence committees introduced almost identical measures yesterday that would reorganize the U.S. intelligence community.

Rep. Dave McCurdy, D-Okla., and Sen. David L. Boren, D-Okla., said that the two bills aim to kick off the discussion on how intelligence activities should be organized in this "changed world."

TODAY from p. 1

ALJs are employed by federal agencies to adjudicate certain cases arising from federal agency actions, such as suits by people whose government benefits have been eliminated.

Unlike federal judges, ALJs do not have life tenure and may be fired at any time. Each ALJ is assigned to one agency to adjudicate cases and paid by that agency.

Proponents of the legislation contend that the decisions and workloads of ALJs are often affected by inappropriate pressures from agency officials.

The measure would establish an administrative council to appoint new judges and set rules of conduct and procedures for ALJs. The bill would also prohibit the removal of a judge unless sufficient cause, such as misconduct, were shown.

While S 826 is expected to win committee approval, the Justice Department has recommended that the president veto the measure if it is sent to him.

One criticism of the bill is that ALJs are important policy-makers within the agencies they serve and should not be distanced from them.

Budget Plans: The House Agriculture and Energy committees today will become the first panels to craft their recommendations for the fiscal 1993 budget.

Each year, before a congressional budget resolution is developed, House and Senate committees are supposed to send to the Budget committees their recommendations on spending priorities for programs within their jurisdiction.

Members of the Agriculture Committee met privately yesterday to put together their recommendation. The Bush administration has proposed \$15.4 billion for agriculture programs for fiscal 1993, a \$2.2 billion decrease from spending projected for the current fiscal year.

Although work on a budget will be on the fast track this year as congressional leaders seek to respond to President Bush's call for early action on an economic recovery package, many House panels are likely to miss the Feb. 15 deadline because of the congressional recess next week.

Discovery Trail: A proposal to create a 5,500-mile, coast-to-coast recreational trail will come before the House Interior Subcommittee on National Parks and Public Lands today.

The subcommittee will mark up a bill (HR 3011) that would direct the National Park Service and the U.S. Forest Service to study whether it is feasible to create a national scenic trail along the route taken by three hikers in 1990 and 1991.

The trail would link wilderness areas and historic trails and would use existing paths whenever possible, according to bill sponsor Beverly B. Byron, D-Md. ■

NEWS from p. 3

"The world has changed and the intelligence community must change with it," Boren said, adding "... our plans create a leaner, more effective intelligence community to avoid duplication and more fully integrate the intelligence assets of our entire government."

Boren said he talked with President Bush yesterday and assured him that the reorganization process would be worked out in close consultation with the administration.

The measures would eliminate overlapping responsibilities that now exist among some of the intelligence agencies, which would help to reduce the estimated \$30 billion — the actual figure is classified — provided for intelligence activities.

Under the legislation, a new position of director of national intelligence would be created to oversee all of the activities of the intelligence community. The CIA director would report to this new director.

The intelligence community budget would also be separated from the Defense Department budget and the overall figure would be made public.

McCurdy and Boren said they hope to have the reorganization plan cleared for the president by the end of the session.

POW/MIA PANEL heads scheduled trip to Moscow.

The chairman and ranking Republican on the special Senate panel looking into the status of missing American servicemen in Southeast Asia will travel to Moscow next week.

John Kerry, D-Mass., and Robert C. Smith, R-N.H., said they will meet current and former heads of the KGB and defense ministry. They will be looking into reports that Americans taken prisoner during the Vietnam War were held in the Soviet Union.

"It is becoming clear to us that Soviet files may hold important clues about what happened to American servicemen," Kerry said. "We are building a case the Russians cannot ignore, and this trip will help us test their ability and willingness to cooperate."

Smith said that the committee had sworn testimony from former Vietnamese, U.S. and Soviet officials and that "many leads point to Moscow."

The panel — the Select Committee on Prisoner of War/Missing in Action Affairs was set up last year to investigate issues surrounding the 2,267 Americans still listed as missing or unaccounted for since the war ended in 1975.

Oleg Kalugin, a retired KGB major general, told the panel Jan. 21 that he personally dispatched Soviet agents to interview Americans in Vietnam as late as 1978, five years after all American prisoners were said to have been freed.

But the CIA, the Vietnamese government and other KGB officials dispute Kalugin's assertions.

SOVIET WEAPONS removal still pending, Senate panel hears.

Senate Armed Services Committee members heard from officials of the State and Defense departments yesterday on their trip to the former Soviet Union to assess how to help the Soviets dismantle their nuclear weapons.

At the end of last session, Congress gave the president the authority to use \$400 million in defense funding to help the former U.S.S.R. dismantle its nuclear arsenal.

Committee Chairman Sam Nunn, D-Ga., expressed impatience that no proposal had yet come from the administration on how to carry out the dismantling. "I'm not impatient for the expenditure," Nunn said. "I'm impatient for the plan."

Reginald Bartholomew, under secretary of State, told Nunn that the administration's recommendations would be made shortly. He said that the Soviets' problem is not how to take the weapons apart, but rather where to store the nuclear material removed from them. ■

CONGRESSIONAL MONITOR

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Committee Meetings Scheduled Today

Senate Committees

FY93 LEGISLATIVE APPROPRIATIONS Senate Appropriations Committee

Legislative Branch Subcommittee (Chairman Reid, D-Nevada) will hold hearings on fiscal 1993 appropriations for programs under their jurisdiction.

10:30am SD-116 Dirksen Bldg. February 6

Witnesses scheduled:

George White, Jack Russ, Martha Pope - Members, Capitol Police Board;

George White - Architect of the Capitol;

Robert Houk - Public Printer, Government Printing Office

RUSSIAN MILITARY CONVERSION Senate Armed Services Committee

The full committee (Chairman Nunn, D-Ga.) will hold a hearing on military conversion in the Russian Federation.

9:30am SR-222 Russell Bldg. February 6

Witnesses scheduled: Aleksei Adrov - chairman, Russian Parliamentary Commission on Transport, Communications and Informatics; Anatoly Pomichev - general director, Red October Machine-Building Corp.; Oleg Gapanovich - chairman, St. Petersburg Committee on Military Conversion; Vitaly Kuzmin - member of Russian Parliament and a member of the parliament's Industry and Economics Committee; Vladimir Silonov - deputy chief engineer, "Temp" Construction Bureau; Vladimir Uskov - "Lemma" Mathematics and Mechanics Center; Aleksandr Zakbarov - general director, Kalinin Production Association

FINANCIAL INSTITUTION FRAUD Senate Banking Committee

Consumer and Regulatory Affairs Subcommittee (Chairman Dixon, D-Ill.) will hold a hearing on fraud among financial institutions and government efforts to curtail the activity.

10am SD-538 Dirksen Bldg. February 6

Witnesses scheduled:

PANEL: Ira Raphaelson - special counsel, Justice Department; Harold Valentine - General Accounting Office

PANEL: Kitty Calavita - assistant professor, University of California, Irvine; Henry Pontell - associate professor, University of California, Irvine

FISCAL 1993 BUDGET: BUDGET COMMITTEE REVIEW

Senate Budget Committee

The full committee (Chairman Sasser, D-Tenn.) will continue a series of hearings to review the president's proposed 1993 budget, focusing today on the economic outlook.

10am SD-608 Dirksen Bldg. February 6

Witness scheduled: Nicholas Brady - secretary of the Treasury

COMMERCE SECRETARY NOMINATION Senate Commerce Committee

The full committee (Chairman Hollings, D-S.C.) will hold a confirmation hearing on the nomination of Barbara Franklin to be secretary of Commerce.

10am SR-253 Russell Bldg. February 6

★ New listing

■ HAWAIIAN HOMES

Senate Energy Committee

The full committee (Chairman Johnston, D-La.) will hold a hearing on joint resolutions (SJ Res 22-34) to make amendments to the Hawaiian Homes Commission Act.

9:30am SH-216 Hart Bldg. February 6

Witnesses scheduled: Reps Mink, D-Hawaii; Abercrombie, D-Hawaii; Timothy Glidden - counselor to the secretary of Interior; Roger Clegg - deputy assistant Attorney General; John Waihee - governor, Hawaii; Hoaliku Drake - Department of Hawaiian Home Lands; Hoaliku Drake; Kamaki Hanalele - State Council of Hawaiian Homestead Associations; Alan Murakami - Hawaiian Legal Corp; Ann Nathaniel - former chair of the 1983 Federal-State Task Force on the Hawaiian Homes Commission Act; Charles Maxwell - Hawaii Advisory Committee for the U.S. Commission on Civil Rights

★ HHS NOMINATION

Senate Finance Committee

The full committee (Chairman Bentsen, D-Texas) will hold a confirmation hearing and then vote on the nomination of Keven Moley to be deputy secretary of Health and Human Services.

10am SD-215 Dirksen Bldg. February 6

■ COMPETITIVENESS & LONG-TERM TAX POLICY Senate Finance Committee

Taxation Subcommittee (Chairman Boren, D-Okla.) will hold a hearing on competitiveness and long-term tax policy.

2pm SD-215 Dirksen Bldg. February 6

Witnesses scheduled:

PANEL: Martin Feldstein - president and CEO, National Bureau of Economic Research; John Shoven - economics professor, Stanford University

PANEL: Charles Corry - chairman and CEO, USX Corp.; George Hatsopoulos - chairman of the board and president, Thermo Electron Corp.; Winston Chen - chairman and co-chief executive officer, Soletron Corp.; Edward McCracken - president and CEO, Silicon Graphics

FORMER SOVIET REPUBLICS & NUCLEAR WEAPONS

Senate Foreign Relations Committee

The full committee (Chairman Pell, D-R.I.) will hold a hearing on the situation in the four Soviet republics that currently possess nuclear weapons.

2:30pm SD-419 Dirksen Bldg. February 6

Witness scheduled: Reginald Bartholomew - under secretary of State

U.S. POLICY TOWARD NORTH KOREA

Senate Foreign Relations Committee

East Asian and Pacific Affairs Subcommittee (Chairman Cranston, D-Calif.) will hold a hearing on changes in U.S. policy toward North Korea.

10am SD-419 Dirksen Bldg. February 6

Witness scheduled: Arnold Kanter - under secretary of State

IMPACT OF RECESSION ON GOVERNMENT SERVICES

Senate Governmental Affairs Committee

The full committee (Chairman Glenn, D-Ohio) will hold a hearing on the impact of the recession on government services.

10:30am SD-342 Dirksen Bldg. February 6

Witness scheduled: Charles Bowsher - comptroller general, General Accounting Office

■ JUDICIARY COMMITTEE BUSINESS Senate Judiciary Committee

The full committee (Chairman Biden, D-Del.) will meet to discuss pending business.

11:30am SD-226 Dirksen Bldg. February 6

Nominees: Ronald Whyte to be U.S. District Judge, N. District of Calif.; Jon McCalla to be U.S. District Judge, Western District of Tenn.; Julie Carnes to be U.S. District Judge, Northern District of Ga.; Nancy Edmunds to be U.S. District Judge, Eastern District of Mich.; David McKeague to be U.S. District Judge, Western District of Mich.; Phillip Reinhard to be U.S. District Judge, Northern District of Ill.; Sandra Beckwith to be U.S. District Judge, Southern District of Ohio; Steven Merryday to be U.S. District Judge, Middle District of Fla.; Frederick Scullin, Jr. to be U.S. District Judge, Northern District of N.Y.; K. Michael Moore to be U.S. District Judge, Southern District of Fla.

Agenda:

S 826 - Establish a specialized corps of judges necessary for certain federal proceedings required to be conducted

S 758 - Clarify that states, instrumentalities of states, and officers and employees of states acting in their official capacity, are subject to suit in federal court by any person for infringement of patents and plant variety protections, and that all the remedies can be obtained in such suit that can be obtained in a suit against a private entity

S 759 - Amend certain trademark laws to clarify that states, instrumentalities of states, and officers and employees of states acting in their official capacity, are subject to suit in federal court by any person for infringement of trademarks, and that all the remedies can be obtained in a suit against a private entity

S 1521 - Provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material

S 580 - Exclude from the estate of the debtor certain interests in liquid and gaseous hydrocarbons S 1985 - Establish a commission to review the Bankruptcy Code, to amend the Bankruptcy Code in certain aspects of its application to cases involving commerce and credit and individual debtors and add a temporary chapter to govern reorganization of small businesses

S 1941 - Provide a program of emergency unemployment compensation

SJ Res 35 - Amend the Constitution of the U.S. relative to contributions and expenditures intended to affect Congressional and Presidential elections

House Committees

■ HEALTH-CARE REVISION

House Select Aging Committee

Health and Long-Term Care Subcommittee (Chairman Roybal, D-Calif.) and the full committee will hold a joint hearing on the

■ Revised listing

House continued...

need for revision of U.S. long-term health-care policy, focusing on the uninsured and chronically ill.

9:30am 2359-A Rayburn Bldg. February 6
Witnesses scheduled: Rep. Gephardt, D-Mo.; Sen. Wofford, D-Pa.

Gov. Jim Florio, D-N.J.; Henry Simmons - president, National Leadership Coalition for Health Care Reform; Jenifer Simpson - Child Welfare League of America; Carl Praktish - Alzheimer's Association; Val Halamandaris - executive director, The National Association for Home Care; Vera Robirds - South Mile, S.C.; Joseph Liu - senior associate, health division, Children's Defense Fund

■ FULL COMMITTEE MARKUP: 1993 AGRICULTURE BUDGET House Agriculture Committee

The full committee (Chairman de la Garza, D-Texas) will mark up recommendations to the House Budget Committee of fiscal 1993 funding levels for programs within the committee's jurisdiction, known as the budget "views and estimates" report.

9:30am 1300 Longworth Bldg. February 6

GRAINS & OILSEEDS EXPORT ENHANCEMENT PAYMENTS House Agriculture Committee

Wheat, Soybeans and Feed Grains Subcommittee (Chairman Glickman, D-Kan.) will hold a hearing to review the effects on grains and oilseeds producers and markets of making Export Enhancement Bonus payments in cash. Such subsidies, paid to commodity exporters, had been previously made in-kind, but lower commodity stocks have forced cash payments — which have raised subcommittee members' concern.

10:30am 1300 Longworth Bldg. February 6
Witness scheduled: Christopher Goldthwait - general sales manager, Agriculture Department

FISCAL 1993 BUDGET: NATIONAL DEFENSE

House Armed Services Committee

The full committee (Chairman Aspin, D-Wis.) will hold a hearing on the fiscal 1993 national defense authorization request.

10am 2118 Rayburn Bldg. February 6

Witnesses Scheduled: Dick Cheney - secretary of Defense; Colin Powell - chairman, Joint Chiefs of Staff

REVISING GOVERNMENT SECURITIES SALES

House Banking Committee

Domestic Monetary Policy Subcommittee (Chairman Neal, D-N.C.) and the full committee (Chairman Gonzalez, D-Tex.) will hold a joint hearing on proposed revisions to the Government Securities Act. Revisions to the government securities market and auction process have been proposed by the Treasury Department, the Securities and Exchange Commission and the Federal Reserve System. The hearing will focus on their joint report.

10am 2128 Rayburn Bldg. February 6

Witnesses scheduled: Jerome Powell - assistant secretary of the Treasury for domestic finance; Richard Breeden - chairman, Securities and Exchange Commission; David Mullins - vice chair-

man, Board of Governors, Federal Reserve System; Gerald Corrigan - president, Federal Reserve Bank of New York

HIGHER EDUCATION

LOAN PROGRAM

House Education and Labor Committee

Postsecondary Education Subcommittee (Chairman Ford, D-Mich.) will hold a hearing on pending legislation.

9:30am 2175 Rayburn Bldg. February 6

Agenda:

HR 2336 - Establish a higher education loan program in which a borrower's annual repayment obligation is dependent upon both postsecondary income level and borrowing history

HR 3050 - Establish a higher education loan program in which the amount of a student's loan repayment is contingent upon such student's income

Witnesses scheduled:

PANEL 1: Sens. Bradley, D-N.J., Simon, D-Ill.; Rep. Gejdenson, D-Conn.; Michael Bigelow - deputy assistant commissioner, Return Processing, Internal Revenue Service

PANEL 2: J. Shawn Landres - student, Columbia University, N.Y.; Michael Katz - director of financial aid, University of Medicine and Dentistry of N.J.; Jerry Davis - vice president, Research and Policy Analysis, Pa. Higher Education Assistance Agency; Stacey Leyton - vice president, U.S. Student Association; Arthur Hauptman - education consultant, Washington, D.C.; Barry Bluestone - Department of Political Science, University of Mass., Boston

★ ENERGY COMMITTEE BUDGET

House Energy and Commerce Committee

The full committee (Chairman Dingell, D-Mich.) will meet to approve the committee's internal operating budget for 1992.

10am 2123 Rayburn Bldg. February 6

■ SCLERODERMA TREATMENT FDA APPROVAL

House Energy and Commerce Committee

Oversight and Investigations Subcommittee (Chairman Dingell, D-Mich.) will hold a hearing on Food and Drug Administration approval of photopheresis for the treatment of the disease scleroderma.

Following full committee meeting (above)
2123 Rayburn Bldg. February 6

U.S. FOREIGN POLICY

House Foreign Affairs Committee

The full committee (Chairman Farnsworth, D-Idaho) will hold a hearing on U.S. foreign policy and the president's foreign affairs budget request in the post-cold war era.

10am 2172 Rayburn Bldg. February 6

Witness scheduled: James Baker III - secretary of State

■ FEDERAL PAYMENTS TO LOCAL GOVERNMENTS

House Government Operations Committee

Human Resources and Intergovernmental Relations Subcommittee (Chairman Weiss, D-N.Y.) will hold a hearing on legislation (HR 3601) to assist certain local governments in meeting public needs by providing for federal payments to those local governments.

Noon 2154 Rayburn Bldg. February 6

Witnesses scheduled:

PANEL 1: David Dinkens - mayor, New York, N.Y.; Joan Barr - mayor, Evanston, Ill.; Parris Glendening, county executive, Prince Georges County, Md.; Sharpe James - mayor, Newark, N.J.

PANEL 2: Robert Reischauer - director, CBO; Lawrence Thompson - assistant comptroller, GAO; Dr. Amata Miller - representing Network

PANEL 3: Jerry Klepner - director of legislation, AFSCME; Frederick Nesbitt - director of government affairs, International Association of Fire Fighters

Note: This hearing was originally scheduled for February 5.

OFFICE SYSTEMS SUBCOMMITTEE BUSINESS

House Committee on

House Administration

Communications, Computers and Office Systems Subcommittee (Chairman Rose, D-Ill.) will consider pending business.

11am H-328 Capitol Bldg. February 6

■ NORTH KOREA WEAPONS PROGRAMS

House Intelligence Committee

The full committee (Chairman McCurdy, D-Okla.) will hold a hearing on North Korea's special weapons programs.

10am H-405 Capitol Bldg. closed February 6

■ FISCAL 1993 BUDGET: INSULAR AREAS

House Interior Committee

Insular and International Affairs Subcommittee (Chairman de Lugo, D-V.I.) will hold a hearing on the president's fiscal 1993 request for insular areas.

9:45am 1324 Longworth Bldg. February 6

Witnesses scheduled: Stella Guerra - Interior Department; Alexander Farrelly - governor, Virgin Islands; Tali Coleman - governor, American Samoa; Lorenzo Iglecias Guerrero - governor, Northern Mariana Islands; Sandra Pierantozzi - minister of administration, Republic of Palau; Mark Forbes - Office of the Governor, Guam

SUBCOMMITTEE MARKUP: PUBLIC LANDS

House Interior Committee

National Parks and Public Lands Subcommittee (Chairman Vento, D-Minn.) will mark up pending legislation.

10am 340 Cannon Bldg. February 6

Agenda:

HR 2926 - Authorize increased funding for the East Saint Louis portion of the Jefferson National Expansion Memorial

HR 3011 - Designate the American Discovery Trail for study to determine the feasibility and desirability of its designation as a national trail

S 996 - Authorize and direct the secretary of the Interior to terminate a reservation of use and occupancy at the Buffalo National River

■ VIOLENCE AGAINST WOMEN House Judiciary Committee

Crime and Criminal Justice Subcommittee (Chairman Schumer, D-N.Y.) will hold a hearing on the problem of violence against women.

10am 2141 Rayburn Bldg. February 6

Witnesses scheduled:

PANEL 1: Sen. Biden, D-Del.; Rep. Boxer, D-Calif.

House continued...

PANEL 2: Vivian Downing - Pa.; Lisa Doe - N.Y.; William Schenck - prosecuting attorney, Ohio; Jenny Katzoff - N.Y.

PANEL 3: Sherry Sunaz - executive director, Alamo Area Rape Crisis Center, Texas; Guy Pfeiffer - chief magistrate, Crisp County, Ga.; Sandra Sands - past president, D.C. Coalition Against Domestic Violence; Maggie Rosenbaum - division chief, Domestic Crimes, Dade County Attorney's Office, Fla.

MARITIME COMMISSION**House Merchant Marine Committee**

Merchant Marine Subcommittee (Chairman Jones, D-N.C.) will hold a hearing on the fiscal 1993 authorization for the Federal Maritime Commission (FMC).

10am 1334 Longworth Bldg. February 6

Witness scheduled: Christopher Koch - chairman, Maritime Commission

NOAA BUDGET**House Merchant Marine Committee**

Oceanography, Great Lakes and the Outer Continental Shelf Subcommittee (Chairman Hertel, D-Mich.) will hold a hearing on the administration's fiscal 1993 budget request for the National Oceanic and Atmospheric Administration.

2pm 1334 Longworth Bldg. February 6

Witnesses scheduled: John Knauss - undersecretary of Commerce

FAA AIRCRAFT INSPECTION**House Public Works Committee**

Aviation Subcommittee (Chairman Oberstar, D-Minn.) will hold a hearing on a recent General Accounting Office report on persistent problems in the Federal Aviation Administration's aircraft inspection program.

9:30am 2167 Rayburn Bldg. February 6

Witnesses scheduled: Kenneth Mead - director, Transportation Issues, GAO; Mary Sterling - inspector general, Department of Transportation; Anthony Broderick - associate administrator for Regulation and Certification, FAA; Timothy Forte - director, Office of Aviation Safety, National Transportation Safety Board; Howard Johannsen - division chairman, Professional Airways Systems Specialists; Lawrence Crawford - president, Avitas, Inc.; Susan Mertes - director, Government and Industry Affairs, National Air Transportation Association

FISCAL 1993 BUDGET:**ENERGY PROGRAMS****House Science Committee**

Energy Subcommittee (Chairman Lloyd, D-Tenn.) will hold hearings on the Energy Department's fiscal 1993 budget, focusing on environmental restoration and waste management, technology development, and the civilian radioactive waste management program.

9:30am 2318 Rayburn Bldg. February 6

Witnesses scheduled:

PANEL 1: Leo Duffy - assistant secretary of Energy for environmental restoration and waste management; James Gallagher - vice president and general manager, Westinghouse Corp., Pittsburgh, Pa.

PANEL 2: Leo Duffy - assistant secretary of Energy for environmental restoration and waste management; William Rhyne - vice president, H & R Technical Association Inc., Oak Ridge Waste Management Association, Oak Ridge,

Tenn.; William Derrickson - chairman, QUADREX, Gainesville, Fla.

PANEL 3: Frank Peters - deputy director, Office of Civilian Radioactive Waste Management, Energy Department; Robert Bernero - director, Office of Nuclear Materials Safety and Safeguards, Nuclear Regulatory Commission; William Reilly - administrator, Environmental Protection Agency

★ ETHICS MATTERS**House Standards of Official Conduct Committee**

The full committee (Chairman Stokes, D-Ohio) will meet to discuss pending ethics matters.

10am HT-2M Capitol Bldg. closed February 6

TAX PROPOSALS**House Ways and Means Committee**

The full committee (Chairman Rostenkowski, D-Ill.) will hold hearings on the U.S. economy, proposals to provide middle-class tax relief, tax equity and fairness and economic growth.

10am 1100 Longworth Bldg. February 6

Agenda

- 1) President's economic growth package
- 2) HR 3730 - Middle Class Tax Relief and Fairness Act of 1992
- 3) HR 2242 - Amend the Internal Revenue Code to provide tax relief for working families by providing a refundable credit in lieu of the deduction for personal exemptions for children and by increasing the earned-income credit
- 4) HR 3680 - Modify the tax and budget priorities of the United States
- 5) S 1921 - Tax Fairness and Savings Incentive Act of 1991
- 6) HR 3741 - Amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in start-up and other small enterprises
- 7) HR 1721 - Amend the Internal Revenue Code of 1986 to provide a reduction in the capital gains tax on individuals
- 8) HR 3875 - Amend the Internal Revenue Code of 1986 to allow a deduction for capital gains for middle-income taxpayers and to provide for revenue increases to fund such relief
- 9) HR 3202 - Amend the Internal Revenue Code of 1986 to increase the amount of the standard

deduction and to offset the resulting reduction in federal revenues by establishing an additional limitation on itemized deductions

Witnesses scheduled:

PANEL: Jack Hebner - National League of Cities; Marian Wright Edelman - president, Children's Defense Fund; Dean Phypers - chairman, Research and Policy Committee, Committee for Economic Development; Charles Waterman - chairman, Government Relations Council, American Bankers Association; Norma Lauder - chairman, Taxation Committee, American Bankers Association; Morman Ture - president, Institute for Research on the Economics of Taxation

PANEL: Joseph Pacquette - chairman and CEO, Edison Electric Institute; Eugene Ames - chairman, Independent Petroleum Association of America; Louis Gambaccini - vice chairman, American Public Transit Association; Roger Dower - director, Climate, Energy and Pollution Program, World Resources Institute; Dawn Erlandson - director of tax policy, Friends of the Earth

PANEL: Paul Merski - director of fiscal affairs, Tax Foundation; W. Thomas Kelly - president, Savers and Investors League; Tom Bloch - president and CEO, H&R Block Inc.; Marjorie Joder - National Association of Enrolled Agents; James Davidson - chairman, National Taxpayers Union

PANEL: Kathryn VerBeek - Canton, Ohio; Leonard Lee Helton Sr. - Stanley, N.C.; Carl Loeber - fellow, The Democracy Project; Joseph Preite - president, Preite Associates Inc.

PANEL: J. Morton Davis - chairman, D.H. Blair & Co.; Michael Zinn - account executive, Cowen & Co.; Michael Anklam - president and CEO, Pacifica Engineers; Peter Vico - accounting professor, Lincoln University of Pennsylvania; Alfred Walton - Warren, N.J.

Jesse Jackson - National Rainbow Coalition

Joint Committees**■ ECONOMIC REPORT****OF THE PRESIDENT****Joint Economic Committee**

The full committee (Chairman Sarbanes, D-Md.) will hold a hearing to review the economic report of the president.

11am SD-628 Dirksen Bldg. February 6

Witnesses scheduled: Michael Boskin - chairman, Council of Economic Advisers; David Bradford and Paul Wonnacott - members, Council of Economic Advisers

News & Campaign Events Today

--from Reuters

News Events**HEALTH CARE****BUSINESS ADVISORY**

The Healthcare Equity Action League, a coalition of businesses, insurers and health care providers, has available spokespersons to comment on President Bush's speech in Cleveland, Ohio, on health care. The spokespersons are Healthcare Leadership Council President Pam Bailey, National Federation of Independent Business Vice President John Motley, National Association of Wholesaler-Distributors President Dirk Van Dongen and Mark Gorman, director of governmental affairs for

■ Revised listing

★ New listing

The Monitor has received notice of the following events scheduled to take place in Washington. Associations, non-profit organizations and public interest groups who wish to have events listed in the section should send pertinent information to: The Congressional Monitor, Other Events Editor, 1414 22nd St. N.W., Washington, D.C. 20037. Notices must include a telephone number. Notices may be transmitted by facsimile to 202-728-1862, attn: Robert Healy. Only events related to Congress can be listed. Deadline is noon two days before the date of issue (i.e. Monday noon for Wednesday issue). The editors reserve the right to edit or reject any submission. For further information call 202-887-8686.

News Events *continued...*

the National Restaurant Association.
Contact: Sharon Brown, 202-833-4284

SENATE AGENDA OUTLOOK

Sen. Don Nickles, R-Okla., speaks about the Senate's agenda, at U.S. Chamber of Commerce breakfast.

8am 1615 H St. N.W. **February 6**
Contact: Thomas Love, Rick Del Vecchio, 202-463-5682

(EXPORTS SYMPOSIUM)

The American Foreign Service Association and the U.S. Chamber of Commerce sponsor a symposium on export promotion. The symposium will identify how U.S. government export promotion programs can be improved and what the U.S. can learn from foreign export promotion efforts.

8:30am to 6pm State Department, 21st and C streets N.W. **February 6**

Contact: Scott Cohen, 202-232-6872

Highlights

8:40am: Keynote address by Export-Import Bank Chairman John Macomber on "Global Trade in the 1990s: Can the U.S. Compete?" Loy Henderson Conference Room

1pm: Remarks by Deputy Secretary of State Lawrence Eagleburger and a luncheon address by Sen. John Rockefeller, D-W.Va., Ben Franklin Room

BLACK NURSES NEWS CONFERENCE

The National Black Nurses' Association holds a news conference on the health care crisis and the disparity in the health status of African Americans compared with the general population of the United States. Participants include Reps. Louis Stokes, D-Ohio, and John Lewis, D-Ga., and NBNA President Linda Burns Bolton.

9:30am 2168 Rayburn Bldg. **February 6**

Contact: Sadako Holmes, 202-393-6870

PRODUCT PACKAGING NEWS CONFERENCE

Reps. Frank Pallone Jr., D-N.J., and Gerry Sikorski, D-Minn., hold a news conference to present the sixth "Wastemaker" awards to manufacturers of wastefully packaged products. Joining the congressmen will be Susan Birmingham of the U.S. Public Interest Research Group, Lisa Collaton of the Environmental Action Foundation and Bob Collins of Clean Water Action.

10am 311 Cannon Bldg. **February 6**

Contact: Ted Loud or Russell McGurk, 202-225-4671

COMPLYING WITH DISABILITIES ACT

Media briefing by Rep. Dick Swett, D-N.H., and representatives of American Institute of Architects, Council of Better Business Bureaus, Building Owners and Managers Association, International; the Dole Foundation for Employment of People with Disabilities, and other groups, to discuss what they call confusion and false claims in connection with compliance with the Americans with Disabilities Act.

★ *New listing*

abilities Act.

11:30am American Institute of Architects headquarters, 1735 New York Ave. N.W., board room **February 6**

Contact: Dennis R. Smith, 202-626-7464

ECONOMY & ELECTIONS

Donald Straszheim, chief economist, Merrill Lynch & Co., speaks to the National Economists Club, on "The U.S. Economy in an Election Year."

12:30am, Madison Building, 101 Independence Ave. S.E., Montpelier Dining Room **February 6**

Contact: 703-532-9048

EDUCATION ISSUES

House Speaker Thomas Foley, D-Wash., speaks at luncheon banquet at National Summit of Independent Higher Education.

12:30pm to 2pm, Hyatt Regency-Capitol Hill, 400 New Jersey Ave. N.W. **February 6**

Contact: Gail A. Raiman, 202-347-7512; 202-737-1234

CANCER REGISTRIES

Reps. Bernard Sanders, I-Vt., and Mary Rose Oaker, D-Ohio, and Sen. Patrick Leahy, D-Vt., hold news conference to discuss proposed legislation to create a system of cancer registries in the states.

1:30pm 1310 Longworth Bldg. **February 6**

Contact: Debbie Bookchin, 202-225-4115

ADMINISTRATION HEALTH-CARE PLAN

Briefing by Health and Human Services Secretary Louis W. Sullivan on the administration's health care revision plan which President Bush presents at 12:30pm in speech to Greater Cleveland Growth Association. Background materials and text of Bush's speech will be available. These background papers available to media at 11am, embargoed for 12:30pm

2pm, Auditorium of Hubert H. Humphrey Building, 200 Independence Ave. S.W. **February 6**

Contact: 202-245-6343

Note: Admittance to briefing restricted to those with media credentials, and to health-related newsletter reporters who have called in advance to HHS press office, 202-245-6343; a television monitor will be available for others to view the briefing in the Humphrey Building Great Hall

RESPONSE TO ADMINISTRATION HEALTH-CARE PLAN

News conference with Ron Pollack, executive director of Families USA, concerning the administration's health care plan.

1pm, National Press Club, 524 14th St., N.W. **February 6**

Contact: Arnold Bennett, 202-737-6340

★ ADMINISTRATION HEALTH-CARE PLAN

House Republican Leadership Task Force on Health Care will hold a news conference to

discuss the president's health care proposals.

2pm, House Radio-TV Gallery, Capitol Bldg. **February 6**

Contact: Missi Tessier at 202-225-0600

Participants: Reps. Michel, R-Ill.; Gradison, R-Calif.; Johnson, R-Conn.; McMillan, R-N.C.

ECONOMIC INDICATORS AND REPORTS

8:30am: The Labor Department releases the weekly jobless claims report

10am: The Commerce Department releases the factory orders report for December

4:30pm, approx.: The Federal Reserve releases the weekly reports on aggregate reserves and the monetary base, factors affecting bank reserves and money supply

Campaign: General

ETHICS IN CAMPAIGN COVERAGE

Washington Chapter of Medill Alumni Association will sponsor a seminar to hear Richard Schwarzlose discuss "Campaign 1992 — On The Ethics Trail." The session will focus on political reporting in the 1988 presidential campaign, including the coverage of Gary Hart during his presidential bid. A video on issues that arise in campaign journalism.

6pm Northwestern Annenberg-Washington Center, Willard Office Bldg., 14th St. and Pennsylvania Ave. N.W. **February 6**

Contact: Michael Smith at 202-637-3123

Note: There is a charge for this event of \$5 for non-members, no charge for Washington Chapter members. For reservations call the number listed above.

CAMPAIGN FORUM

Peter Hart Research Associates Director Peter Hart addresses a Woman's National Democratic Club forum on "The 1992 Elections." Hart's firm conducts public opinion polling for NBC News and the Wall Street Journal.

7pm, WNDC, 1526 New Hampshire Ave. N.W. **February 6**

Contact: 202-232-7363

Campaign: Congressional

JOURNALISM/POLITICS DINNER LECTURE

The Smithsonian Resident Associate Program hosts a lecture on "Feeding Frenzy: Attack Journalism and the American Political Candidate" by University of Virginia professor Larry Sabato.

6pm Smithsonian Castle **February 6**

Contact: Joan Cole, 202-357-4090, or Julia Taylor, 202-357-4260

■ *Revised listing*

News Events *continued...*

Campaign: Candidates

DEMOCRATS

Jerry Brown

Contact: Ileana Wachtel, 213-449-1992 ext. 917

February 6

In California

7:30pm: Attends "We the People" Revival. Scottish Rite Temple, 4357 Wilshire Blvd., Los Angeles, Calif.

Bill Clinton

Contact: Richard Mintz or Steven Cohen, 501-372-1992

February 6

In New Hampshire

10:20am: Tours a fire station. 100 Merrimack St., Manchester, N.H.

12:30pm: Addresses the New England Community Action Program. Sheraton Tara, Tara Boulevard, Nashua, N.H.

7pm: Gives a speech. Academy Building, Tan Lane, Exeter, N.H.

Tom Harkin

Contact: Lorraine Voles or Kerri McClimen, 301-656-1992

February 6

In New Hampshire

5:45am: Handshaking with workers of James River/Cascade Division pulp and paper mill. Cascade Flats, Berlin, N.H.

6:45am: Handshaking with workers of James River/Burgess Division pulp and paper mill. Unity Street, Berlin, N.H.

7:45am: Breakfast. Choo Choo's Restaurant, 102 Main St., Berlin, N.H.

11am: Visits Merrimack Valley Day Care. 19 North Fruit St., Merrimack, N.H.

1:30pm: Addresses the American Pilots Association. Sheraton Wayfarer, 125 South River Road, Bedford, N.H.

7:15pm: Gives a speech at a presidential forum sponsored by the New England Community Action Association. Sheraton Tara Hotel, Nashua, N.H.

Bob Kerrey

Contact: Steve Jarding or Carolyn Rauch, 202-393-4110

February 6

In New Hampshire

7:15am: Greets workers. Lockheed Sanders, Canal Street, Nashua, N.H.

8am: Addresses students. Nashua High School, Riverside Drive, Nashua, N.H.

10am: Addresses the New England Community Action Association. Sheraton Tara Hotel, Tara Boulevard, Nashua, N.H.

3pm: Addresses students. Thayer High School, 43 Parker St., Winchester, N.H.

6pm: Meet and greet. Pub Restaurant, Winchester Street, Keene, N.H.

7pm: Addresses students. Keene State College, 229 Main St., Keene, N.H.

8pm: Visits the Keene VFW with fellow Navy SEALs. Keene VFW, 459 Winchester St., Keene, N.H.

Paul Tsongas

Contact: Andy Freed, 617-422-0100

February 6

In Concord and Manchester, N.H.

2:30pm: Addresses a presidential candidate forum. Sheraton Tara Hotel, Nashua, N.H.

REPUBLICANS

Pat Buchanan

Contact: Greg Mueller or Don Miller, 703-683-5004, or Jerry Woodruff, 703-790-9292

February 6

In Bethesda, Md.

6pm to 8pm: Attends a rally. Nantucket Landing restaurant, Bethesda, Md.

David Duke

Contact: Laura Otilio, 504-831-7745

February 6

No campaign events scheduled

INDEPENDENTS

Ralph Nader

Contact: Carl Mayer, 603-641-5577

February 6

No campaign-related events scheduled

House and Senate Leadership

SENATE

Democrats

President Pro Tempore — Robert C. Byrd, W.Va.
Majority Leader — George J. Mitchell, Maine
Majority Whip — Wendell H. Ford, Ky.
Conference Chairman — George J. Mitchell, Maine
Conference Secretary — David Pryor, Ark.
Policy Committee Chairman — George J. Mitchell, Maine
Policy Committee Co-Chairman — Tom Daschle, S.D.
Steering Committee Chairman — Daniel K. Inouye, Hawaii
Democratic Senatorial Campaign Committee Chairman — Charles S. Robb, Va.

Republicans

President — Dan Quayle
Minority Leader — Bob Dole, Kan.
Assistant Minority Leader — Alan K. Simpson, Wyo.
Conference Chairman — Thad Cochran, Miss.
Conference Secretary — Bob Kasten, Wis.
Policy Committee Chairman — Don Nickles, Okla.
Committee on Committees Chairman — Trent Lott, Miss.
National Republican Senatorial Committee Chairman — Phil Gramm, Texas

HOUSE

Speaker of the House — Thomas S. Foley, Wash.
Majority Leader — Richard A. Gephardt, Mo.
Majority Whip — David E. Bonior, Mich.
Caucus Chairman — Steny H. Hoyer, Md.
Caucus Vice Chairman — Vic Fazio, Calif.
Chief Deputy Whips — Butler Derrick, S.C.; John Lewis, Ga; Barbara B. Kennelly, Conn.
Steering and Policy Committee Chairman — Thomas S. Foley, Wash.
Democratic Congressional Campaign Committee Chairman — Vic Fazio, Calif.

Minority Leader — Robert H. Michel, Ill.
Minority Whip — Newt Gingrich, Ga.
Conference Chairman — Jerry Lewis, Calif.
Conference Vice Chairman — Bill McCollum, Fla.
Conference Secretary — Vin Weber, Minn.
Chief Deputy Whips — Steve Gunderson, Wis.; Robert S. Walker, Pa.
Policy Committee Chairman — Mickey Edwards, Okla.
Committee on Committees Chairman — Robert H. Michel, Ill.
Research Committee Chairman — Duncan Hunter, Calif.
National Republican Congressional Committee Chairman — Guy Vander Jagt, Mich.

Senate Committees Future Listings

Aging

224-5364

HEALTH-CARE REVISION

Field Hearings

Senate Select Aging Committee (Chairman Pryor, D-Ark.) will hold a series of field hearings on revision of the nation's health care system.

9:30am, West Arkansas Community College, Breed Love Bldg., Fort Smith, Ark. February 10

9:30am, Arkansas State University, Reng Center, Jonesboro, Ark. February 11

9:30am, South Arkansas Arts Center, El Dorado, Ark. February 12

Agenda:

February 10: Long-Term Care and Prescription Drug Costs

February 11: Skyrocketing Health-Care Costs and the Impact on Individuals and Businesses

February 12: Answers to the Health Care Dilemma

NURSING HOME

FINANCING FRAUD

Senate Select Aging Committee (Chairman Pryor, D-Ark.) will hold a hearing on investment frauds involving the use of tax-exempt bonds to purchase nursing homes.

Time & room TBA date TBA

Note: This hearing was originally scheduled for February 5.

Appropriations

224-3471

FY93 AGRICULTURE APPROPS

Agriculture, Rural Development, and Related Agencies Subcommittee (Chairman Burdick, D-N.D.) of Senate Appropriations Committee will hold hearings on fiscal 1993 appropriations for programs under its jurisdiction.

10am SD-138 Dirksen Bldg. February 25, March 3, 17, 20, 27, April 3, 7

Agenda:

February 25: Secretary of Agriculture

March 3: Agricultural Research Service, Cooperative State Research Service, Extension Service

March 17: Food and Nutrition Service, Human Nutrition Information Service

March 20: Farmers Home Administration, Federal Crop Insurance Corporation, Rural Electrification Administration, Rural Development Administration

March 27: Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Agricultural Marketing Service

April 3: Agricultural Stabilization and Conservation Service, Foreign Agricultural Service, General Sales Manager, Soil Conservation Service

April 7: Commodity Futures Trading Commission, Food and Drug Administration, Farm Credit Administration, Farm Credit System Assistance Board.

★ FY93 DEFENSE APPROPS

Defense Subcommittee (Chairman Inouye, D-Ha.) of Senate Appropriations Committee will hold hearings on fiscal 1993 appropriations for programs under its jurisdiction.

★ New listing

9am SD-192 Dirksen Bldg. February 25
1:30pm SD-116 Dirksen Bldg. closed February 27

9am SD-192 Dirksen Bldg. March 3, 5, 17, 19

9am S-407 Capitol Bldg. closed March 24

9am SD-192 Dirksen Bldg. March 26, 31, April 2

9am S-407 Capitol Bldg. closed April 7

9am SD-192 Dirksen Bldg. April 9, 28, 30, May 5, 7, 12, 14, 19, 21, July 21

Agenda:

February 25: Fiscal Year 1993 budget overview

Donald Atwood - Deputy Secretary of Defense

February 27: Global Overview

Gen. Colin Powell - chairman, Joint Chiefs of Staff

Base Force: manpower and equipment requirements; Total Force Concepts: Guard and reserve restructuring

March 3: Navy/Marine budget: Secretary of the Navy; Chief of Naval Operations; Commandant of the Marine Corps

March 5: Army Budget: Secretary of the Army; Army Chief of Staff

March 17: Air Force Budget: Secretary of the Air Force; Air Force Chief of Staff

March 19: National Guard and Reserve: Manpower and Equipment requirements; Restructuring

March 24: Classified Programs

March 26: Voluntary Military Service; Women in the Military; Family Life Issues

March 31: TBA

April 2: Manpower/Personnel/Health: Asst. Secretary of Defense for Health Affairs; Service Personnel Chiefs

April 7: NFIP Intelligence Programs; TIARA Programs, Integration of NFIP and TIARA Programs

April 9:

Strategic Programs: Strategic Command

Gen. Butler

SDI

Henry Cooper

April 28 & 30; May 5, 7 & 12: Special issue hearings

May 14: Outside Witnesses

May 19: Richard Cheney - secretary of Defense

May 21: Richard Cheney - secretary of Defense (alternate date)

July 21: Subcommittee markup

■ FY93 LEGISLATIVE APPROPS

Legislative Branch Subcommittee (Chairman Reid, D-Nevada) of Senate Appropriations Committee will hold hearings on fiscal 1993 appropriations for programs under its jurisdiction.

10:30am SD-116 Dirksen Bldg. February 6

10am SD-116 Dirksen Bldg. February 7

Witnesses scheduled:

February 6: Members - Capitol Police Board;

George White - Architect of the Capitol;

Robert Houk - Public Printer, Government Printing Office

February 7: Library of Congress, General Accounting Office

FY93 TRANSPORTATION AND RELATED AGENCIES APPROPS

Transportation and Related Agencies Subcommittee (Chairman Lautenberg, D-N.J.) of Senate Appropriations Committee will hold hearings on the fiscal 1993 appropriations for programs under its jurisdiction.

Time TBA SD-138 Dirksen Bldg. Week of February 24

10am SD-138 Dirksen Bldg. March 5, 19, 25,

April 2, 9, 30, May 7, 14, 21

Agenda:

Week of February 24: Overview

March 5: Interstate Commerce Commission, Inspector General

March 19: Federal Highway Administration

March 25: National Highway Traffic Safety Administration, Research and Special Programs Administration

April 2: National Transportation Safety Board

April 9: Amtrak, Federal Railroad Administration

April 30: Federal Transit Agency, Washington Metropolitan Area Transit Authority

May 7: U.S. Coast Guard

May 14: Federal Aviation Administration

May 21: General Accounting Office

FY93 VA, HUD APPROPS

VA, HUD, and Independent Agencies Subcommittee (Chairman Mikulski, D-Md.) of Senate Appropriations Committee will hold hearings on the FY93 appropriations for programs under its jurisdiction.

10am SH-216 Hart Bldg. February 21

2:30pm SD-138 Dirksen Bldg. February 27

2pm SD-216 Hart Bldg. March 5

9:30am SD-124 Dirksen Bldg. March 19

9:30am SD-116 Dirksen Bldg. March 25

9:30am SD-G50 Dirksen Bldg. March 26

9:30am SD-116 Dirksen Bldg. April 2

9:30am SD-G50 Dirksen Bldg. April 9 & 30

9:30am SD-124 Dirksen Bldg. May 7 & 14

9:30am SD-116 Dirksen Bldg. May 21

9:30am SD-138 Dirksen Bldg. May 22

Agenda:

February 21: Soviet space assets

February 27: American Battle Monuments Commission, Selective Service System, Council of Economic Advisers

March 5: Consumer Product Safety Commission, Office of Consumer Affairs, Consumer Information Center

March 19: National Science Foundation, Office of Science and Technology Policy

March 25: Nuclear Regulatory Commission, National Credit Union Association

March 26: Environmental Protection Agency, Council on Environmental Quality

April 2: Federal Deposit Insurance Corporation, Resolution Trust Corporation

April 9: National Aeronautics and Space Administration (NASA)

April 30: Housing and Urban Development Department (HUD)

May 7: Veterans Affairs Department, Council of Veterans' Appeals

May 14: Federal Emergency Management Agency

May 21: National Service; Points of Light

May 22: Public witnesses

Commerce, Science & Transportation

224-5115

TRANSPORTATION SECRETARY NOMINATION

Senate Commerce, Science and Transportation Committee (Chairman Hollings, D-S.C.) will hold a confirmation hearing on the nomination of Andrew Card Jr. to be secretary of Transportation.

9:30am SR-253 Russell Bldg. February 7

■ Revised listing

Senate continued...**★ EARTH OBSERVING SYSTEM**

Science, Technology and Space Subcommittee (Chairman Gore, D-Tenn.) of Senate Commerce, Science and Transportation Committee will hold an oversight hearing on the National Aeronautics and Space Administration's Earth Observing System.

9:30am SR-253 Russell Bldg. February 26

★ AMTRAK REAUTHORIZATION

Surface Transportation Subcommittee (Chairman Exon, D-Neb.) of Senate Commerce, Science and Transportation Committee will hold a hearing on the reauthorization of Amtrak.

2:30pm SR-253 Russell Bldg. February 26

Finance

224-4515

PRESIDENT'S BUDGET & ECONOMIC GROWTH

Senate Finance Committee (Chairman Bentsen, D-Texas) will hold hearings on economic growth and the president's budget proposals.

10am SD-215 Dirksen Bldg. February 12, 13, 18 & 19

Agenda:

February 12: Bush tax proposals - administration witnesses

February 13: How Bush tax proposals will affect the economy in the short and long term - economists and private sector witnesses

February 18: Bush health proposals - administration and private witnesses

February 19: Testimony from members and Congress and additional private witnesses

★ AFFORDABLE HEALTH CARE

Senate Finance Committee (Chairman Bentsen, D-Texas) will hold a hearing on legislation (S 1872 - Better Access to Affordable Health Care Act of 1991) to provide for improvements in access and affordability of health insurance coverage through small employer health insurance reform, for improvements in the portability of health insurance and for health care cost containment.

10am SD-215 Dirksen Bldg. February 20

Governmental Affairs

224-4751

GOVERNMENT'S ROLE IN ENERGY CONSERVATION

Senate Governmental Affairs Committee (Chairman Glenn, D-Ohio) will hold a hearing on the government's role in encouraging the development of energy conservation programs.

9:30am SD-342 Dirksen Bldg. February 18

AIR FORCE COMPLIANCE WITH FINANCIAL CONTROLS

Senate Governmental Affairs Committee (Chairman Glenn, D-Ohio) will hold a hearing

★ New listing

on the ability of the Department of the Air Force to comply with the Chief Financial Officer Act of 1990.

10am SD-342 Dirksen Bldg. February 19

BENEFITS FOR WORKERS AFFECTED BY BASES CLOSINGS

Federal Services, Post Office and Civil Service Subcommittee (Chairman Pryor, D-Ark.) of Senate Governmental Affairs Committee will hold a hearing on creating a benefit package for federal employees affected by base closings.

9:30am 342 Dirksen Bldg. February 20

IMPACT OF AIRLINE FAILURES ON CONSUMERS

Senate Governmental Affairs Committee (Chairman Glenn, D-Ohio) and Ad Hoc Committee on Consumer Affairs (Chairman Lieberman, D-Conn.) will hold a joint hearing on the potential impact of airline failures on consumers.

9:30am SD-342 Dirksen Bldg. February 21

ENERGY DEPT. ENVIRONMENTAL HEALTH & SAFETY ISSUES

Senate Governmental Affairs Committee (Chairman Glenn, D-Ohio) will hold a hearing on the environmental safety and health issues related to the downsizing of the Department of Energy's weapons programs.

9:30am SD-342 Dirksen Bldg. February 25

CURRENT TRENDS IN MONEY LAUNDERING

Permanent Subcommittee on Investigations (Chairman Nunn, D-Ga.) of Senate Governmental Affairs Committee will hold a hearing on current trends in money laundering.

9:30am SD-342 Dirksen Bldg. February 27

WEAPONS PROLIFERATION

Senate Governmental Affairs Committee (Chairman Glenn, D-Ohio) will hold a hearing on the proliferation of weapons in the post-Cold War world.

Time and room TBA date TBA

Note: This hearing was originally scheduled for January 21.

Indian Affairs

224-2251

FULL COMMITTEE MARKUP

Senate Select Indian Affairs Committee (Chairman Inouye, D-Hawaii) will mark up pending legislation.

2:30pm SR-485 Russell Bldg. February 25

Agenda:

S 1602 - Ratify a compact between the Assinibone and Sioux Indian Tribes of the Fort Peck Reservation and the state of Montana

FISCAL 1993 BUDGET: INDIAN PROGRAMS

Senate Select Indian Affairs Committee (Chairman Inouye, D-Hawaii) will hold a hearing on the fiscal 1993 budget proposals for Indian programs.

Following full committee business meeting (above) SR-485 Russell Bldg. February 25

GAMBLING ON INDIAN RESERVATIONS

Senate Select Indian Affairs Committee (Chairman Inouye, D-Hawaii) will hold an oversight hearing on the implementation of the Indian Gaming Regulatory Act, which governs gambling on Indian reservations.

9:30am SR-485 Russell Bldg. March 18

TRIBAL COURT RECOGNITION

Senate Select Indian Affairs Committee (Chairman Inouye, D-Hawaii) will hold a hearing on legislation (S 1752) to provide for the development, enhancement, and recognition of Indian tribal courts.

9:30am SR-485 Russell Bldg. March 23

INDIAN HEALTH-CARE IMPROVEMENT

Senate Select Indian Affairs Committee (Chairman Inouye, D-Hawaii) will hold a hearing on proposed legislation to authorize funds for programs of the Indian Health Care Improvement Act.

9:30am SR-485 Russell Bldg. April 1

Labor & Human Resources

224-5375

SENIOR CITIZEN NUTRITION

Aging Subcommittee (Chairman Adams, D-Wash.) of Senate Labor and Human Resources Committee will hold a hearing on the cost of providing for the nutritional needs of senior citizens.

10am SD-430 Dirksen Bldg. February 20

Note: This hearing was originally scheduled on Feb 6.

Veterans' Affairs

224-9126

LEGISLATIVE AGENDAS OF VETERANS' GROUPS**Joint Hearing**

Senate Veterans' Affairs Committee (Chairman Cranston, D-Calif.) and House Veterans' Affairs Committee (Chairman Montgomery, D-Miss.) will hold joint hearings on the legislative agendas of veterans' groups.

9:30am 345 Cannon Bldg. February 25, March 3, 5

9:30am SD-106 Dirksen Bldg. April 8

Agenda:

February 25: Disabled American Veterans

March 3: Veterans of Foreign Wars

March 5: Paralyzed Veterans of America; World War I veterans; Blind Veterans of America; Military Order of the Purple Heart

April 8: AMVETS; Ex-prisoners of War; Jewish War Veterans; Non-Commissioned Officers Association; Vietnam Veterans of America

FISCAL 1993 BUDGET: VETERANS PROGRAMS

Senate Veterans' Affairs Committee (Chairman Cranston, D-Calif.) will hold a hearing on the fiscal 1993 veterans' programs budget.

9:30am 418 Russell Bldg. February 27

■ Revised listing

House Committees Future Listings

Aging

EXERCISE, HEALTH & AGING

Human Services Subcommittee (Chairman Downey, D-N.Y.) of House Select Aging Committee will hold a hearing on exercise, health and aging.

1pm 345 Cannon Bldg. February 25

Agriculture

225-2171

PESTICIDES

Department Operations, Research and Foreign Agriculture Subcommittee (Chairman Rose, D-N.C.) of House Agriculture Committee will hold a hearing on minor use pesticides, integrated pest management and biological pesticides.

9:30am 1300 Longworth Bldg. February 19

Appropriations

225-2771

FY93 AGRICULTURE & RURAL DEVELOPMENT APPROPS

Rural Development, Agriculture and Related Agencies Subcommittee (Chairman Whitten, D-Miss.) of the House Appropriations Committee will hold hearings on fiscal 1993 appropriations for programs under its jurisdiction.

1pm 2362 Rayburn Bldg. February 18, 19, 20

10am 2362 Rayburn Bldg. February 21
1pm 2362 Rayburn Bldg. February 24, 25, 26, 27

10am 2362 Rayburn Bldg. February 28
1pm 2362 Rayburn Bldg. March 2, 3, 4, 5, 9, 10, 11, 12

10am 2362 Rayburn Bldg. March 13
1pm 2362 Rayburn Bldg. March 16, 17, 18, 19

Agenda:

February 18: Budget overview
February 19: General agricultural outlook
February 20: Farm Credit Administration; Farm Credit Assistance Corporation
February 21: Inspector General overview
February 24: Secretarial offices; departmental administration
February 25 & 26: Budget overview - Edward Madigan, secretary of Agriculture
February 27: Food and Drug Administration
February 28: Office of General Counsel
March 2: Economic Research Service; National Agricultural Statistics Service; World Agricultural Outlook Board
March 3: Agricultural Research Service
March 4: Cooperative State Research Service; Extension Service; National Agricultural Library
March 5: Soil Conservation Service
March 8: Food Safety and Inspection Service; Agricultural Marketing Service; Federal Grain Inspection Service
March 10: Animal and Plant Health Inspection Service; Agricultural Cooperative Service; Packers and Stockyards Administration
March 11: Agricultural Stabilization and Con-

servation Service; Commodity Credit Corporation
March 12: Foreign Agricultural Service; Office of International Cooperation and Development; Office of the General Sales Manager

March 13: Office of Public Affairs; congressional relations

March 16: Rural Electrification Administration; Federal Crop Insurance Corporation

March 17: Commodity Futures Trading Commission

March 18: Farmers Home Administration (including rural development programs)

March 19: Human Nutrition Information Service; Food and Nutrition Service

FY93 ENERGY & WATER APPROPS

Energy and Water Development Subcommittee (Chairman Bevell, D-Ark.) of House Appropriations Committee will hold hearings on fiscal 1993 appropriations for programs under its jurisdiction.

10am 2362 Rayburn Bldg. February 18, 19, 20, 24, 25, 26, 27, March 2, 3, 4, 5, 9

10am 2362 Rayburn Bldg. closed March 10, 11

10am & 11am 2362 Rayburn Bldg. March 12
10am 2362 Rayburn Bldg. March 16, 17, 18

10am & 2pm 2362 Rayburn Bldg. March 25, 26, 30, 31

9:30am & 2pm 2362 Rayburn Bldg. April 1
Agenda & witnesses scheduled:

February 18: Assistant secretary of the Army; Chief, Army Corps of Engineers

February 19: Army Corps of Engineers: Ohio River Division, Southwestern Division, Missouri River Division, North Pacific Division

February 20: Army Corps of Engineers: South Atlantic Division, Lower Mississippi Valley Division, Pacific Ocean Division

February 24: Army Corps of Engineers: South Pacific Division, North Central Division, New England Division, North Atlantic Division

February 25: Army Corps of Engineers: Remaining items

February 26: Appalachian Regional Commission

February 27: Manuel Lujan Jr. - secretary of Interior

Bureau of Reclamation; River Basin Commissions: Delaware River Basin Commission, Susquehanna River Basin Commission, Interstate Commission on the Potomac River Basin

Energy Department

March 2: James Watkins - secretary of Energy
March 3: Environment, Safety and Health; Environmental Restoration and Waste Management; Defense Nuclear Facilities Safety Board

March 4: General Science; Basic Energy Sciences; Fusion; Supporting Technology

March 5: Solar and Renewables; Nuclear Fission; Nuclear Safety; Uranium Supply & Enrichment Activities

March 9: Nuclear Waste Disposal Fund; Nuclear Waste Negotiator; Nuclear Waste Technical Review Board

March 10: Atomic Energy Defense Activities
March 11: Atomic Energy Defense Activities

March 12: Nuclear Regulatory Commission; Federal Energy Regulatory Commission

March 16: Power Marketing Administration
March 17: Departmental Administration

March 18: Tennessee Valley Authority
March 25, 26, 30, 31; April 1: Members of Congress & outside witnesses

LOAN GUARANTEES TO ISRAEL

Foreign Operations, Export Financing and Related Programs Subcommittee (Chairman Obey, D-Wis.) of House Appropriations Committee will hold a hearing on loan guarantees to Israel and Israeli settlement activity in the occupied territories.

10am 2360 Rayburn Bldg. February 21

FY93 INTERIOR & RELATED AGENCIES APPROPS

Interior and Related Agencies Subcommittee (Chairman Yates, D-Ill.) of the House Appropriations Committee will hold a series of hearings on fiscal 1993 appropriations for programs under its jurisdiction.

1:30pm B-308 Rayburn Bldg. February 18

10am B-308 Rayburn Bldg. February 20, 25, 26, March 3

10am & 1:30pm B-308 Rayburn Bldg. March 4, 5

10am B-308 Rayburn Bldg. March 10

10am & 1:30pm B-308 Rayburn Bldg. March 12

10am B-308 Rayburn Bldg. March 17

10am & 10:30am & 11am B-308 Rayburn Bldg. March 19

10am & 1:30pm B-308 Rayburn Bldg. March 24

10am B-308 Rayburn Bldg. March 25, 26

10am & 1:30pm B-308 Rayburn Bldg. March 31, April 1, 2, 7

10am B-308 Rayburn Bldg. April 8, 9, 28, 29, 30, May 5

10am & 1:30pm B-308 Rayburn Bldg. May 6

10am B-308 Rayburn Bldg. May 7, 12

10am & 1:30pm B-308 Rayburn Bldg. May 13

10am B-308 Rayburn Bldg. May 14, 19

Agenda:
February 18: National Capitol Planning Commission; Advisory Council on Historic Preservation

February 20: Outside Witnesses; Energy Programs

February 25: Energy Information Administration; Economic Regulatory Administration; Emergency Preparedness, Office of Hearing and Appeals

February 26: Outside Witnesses; Natural Resources

March 3: Pennsylvania Avenue Development Corporation

March 4 & 5: Outside Witnesses, Indian Programs

March 10: Office of Secretary; Solicitor General; Inspector General

March 12:
10am: Bureau of Mines

1:30pm: Office of Surface Mining

March 17: FDR Memorial Commission; Institute of American Indian Art; Indian Gaming Commission

March 19:
10am: Institute of Museum Services

10:30am: Woodrow Wilson Institute

11am: Indian Education

March 24: Smithsonian Institution

March 25 & 26: Secretary of Interior

March 31: Geological Survey

April 1: National Park Service

April 2: Bureau of Indian Affairs

April 7: Indian Health Service

April 8: Conservation

April 9: Outside Witnesses; National Endowment for the Arts; National Endowment for the Humanities; Institute of Museum Services

April 28: Fire Service

House continued...

April 29: Fish and Wildlife Service
April 30: Fossil Energy; Clean Coal; Strategic Petroleum Reserves; Naval Petroleum Reserves
May 5: National Endowment for the Arts
May 6: Minerals Management Service; Holocaust Memorial Commission
May 7: Bureau of Land Management
May 12: National Endowment for the Humanities
May 13:
 10am: Commission on Fine Arts; National Gallery of Art
 1:30pm: Navajo Hopi Indians Council Meeting
May 14: Territories
May 19: Members of Congress

FY93 TRANSPORTATION & RELATED AGENCIES APPROPRIATIONS

Transportation and Related Agencies Subcommittee (Chairman Lehman, D-Fla.) of the House Appropriations Committee will hold a series of hearings on fiscal 93 appropriations for programs under its jurisdiction.

1pm 2358 Rayburn Bldg. **February 18**
 10am & 2pm Rayburn Bldg. **February 19, 25, 26, 27, March 3, 4, 5, 10, 11, 12, 17, 18, 19, 31, April 1**

1pm 2358 Rayburn Bldg. **April 6**
 10am & 2pm Rayburn Bldg. **April 7, 8, 9, 28, 29, 30**

Agenda:

February 18: Secretary of Transportation
February 19: Interstate Commerce Commission
February 25: Inspector General
February 26: National Transportation Safety Board
February 27: St. Lawrence Seaway Development Corporation
March 3 & 4: Coast Guard
March 5: Research and Special Programs Administration
March 10: Panama Canal Commission
March 11: National Highway Traffic Safety Administration
March 12: Architectural and Transportation Barriers Compliance Board
March 17: Federal Highway Administration
March 18: Federal Railroad Administration (FRA)
March 19: Amtrak and FRA
March 31: Federal Transit Administration (FTA)
April 1: Washington Area Transit Authority and FTA
April 6, 7 & 8: Federal Aviation Administration (including testimony from the General Accounting Office)
April 9: Office of the Secretary
April 28, 29 & 30: Outside Witnesses

FY93 TREASURY, POSTAL SERVICE & GENERAL GOVERNMENT APPROPRIATIONS

Treasury, Postal Service and General Government Subcommittee (Chairman Roybal, D-Calif.) of the House Appropriations Committee will hold a series of hearings on fiscal 1993 appropriations for programs under their jurisdiction.

1pm H-164 Capitol Bldg. **February 18**
 10am & 2pm H-164 Capitol Bldg. **February 25, 26**

10am H-164 Capitol Bldg. **March 3** 10am & 2pm H-164 Capitol Bldg. **March 5, 10**
 10am H-164 Capitol Bldg. **March 11, 12, 17, 18, 19, 25, April 1, 2, 7, 8, 9**

Agenda:

February 18: U.S. Postal Service
February 25:
 10am - Administrator of the General Services Administration (GSA); Federal Buildings Fund;
 2pm - Federal Buildings Fund

★ New listing

February 28:

10am - Federal Supply Service; Federal Property Resources Services; Federal Property Relocation
 2pm - Office of the Inspector General, GSA; General Management and Administration; Allowances and Office Staff for Former Presidents; Presidential Transition; Information Resources Management Service

March 3: U.S. Customs Service

March 4: Bureau of Engraving and Printing; Bureau of Public Debt; Savings Bond Division; Departmental Offices; International Affairs

March 5:

10am - U.S. Secret Service; Bureau of Alcohol, Tobacco and Firearms
 2pm - Armed Career Criminal Enforcement Program

March 10:

10am - Internal Revenue Service
 2pm - Tax Systems Modernization Program

March 11: Financial Crimes Enforcement Network; Office of the Inspector General, Treasury; Financial Management Service; Federal Law Enforcement Training Center; U.S. Mint

March 12: Secretary of Treasury

March 17: White House Office; Office of Administration; Compensation of the President; Official Residence of the Vice President; Special Assistance to the President; Unanticipated Needs

March 18: Merit Systems Protection Board; Office of Special Counsel; Federal Labor Relations Authority; Committee for Purchases from the Blind and Handicapped

March 19: Federal Election Commission; National Archives and Records Administration; Administrative Conference of the United States; Advisory Commission on Intergovernmental Relations

March 25: Executive Residence at the White House; National Critical Materials Council; United States Tax Court; Office of Government Ethics

April 1: Office of Policy Development; National Security Council; Office of Federal Procurement Policy; Council of Economic Advisors

April 2: Office of Personnel Management (OPM); Office of Inspector General, OPM

April 7: Office of National Drug Control Policy

April 8: Outside Witnesses

April 9: Office of Management and Budget

Armed Services

225-4151

WEAPONS PROLIFERATION

Investigations Subcommittee (Chairman Mavroules, D-Mass.) of House Armed Services Committee will hold a hearing on weapons proliferation.

Time and room TBA date TBA

Note: This hearing was originally scheduled for February 5.

Banking, Finance & Urban Affairs

225-4247

STATE OF REGIONAL ECONOMIES**Field Hearings**

House Banking, Finance and Urban Affairs Committee (Chairman Gonzalez, D-Texas) will continue its series of field hearings on the state of the economy around the country.

9am Cudell Recreation Center (located at intersection of Detroit Road & West Boulevard), Cleveland, Ohio **February 7**

9:30am Lincoln Room of the Patriotic Cen-

ter, 1816 Figueroa St., Los Angeles, Calif. **February 10**

Witnesses scheduled:

February 7: Jay Westbrook - president, Cleveland City Council

PANEL: George Zeller - senior researcher, Council for Economic Activity in Greater Cleveland

PANEL: Lisa Thomas - director, Cleveland Health Care for the Homeless; Mike McGee - peer counselor II, Downtown Service Center; Monica Hardy - resident, American Red Cross Transitional Housing Shelter; Diane and Steve DiFranco - first time homebuyers; Monica Moore - director of commercial development, Hough Area Partners in Progress; Anita Brindza - director, Cudell Improvement, Inc.

PANEL: Lou Keim - director of community services, United Labor Agency; Nancy Oakley - director, Project Learn; Thomas Gannon - project director, Regional Industry Center Project; Francisco Molina - executive director, Spanish-American Committee (tentative appearance)

PANEL: Brenda Welch - executive director, Hitchcock Center for Women; John Lisy - quality assessment director, Hitchcock Center for Women; Davarra Holland - president, Hitchcock House Alumni Assoc.; Greer Kabb - manager of the employee assistance program service, Ohio Health Care Plan

PANEL: Bob Ciesick - senior partner with Meaden & Moore, representing Council for Smaller Enterprises; Enrique Torres - executive director, Hispanic Business Assoc.; Michael Waller - president, Cleveland Telecommunications Corp.

REVIEW OF ECONOMY

Domestic Monetary Policy Subcommittee (Chairman Neal, D-N.C.) of House Banking, Finance and Urban Affairs Committee will hold a series of hearings on U.S. monetary policy.

Time TBA 2222 Rayburn Bldg. **February 18**

Time TBA 2128 Rayburn Bldg. **February 19**

Time & room **March 10**

Agenda:

February 18: public witnesses

February 19: Alan Greenspan - chairman, Board of Governors, Federal Reserve System

March 10: TBA

ARIZONA GOVERNOR & FAILED SAVINGS INSTITUTIONS

General Oversight and Investigations Subcommittee (Chairman Hubbard, D-Ky.) of House Banking Finance and Urban Affairs Committee will hold a hearing on the relationship of Arizona Gov. J. Fife Symington III with the Southwest Savings and Loan Association. The hearing will focus on alleged wrongdoing of Symington as a director of Southwest, which has failed. In addition, the subcommittee will look at issues related to the efforts of the Federal Deposit Insurance Corporation (FDIC) and the Resolution Trust Corporation (RTC) to seek civil damages against the directors and officers of failed financial institutions.

10am 2128 Rayburn Bldg. **February 20**

Witnesses scheduled:

PANEL: Gov. J. Fife Symington III, R-Ariz.

PANEL: William Taylor - chairman, FDIC; Albert Casey - president and CEO, RTC

■ Revised listing

House continued...

★ RTC REAUTHORIZATION

Financial Institutions Supervision, Regulation and Insurance Subcommittee (Chairman Annunzio, D-Ill.) of House Banking, Finance and Urban Affairs Committee will hold a hearings the reauthorization of the Resolution Trust Corporation.

10am 2128 Rayburn Bldg. February 25

9:30am 2128 Rayburn Bldg. February 26

Note: The February 25 session will be a joint hearing with the full committee.

★ SUBCOMMITTEE MARKUP: RTC REAUTHORIZATION

Financial Institutions Supervision, Regulation and Insurance Subcommittee (Chairman Annunzio, D-Ill.) of House Banking, Finance and Urban Affairs Committee will mark up draft legislation reauthorizing the Resolution Trust Corporation.

9:30am 2128 Rayburn Bldg. February 27

Budget

225-7290

FISCAL 1993 BUDGET:

BUDGET COMMITTEE REVIEW

House Budget Committee (Chairman Pannetta, D-Calif.) will hold a series of hearings to review the president's proposed 1993 budget.

10am 210 Cannon Bldg. February 7

9am 210 Cannon Bldg. February 25

Witnesses scheduled:

February 7: Budget and the Economy

Nicholas Brady - secretary of the Treasury; Michael Boskin - chairman, Council of Economic Advisers

February 25: Health and Human Service Budget Review
Louis Sullivan - secretary of Health and Human Services

Children, Youth & Families

226-7660

PROSPECTS FOR THE AMERICAN FAMILY

House Select Children, Youth and Families Committee (Chairman Schroeder, D-Colo.) will hold a hearing on the current economic well-being of American families and how that affects the nation's children.

10am room TBA February 19

Education & Labor

225-4527

JUVENILE JUSTICE ACT REAUTHORIZATION

Human Resources Subcommittee (Chairman Martinez, D-Calif.) of House Education

★ New listing

and Labor Committee will hold hearings on the reauthorization of the Juvenile Justice and Delinquency Prevention Act of 1974.

10:30am 2175 Rayburn Bldg. February 11

Witnesses scheduled:

February 11: TBA

★ SCIENCE EDUCATION

Joint Hearing

House Education and Labor Committee (Chairman Ford, D-Mich.) and House Science, Space and Technology Committee (Chairman Brown, D-Calif.) will hold a joint hearing on science education issues.

9:30am 2175 Rayburn Bldg. February 27

Energy & Commerce

225-2927

CLEAN AIR IMPLEMENTATION

Health and the Environment Subcommittee (Chairman Waxman, D-Calif.) of House Energy and Commerce Committee will hold a hearing on the implementation of the 1990 Clean Air Act.

9:45 2123 Rayburn Bldg. February 7

LEAD & THE ENVIRONMENT

Health and the Environment Subcommittee (Chairman Waxman, D-Calif.) of House Energy and Commerce Committee will hold a hearing on lead and the environment.

Time & room TBA February 25

Foreign Affairs

225-5021

ROLE OF PRIVATE SECTOR AFRICA

Africa Subcommittee (Chairman Dymally, D-Calif.) of House Foreign Affairs Committee will hold a hearing on the role of the private sector in development in Africa.

9:30am Room TBA February 20

WESTERN SAHARA

Africa Subcommittee (Chairman Dymally, D-Calif.) of House Foreign Affairs Committee will hold a hearing on problems in the Western Sahara.

2pm Room TBA February 26

U.S. TRADE AND DEVELOPMENT IN ANGOLA

Africa Subcommittee (Chairman Dymally, D-Calif.) and International Economic Policy and Trade Subcommittee (Chairman Gejdenson, D-Conn.) of House Foreign Affairs Committee will hold a joint hearing on U.S. trade and development in Angola.

2pm Room TBA March 3

Government Operations

225-5051

LACK OF JUSTICE DEPT. HELP IN MINT INVESTIGATION

Government Information, Justice and Agriculture Subcommittee (Chairman Wise, D-W.Va.) of House Government Operations Committee will hold a hearing on allegations that the Justice Department repeatedly ignored requests for assistance by the U.S. Mint. The Mint was investigating a contractor with possible links to a fugitive indicted for tax evasion.

10am 2247 Rayburn Bldg. February 18

Note: This hearing was originally scheduled on February 7.

HEAD INJURIES & HEALTH CARE COSTS

Human Resources and Intergovernmental Relations Subcommittee (Chairman Weiss, D-N.Y.) of House Government Operations Committee will hold a hearing on the plight of Americans with severe head injuries whose health care costs reach \$25 billion a year.

10am 2247 Rayburn Bldg. February 19

Interior & Insular Affairs

225-2761

TRIBAL JUSTICE Field Hearing

House Interior and Insular Affairs Committee (Chairman Miller, D-Calif.) will hold a field hearing on legislation (HR 4004) to assist in the development of tribal judicial system. The committee will address South Dakota Indian jurisdictional issues.

Time TBA Pierre, S.D. February 7

PUBLIC LANDS

National Parks and Public Lands Subcommittee (Chairman Vento, D-Minn.) of House Interior and Insular Affairs Committee will hold hearings on pending legislation.

10am 1324 Longworth Bldg. February 18

Agenda:

S 1254/HR 2963 - Increase the authorized acreage limit for the Assateague Island National Seashore on the Maryland mainland

S 1743 - Designate certain rivers in the state of Arkansas as components of the National Wild and Scenic Rivers System

FULL COMMITTEE MARKUP

House Interior and Insular Affairs Committee (Chairman Miller, D-Calif.) will mark up pending legislation.

9:45am 1324 Longworth Bldg. February 19

FISCAL 1993 BUDGET: ENERGY DEPT/NRC

Energy and the Environment Subcommittee (Chairman Kostmayer, D-Pa.) of House Interior and Insular Affairs Committee will hold a hearing on the president's proposed

■ Revised listing

House continued. . .

fiscal 1993 budget for the programs under its jurisdiction.

1:30pm 1324 Longworth Bldg. **February 19**

Time & room TBA Date TBA

Agenda:

February 19: Nuclear Regulatory Commission

TBA: Energy Department

RADIOACTIVE WASTE

House Interior and Insular Affairs Committee (Chairman Miller, D-Calif.) will hold a hearing on the release of radioactive-contaminated waste from Energy Department facilities to civilian waste treatment plants.

9:45am room TBA **February 20**

SURFACE MINING

Mining and Natural Resources Subcommittee (Chairman Rahall, D-W. Va.) of House Interior and Insular Affairs Committee will hold a hearing on the implementation of the Surface Mining Control and Reclamation Act of 1977.

9:45am 1324 Longworth Bldg. **February 20**

FISCAL 1993 BUDGET:**PARKS & PUBLIC LANDS**

National Parks and Public Lands Subcommittee (Chairman Vento, D-Minn.) of House Interior and Insular Affairs Committee will hold a hearing on the president's proposed fiscal 1993 budget for programs under its jurisdiction.

10am 2359 Rayburn Bldg. **February 20**

10am 1324 Longworth Bldg. **February 25**

9:30am 1324 Longworth Bldg. **February 27**

Agenda:

February 20: National Park Service; historic preservation.

February 25: Bureau of Land Management

February 27: Forest Service

WATER CONTRACTING POLICIES**CENTRAL VALLEY PROJECT**

Water, Power and Offshore Energy Resources Subcommittee (Chairman Miller, D-Calif.) of House Interior and Insular Affairs Committee will hold a field hearing on water contracting procedures and policies related to the Central Valley Project in California.

Time TBA Sacramento, Calif. **February 21**

IRRIGATION DRAINAGE WATER**CENTRAL VALLEY**

Water, Power and Offshore Energy Resources Subcommittee (Chairman Miller, D-Calif.) of House Interior and Insular Affairs Committee will hold a hearing on the use of evaporation ponds and other issues relating to the disposal of irrigation drainage water in the Central Valley of California.

9:45am room TBA **March 3**

★ *New listing*

Merchant Marine & Fisheries

225-4047

SUBSIDIZED FOREIGN SHIPS

Merchant Marine Subcommittee (Chairman Jones, D-N.C.) of House Merchant Marine and Fisheries Committee will hold a hearing on legislation (HR 2056) that would prohibit any ship that benefits from a foreign subsidy from unloading its cargo or passengers at a U.S. port.

10am 1334 Longworth Bldg. **February 19**

Public Works & Transportation

225-4472

FAA REAUTHORIZATION

Aviation Subcommittee (Chairman Oberstar, D-Minn.) of House Public Works and Transportation Committee will hold hearings on reauthorization of the Federal Aviation Administration (FAA).

9:30am 2167 Rayburn **February 19**

9:30am 2253 Rayburn **February 26**

9:30am 2167 Rayburn **February 27; March 5**

Agenda:

February 19 & 26: Airport improvement and passenger facility charge programs

February 27: FAA facilities and equipment and air traffic control modernization

March 5: FAA operations and staffing

Science, Space & Technology

225-6371

FISCAL 1993 BUDGET: ENERGY PROGRAMS

Energy Subcommittee (Chairman Lloyd, D-Tenn.) of House Science, Space and Technology Committee will hold hearings on the Energy Department's fiscal 1993 budget.

9:30am 2318 Rayburn Bldg. **February 6 & 20**

1pm 2318 Rayburn Bldg. **February 25**

1pm 2325 Rayburn Bldg. **February 27**

Agenda:

February 6: environmental restoration and waste management, technology development, and the civilian radioactive waste management program; See "Committee Meetings Scheduled Today" section for witnesses

February 20: fusion energy

February 25: general overview

NEW OPPORTUNITIES IN HIGH-TECHNOLOGY INDUSTRIES**Field Hearing**

House Science, Space and Technology Committee (Chairman Brown, D-Calif.) will hold a field hearing on new opportunities in high-technology industries in Southern California.

9am, Chaffey College Theater, Rancho Cucamonga, Calif. **February 11**

LATIN AMERICA-U.S. SCIENTIFIC COOPERATION

Science Subcommittee (Chairman Boucher, D-Va.) of House Science, Space and Technology Committee will hold a hearing on legislation (HR 3215) to reinvigorate cooperation between the U.S. and Latin America in science and technology.

9:30am 2318 Rayburn Bldg. **February 19**

NASA POSTURE

Space Subcommittee (Chairman Hall, D-Texas) of House Science, Space and Technology Committee will hold an overview hearing on the current programs of the National Aeronautics and Space Administration (NASA).

1:30pm 2325 Rayburn Bldg. **February 19**

FISCAL 1993 BUDGET: NASA

Technology and Competitiveness Subcommittee (Chairman Valentine, D-N.C.) of House Science, Space and Technology Committee will hold a hearing on the fiscal 1993 budget proposal for the National Aeronautics and Space Administration (NASA).

1pm 2318 Rayburn Bldg. **February 19**

★ U.S. COMPETITIVENESS**Field Hearing**

Technology and Competitiveness Subcommittee (Chairman Valentine, D-N.C.) of House Science, Space and Technology Committee will hold a field hearing on U.S. competitiveness.

10:30am (EST) St. Louis, Mo. **February 21**

★ NATIONAL SCIENCE FOUNDATION

Space Subcommittee (Chairman Hall, D-Texas) of House Science, Space and Technology Committee will hold a hearing on the reauthorization of the National Science Foundation.

9:30am 2318 Rayburn Bldg. **February 25**

★ U.S. COMPETITIVENESS

Technology and Competitiveness Subcommittee (Chairman Valentine, D-N.C.) of House Science, Space and Technology Committee will hold hearings on U.S. competitiveness.

9:30am 2325 Rayburn Bldg. **February 25**

1:30pm 2318 Rayburn Bldg. **February 27**

★ FY93 DOE BUDGET

Environment Subcommittee (Chairman Scheuer, D-N.Y.) of House Science, Space and Technology Committee will hold a hearing on the Energy Department's proposed budget for fiscal 1993.

1:30pm 2325 Rayburn Bldg. **February 25, 26**

★ NASA AUTHORIZATION & THE SPACE STATION

Space Subcommittee (Chairman Hall, D-Texas) of House Science, Space and Technology Committee will hold a hearing on the request for fiscal 1993 funding for NASA and the space station.

■ *Revised listing*

House continued...

1:30pm 2325 Rayburn Bldg. **February 26**
 9:30am 2325 Rayburn Bldg. **February 27**

★ **SMALL BUSINESS INNOVATION & RESEARCH PROGRAM**

Technology and Competitiveness Subcommittee (Chairman Valentine, D-N.C.) of House Science, Space and Technology Committee will hold a hearing on the small business innovation and research program.
 1pm room TBA **February 26**

★ **SUBCOMMITTEE MARKUP: TECHNICAL EDUCATION**

Science Subcommittee (Chairman Hall, D-Texas) of House Science, Space and Technology Committee will mark up legislation (HR 3606) to establish a national technology education program, utilizing the resources of the nation's 2-year associate-degree-granting colleges to expand the pool of individuals in technology fields, to increase the productivity of the nation's industries, and to improve the competitiveness of the United States in international trade.

9:30am 2318 Rayburn Bldg. **February 26**

★ **SCIENCE EDUCATION**

Joint Hearing

House Science, Space and Technology Committee (Chairman Brown, D-Calif.) and House Education and Labor Committee (Chairman Ford, D-Mich.) will hold a joint hearing on science education issues.

9:30am 2175 Rayburn Bldg. **February 27**

Small Business

225-5821

HEALTH-CARE WORKER SAFETY

Regulation, Business Opportunities and Energy Subcommittee (Chairman Wyden, D-Ore.) of House Small Business Committee will hold a hearing on needle-stick injuries and exposure of health-care workers to contagious diseases due to used medical equipment.

10am 2359A Rayburn Bldg. **February 7**

Witnesses scheduled:

PANEL: Jean Roe - Certified Nurses Assistant, San Francisco; Janet Christenson, R.N. - San Francisco General Hospital; Gwyn Spruill - Local 79 United Care Central Laundry, Wayne, Michigan; Robert Moore - Service Employees International Union; Deborah Arrindell - American Nurses Association, Inc.; Janine Jagger, M.P.H., Ph.D. - University of Virginia School of Medicine

PANEL: Joyce Lashof, M.D. - American Public Health Association; Linda Hirello - New York State Department of Health; Art Gianakos - North American Medical Products, Inc.; Kevin Seifert - Bioplexus; William Johnson - American Hospital Association

PANEL: David Bell, M.D. - Centers for Disease Control; Tom Arrowsmith Lowe - U.S. Food and Drug Administration; Charles Adkins - Occupational Safety and Health Administration

★ **New listing**

Veterans' Affairs

225-3527

FISCAL 1993 BUDGET: VETERANS PROGRAMS

House Veterans' Affairs Committee (Chairman Montgomery, D-Miss.) will hold hearings on fiscal 1993 budget for the Department of Veterans Affairs.

9am 334 Cannon Bldg. **February 19**

9:30am 334 Cannon Bldg. **February 20**

LEGISLATIVE AGENDAS OF VETERANS' GROUPS

Joint Hearing

House Veterans' Affairs Committee (Chairman Montgomery, D-Miss.) and Senate Veterans' Affairs Committee (Chairman Cranston, D-Calif.) will hold joint hearings on the legislative agendas of veterans' groups.

9am 345 Cannon Bldg. **February 25, March 3, 5**

9am SD-106 Dirksen Bldg. **April 8**

Agenda:

February 25: Disabled American Veterans

March 3: Veterans of Foreign Wars

March 5: Paralyzed Veterans of America; World War I veterans; Blind Veterans of America; Military Order of the Purple Heart

April 8: AMVETS; Ex-prisoners of War; Jewish War Veterans; Non-Commissioned Officers Association; Vietnam Veterans of America

Ways & Means

225-3625

■ **FULL COMMITTEE MARKUP: TAX PROPOSALS**

House Ways and Means Committee (Chairman Rostenkowski, D-Ill.) will mark up draft tax and economic stimulus legislation.

11am 1100 Longworth Bldg. **February 12**

LONG ISLAND ECONOMY

Field Hearing

House Ways and Means Committee (Acting chairmen Downey, D-N.Y. and McGrath, R-N.Y.) will hold a field hearing on the economy of Long Island and what the federal government can do to revitalize the stagnant economy.

9:30am, Nassau County Police Headquarters Auditorium, 1490 Franklin Ave., Mineola, N.Y. **February 10**

EXPIRING TAX PROVISIONS

House Ways and Means Committee (Chairman Rostenkowski, D-Ill.) will hold hearings on proposed legislation to extend a dozen tax provisions that were originally slated for elimination, but have been renewed annually in recent years to allow Congress time to consider the impact and policy implications of repeal. The provisions, including low-income housing tax credits and credits for solar and geothermal energy investments, were renewed at the end of the first session for six months (until June 30, 1992) to give Congress a chance to decide which provisions to drop and which ones to make permanent.

9:30am 1100 Longworth Bldg. **February 10**

Agenda:

PROVISIONS EXPIRING JUNE 30, 1992

- 1) Exclusion for employer-provided education assistance benefits (Code sec. 127)
- 2) Exclusion for group legal services benefits and the tax exemption for an organization providing group legal services as part of a qualified group legal services plan (Code secs. 120 and 501(c)(20))
- 3) Deduction for health insurance costs of self-employed individuals (Code sec. 162(f))
- 4) Tax exemption for qualified mortgage bonds and election to issue mortgage credit certificates (Code secs. 143 and 25)
- 5) Tax exemption for qualified small-issue manufacturing bonds (Code sec. 144 (a))
- 6) Tax credit for qualified research expenditures (Code sec. 41)
- 7) Tax credit for low-income rental housing (Code sec. 42)
- 8) Targeted jobs tax credit (Code sec. 51)
- 9) Business energy tax credits for solar and geothermal property (Code sec. 48 (a))
- 10) Tax credit for orphan drug clinical testing expenses (Code sec. 28)
- 11) Exception from minimum tax for gifts of appreciated tangible personal property (Code sec. 57)

OTHER PROVISIONS EXPIRING IN 1992

- 1) Rules for allocation and apportionment of research expenses (Code sec. 864 (f) - current rules apply only to research expenses paid or incurred generally during the first six months of the first taxable year beginning after Aug. 1, 1991)
- 2) Access to tax information by the Department of Veterans Affairs (Code sec. 6103 - expires Sept. 30, 1992)
- 3) Placed-in-service date for non-conventional fuels production (Code sec. 29 - applies only to well drilled or facilities placed in service before Jan. 1, 1993)
- 4) Excise tax on certain vaccines for the Vaccine Injury Trust Fund (Code secs. 4131 and 9150 - current excise tax expires after the later of (1) December 31, 1992; or (2) the date when there are sufficient revenues in the Vaccine Trust Fund to cover projected liabilities for vaccine-related injuries from vaccines occurring before Oct. 1, 1992)

Note: This hearing was originally scheduled for February 26

TAX TREATMENT OF GOVERNMENT-ASSISTED S&L ACQUISITIONS

House Ways and Means Committee (Chairman Rostenkowski, D-Ill.) will hold a hearing on legislation relating to the tax treatment of reimbursed expenses and covered losses pursuant to government-assisted thrift acquisitions negotiated prior to the enactment of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

10am 1100 Longworth Bldg. **February 11**

Agenda:

- HR 1135 - Amend the Internal Revenue Code to clarify the treatment of certain federal financial assistance provided to savings bonds when used to pay higher education tuition and fees
- HR 1338 - Clarify the treatment of certain federal financial assistance provided to saving and loan institutions
- HR 1326 - Clarify that federal assistance provided with respect to domestic building and loan associations shall be treated as compensation for purposes of determining the deduction for losses
- HR 561 - Amend the Internal Revenue Code of 1986 to require the recapture of certain losses of savings and loan associations

Note: This hearing was originally scheduled for February 25

★ **ADMINISTRATION HEALTH-CARE PROPOSALS**

House Ways and Means Committee (Chairman Rostenkowski, D-Ill.) will hold a hearing

■ **Revised listing**

House continued...

on the administration's proposals for health-care revision and the fiscal 1993 budget proposals affecting health and human services programs.

10am 1100 Longworth Bldg. February 20

SUPERFUND OVERSIGHT

Oversight Subcommittee (Chairman, Pickle, D-Texas) of House Ways and Means Committee will hold a series of oversight hearings on the financing, operation and future status of the Hazardous Substance Superfund.

Time and room TBA March dates TBA

Conference Committees

EXPORT ADMINISTRATION REAUTHORIZATION

Conferees will meet on legislation (HR 3489) to reauthorize the Export Administration Act of 1979.

Time & room TBA date TBA

Senate conferees: Riegle; Cranston; Sarbanes; Garn; Mack

House conferees: TBA

HEALTH PROFESSIONALS

Conferees will meet on legislation (HR 3508) to revise and extend certain programs relating to the education of individuals as health professionals.

Time and room TBA date TBA

Senate conferees: Kennedy, Metzenbaum, Simon, Hatch, Kassebaum

House conferees: TBA

PREVENTIVE HEALTH

Conferees will meet on legislation (HR 3635) to revise and extend the program of block grants for preventive health and health services

Time and room TBA date TBA

Senate conferees: Kennedy, Metzenbaum, Har-kin, Hatch, Kassebaum

House conferees: TBA

EMERGENCY DROUGHT RELIEF

Conferees will meet on legislation (HR 355) to amend the Reclamation States Drought Assistance Act of 1988 to extend the period of time during which drought assistance may be provided by the secretary of the Interior.

Time & room TBA date TBA

House conferees: Miller (Calif.), Markey, Rahall, Vento, de Lugo, Gejdenson, Kostmayer, Lehman, Young (Alaska), Hansen, Vucanovich, Rhodes, Thomas (Wyo.)

From the Committee on Merchant Marine and Fisheries, for consideration of matters within the committee's jurisdiction: Jones (N.C.), Studts, Davis

Senate conferees: TBA

Note: The Senate receded from its amendment to HR 355 on November 27 and inserted compromise language. As a result, it is unlikely that the conference will meet.

Joint Committees

JANUARY EMPLOYMENT STATISTICS

Joint Economic Committee (Chairman Sarbanes, D-Md.) will hold a hearing on the employment and unemployment statistics for the month of January.

9:30am SD-106 Dirksen Bldg. February 7

Witness scheduled: William Barron - acting commissioner, Bureau of Labor Statistics

OLDER AMERICANS ACT

Conferees will meet on legislation (HR 2967) to reauthorize the Older Americans Act.

Time & room TBA date TBA

Senate conferees:

From the Committee on Labor and Human Resources: Kennedy, Metzenbaum, Adams, Hatch, and Cochran

From the Committee on Finance (solely for the Social Security retirement earnings provisions): Bentsen, Moynihan and Packwood

House conferees: TBA

FEDERAL FACILITIES COMPLIANCE

Conferees will meet on HR 2194, Federal Facilities Compliance Act of 1991.

Time & room TBA date TBA

Senate conferees: Burdick, Baucus, Moynihan, Mitchell, Lautenberg, Chafee, Simpson, Durenberger, Warner

House conferees:

From the Energy and Commerce Committee for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Dingell, Swift, Eckart, Slattery, Sikorski, Lent, Ritter, Schaefer

As additional conferees from the Armed Services Committee, for consideration of section 113 of the Senate amendments, and modifications committed to conference: Ray, Hochbrueckner, Saxton

As additional conferees from the Judiciary Committee, for consideration of section 2(a) of the House bill, and section 103(a) of the Senate amendment, and modifications committed to conference: Brooks, Frank of Mass., Gekas

As additional conferees from the Merchant Marine Committee, for consideration of section 304(a) of the Senate amendments, and modifications committed to conference: Jones of N.C., Studts, Davis

As additional conferees from the Public Works Committee, for consideration of sections 102, 109, and 115-119 of the Senate amendments, and modifications committed to conference: Roe, Nowak, Hammerschmidt

As additional conferees from the Public Works Committee, for consideration of title IV of the Senate amendments, and modifications committed to conference: Roe, Savage, Norton, Nowak, Borski, Hammerschmidt, Shuster, Inhofe

PRICE FIXING

Conferees will meet on legislation (S 429) to

Conference continued...

amend the Sherman Act to strengthen laws against vertical price-fixing

Time & room TBA date TBA

House conferees: Brooks, Edwards of Calif., Synar, Fish, Campbell of Calif.

Senate conferees: TBA

DEFENSE PRODUCTION ACT

Conferees will meet on legislation (S 347) to amend the Defense Production Act of 1950 to revitalize the defense industrial base of the United States

Time & room TBA date TBA

House conferees:

From the House Banking Committee: Carper, LaFalce, Oaker, Vento, Kanjorski, Ridge, Paxon, Hancock

From the House Armed Services Committee: Aspin, Mavroules, Siskisky, Dickinson, Bateman

Additional conferees from House Energy Committee: Dingell, Markey, Collins of Ill., Lent, Rinaldo

Additional conferees from House Government Operations Committee: Conyers, English, Wise, Horton, Kyl

Additional conferees from House Judiciary Committee: Brooks, Edwards of Calif., Fish, Moorhead

Additional conferees from House Ways and Means Committee: Rostenkowski, Gibbons, Jenkins, Archer, Crane

Senate conferees: Riegle, Sarbanes, Dixon, Garn, Gramm.

Note: At the end of the first session of the 102nd Congress the House passed a bill (HR 3919) to temporarily extend the Defense Production Act through March 1, 1992.

FOLLOW-THROUGH ACT

Conferees will meet on legislation (HR 2312) to make certain technical and conforming amendments to the Follow Through Act and the Head Start Transition Project Act.

Time and Room TBA date TBA

Senate Conferees: Kennedy, Pell, Metzenbaum, Hatch and Kassebaum

House Conferees: TBA

CFTC REAUTHORIZATION

Conferees will meet on legislation (HR 707) to improve the regulation of futures trading and authorize appropriations for the Commodity Futures Trading Commission.

Time and room TBA addl dates TBA

Note: Conference began November 6

Senate conferees: Leahy, Boren, Heflin, Conrad, Lugar, Dole, Cochran

House conferees:

From the Committee on Agriculture, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: de la Garza, English, Staggers, Stallings, Nagle, Sarpaluis, Johnson, Huckaby, Glickman, Penny, Espy, Long, Stenholm, Tallon, Coleman, Smith of Ore., Gunderson, Combest, Allard, Barrett, Nussle, Boehner, Roberts

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Gonzalez, Annunzio, Neal, Hubbard, LaFalce, Oaker, Wylie, Leach, McCollum, Roukema

From the Committee on Energy and Commerce, for consideration of section 263 and title III of the Senate amendment, and modifications committed to conference: Dingell, Markey, Scheuer, Synar Eckart, Slattery, Lent, Moorhead, Rinaldo, Ritter

Other Events Future Listings

The *Monitor* has received notice of the following events scheduled to take place in Washington. Associations, non-profit organizations and public interest groups who wish to have events listed in the section should send pertinent information to: The Congressional Monitor, Other Events Editor, 1414 22nd St. N.W., Washington, D.C. 20037. Notices must include a telephone number. Notices may be transmitted by facsimile to 202-728-1862, attn: Robert Healy. Only events related to Congress can be listed. Deadline is noon two days before the date of issue (i.e. Monday noon for Wednesday issue). The editors reserve the right to edit or reject any submission. For further information call 202-887-8686.

See Campaign Events Section for listing of events related to congressional and presidential campaigns.

LEGISLATIVE PROCESS

Government Relations Institute of Women in Government Relations will sponsor a series of seminars on the legislative process, with individual sessions focusing on House, Senate and conference action. The sessions will be conducted by members of the Congressional Research Service and will include role-playing and practical information.

Bell Communications, Suite 600, 2101 L St. N.W. **February 7, 10, 14**

Contact: Kathy Frey at 202-331-6949 or WGR office at 202-347-5432

Agenda:

SENATE:

February 7: 8am to 10am

CONFERENCE:

February 10: 4pm to 6pm

February 14: 8am to 10am

Note: There is a charge for these seminars of \$40 per session or \$100 for the series for members and \$60 per session or \$175 for the series for non-members. For reservations send a check, made payable to WGR, to:

Women in Government Relations

Suite 510

1325 Massachusetts Ave. N.W.

Washington, D.C. 20005

Space is limited

FEDERAL TAX & BUDGET POLICY

Baker and Hostetler will sponsor an all-day seminar on the direction of federal tax and budget policy in the 1990s.

7:45am J.W. Marriott Hotel, 1331 Pennsylvania Ave. N.W. **February 10**

Contact: Diane Wright 202-861-1742

Agenda:

7:45am: Registration

8:30am: Welcome and overview

Kenneth Kies - partner, Baker & Hostetler and former chief minority tax counsel, House Ways and Means Committee

8:40am: Keynote

Bill Frenzel - Brookings Institution and former member, House Ways and Means Committee

9:15am: Role of Office of Management and Budget (OMB) in Setting Tax and Budget Policy

William Diefenderfer - partner, Wunder & Diefenderfer and former deputy director, OMB and former chief counsel, Senate Finance Committee

9:45am: Significant Tax Regulatory Developments
Peter Barnes - Tax Counsel, General Electric and

former deputy international tax counsel, Treasury Department; David Brockway - partner, Dewey Ballantine and former chief of staff, Joint Taxation Committee; Kenneth Kies - partner, Baker & Hostetler; Peter Scott - Coopers & Lybrand and former acting chief counsel, Internal Revenue Service; Dana Trier - partner, Cleary, Gottlieb, Steen & Hamilton and former tax legislative counsel and former deputy assistant secretary of Treasury for Tax Policy

11:10am: Effect of 1990 Budget Act on the Development of a 1992 Economic Recovery Package
Martha Phillips - Republican staff director, House Budget Committee; Margaret Hostetler - minority budget counsel, House Ways and Means Committee

Noon: Senate Finance Committee Perspective and President Bush's Fiscal 1993 Budget and its Implications for Tax Legislation in 1992

Van McMurtry - chief counsel and staff director, Senate Finance Committee

12:30pm: Lunch

Rep. Bill Gradison Jr., R-Ohio - member, House Ways and Means Committee

2pm: Outlook for Health Care Reform Legislation in 1992

Introduction - Frederick Graefe, partner, Baker & Hostetler

Panel 1: Congressional and Executive Branch Perspective: Charles Brain - assistant staff director, House Ways and Means Committee; Marina Weiss - chief health care and income security analyst, Senate Finance Committee; Thomas Scully - associate director of OMB for human resources, veterans and labor

PANEL 2: Private Sector Perspective: Pamela Baily - Healthcare Leadership Council; Howard Lang - president California Medical Association; Robert McGlotten - director, Legislation Department, AFL-CIO; Richard Smith - director of public policy, Washington Business Group on Health

3:45pm: Debate on Capital Gains, Tax Fairness and Incentives in the Tax System

Mark Bloomfield - president, American Council for Capital Formation; Robert McIntyre - president, Citizens for Tax Justice

4:30pm: Congressional Tax Panel

Janice Mays - chief tax counsel, House Ways and Means Committee; James Clark - chief minority tax counsel, House Ways and Means Committee; Sam Session - chief tax counsel, Senate Finance Committee; Lindy Paull - deputy minority chief of staff, Senate Finance Committee

5:15pm: Conclusion

1993 DEFENSE BUDGET

Congressional Quarterly will sponsor a seminar on the fiscal 1993 defense budget proposals.

9am to 1pm, Embassy Suites Hotel, 1250 22nd St. N.W. **February 11**

Contact: 202-887-8620 (toll-free 1-800-432-2250, ext. 620)

Note: There is a \$225 charge for this event. For reservations and information call the number listed above.

CENSUS RESOURCES BRIEFING

Census Bureau will sponsor a briefing for congressional staff on the newly released publication "Census Bureau Resources for the Congress." Copies of the book will be available for each member's office and for committee staff.

9:45am 2123 Rayburn Bldg. **February 11**

9:45am SD-342 Dirksen Bldg. **February 12**

Contact: 301-763-5360

Agenda:

February 11: Briefing for House member's and committee staff

February 12: Briefing for Senate member's and committee staff

Note: There is no charge for this event, but member's and committee's staff representatives are requested to call the number listed above for a reservation.

CIVIL RIGHTS & THE FEDERAL SECTOR

Federal Litigation Section of the Federal Bar Association will sponsor a panel discussion on legislation dealing with civil rights and the federal sector (HR 3616).

8:30am to 11:30am, National Press Club, 524 14th St., N.W. **February 13**

Contact: 202-638-0252

Note: There is a charge for this event of \$20 for members and government attorneys and \$25 for non-members. For reservations send a check to:

Civil Rights Program

Federal Bar Association

1815 H St. N.W.

Suite 408

Washington, D.C. 20006-3697

HEALTH ISSUES

Health Task Force of Women in Government Relations will sponsor a luncheon meeting to hear a panel discussion of the health agenda for the 102nd Congress.

Noon to 2pm, B-338 Rayburn Bldg. **February 13**

Contact: Kathy Thompson at 301-897-5700

Participants: Darrel Cox Jodfrey - health policy adviser, Senate Labor and Human Resources Committee; Alan Lopatin - general counsel, House Education and Labor Committee; Chip Kahn - minority professional staff member, Health Subcommittee, House Ways and Means Committee; Ed Mihalski - minority chief of staff, Senate Finance Committee; David Recker, M.D. - senior medical adviser for the minority, Labor, Health and Human Services Subcommittee, House Appropriations Committee

Note: There is a charge for this event of \$25 for members and \$40 for non-members. For reservations send a check, made payable to WGR, to:

Women in Government Relations

1325 Massachusetts Ave. N.W.

Suite 510

Washington, D.C. 20005

★ HEALTH CARE ISSUES BREAKFAST BRIEFING

National Health Council will sponsor a breakfast briefing with Senate Budget Committee Chairman Jim Sasser, D-Tenn. The session will focus on the administrations proposed fiscal 1993 budget recommendations as they relate to health and how changes in the 1990 budget agreement will affect health issues. Included will be a discussion of health-care legislation currently pending in Congress.

8am to 10am, Hyatt Regency Capitol Hill Hotel, 400 New Jersey Ave. N.W. **February 19**

Contact: Scherri Jacobsen at 202-785-3910

Note: There is a charge for this event of \$17 for members and \$27 for non-members. For reservations send a check to:

John H. Madigan Jr.

Vice President for Public Affairs - Sasser Briefing

Other continued. . .

National Health Council
1730 M St. N.W.
Suite 500
Washington, D.C. 20036
Deadline is February 14

EXPORT CONTROLS

Electronic Industries Association will sponsor a conference on export controls, focusing on recent events in the Soviet Union and Middle East and their implications for export control policy.

8am to 1:30pm, Grand Hyatt Hotel, 1000 H St. N.W. February 19

Contact: David Calabrese at 202-457-4924

Note: There is a charge for this event of \$75 for members and \$85 for non-members.

JAPAN TRADE & TECHNOLOGY INFORMATION

Japan Information Access Project will sponsor a one-day seminar on how to obtain trade and technology information about Japan.

Dupont Plaza Hotel, 1500 New Hampshire Ave. N.W. February 24

Contact: 202-833-4545

GOVERNMENT CONTRACTS

Manufacturers' Alliance for Productivity and Innovation will hold its annual conference. Among the planned events are sessions devoted to the congressional outlook regarding procurement policy and defense spending.

Crystal City Marriott Hotel February 27 & 28

Contact: Kathy Koval 202-331-8430

Note: There is a charge for this event of \$450 for members and \$525 for non-members. For information and reservations call the number listed above.

★ 1993 BUDGET AND HOUSING ISSUES

National Housing Conference will sponsor a forum on the administration's budget and tax proposals for housing and community development.

8:30am to 10am, AFL-CIO Headquarters, 815 16th St. N.W. February 28

Contact: 202-223-4844

Note: There is a charge for this event of \$10 for members and \$20 for non-members. For reservations send a check to:

National Housing Conference
1126 16th St. N.W.
Washington, D.C. 20036

TREASURY EMPLOYEES LEGISLATIVE CONFERENCE

National Treasury Employees Union will hold a legislative conference.

Site TBA March 1, 2, 3, 4 & 5

Contact: Nancy Marcus at 202-508-3776

Note: This conference is for members of NTEU only.

CREDIT UNION ISSUES

National Association of Federal Credit Unions will sponsor a "Congressional Caucus," which will review legislation on the deposit insurance system, the thrift bail-out and imple-

★ New listing

mentation of 1991 legislation on truth-in-savings.

Grand Hyatt Hotel March 9, 10 & 11

Contact: 703-522-4770

Note: There is a charge for this event of \$385 for members and \$495 for non-members. For information call the number listed above.

BANKING ISSUES

National Council of Community Bankers will hold a legislative and government affairs conference.

Washington Court hotel, 525 New Jersey Ave. N.W. March 9, 10 & 11

Contact: 202-857-3100

Congressional highlights:

March 9:

2pm: Government affairs briefing on current legislative and regulatory issues

March 10:

9am: Review of 1992 legislative calendar for legislative staff of House and Senate Banking committees

2:30pm: Capitol Hill visits

5:30pm: Congressional reception

Note: There is a \$375 charge for this event (\$350 before 2/7/92). For reservations and information call the number listed above.

INFRASTRUCTURE ISSUES

Council of Infrastructure Financing Authority will hold a legislative conference to discuss issues including: reauthorization of the Clean Water Act; proposals to provide tax incentives for investment in public infrastructure facilities; ways to restructure the federal budget to encourage more infrastructure investment.

Washington Vista Hotel, 1400 M St. N.W. March 9 & 10

Contact: James Smith at 202-857-0686

RESEARCH WORKSHOP ON CONGRESSIONAL DOCUMENTS

Congressional Quarterly will sponsor a research workshop on congressional documents.

9am to 1pm, Congressional Quarterly, 1414 22nd St. N.W. March 10

Contact: 202-887-8620 (toll-free 1-800-432-2250, ext. 620)

Note: There is a \$225 charge for this event. For reservations and information call the number listed above.

STRATEGIES FOR WORKING WITH CONGRESSIONAL STAFF

Congressional Quarterly will sponsor a seminar on how to work with congressional staff.

9am to 1pm, Congressional Quarterly, 1414 22nd St. N.W. March 11

Contact: 202-887-8620 (toll-free 1-800-432-2250, ext. 620)

Note: There is a \$225 charge for this event. For reservations and information call the number listed above.

FEDERAL & DEFENSE DOWNSIZING

Federal Managers Association will sponsor a seminar on downsizing of the federal government and the defense establishment.

8am to 4pm, Holiday Inn Crowne Plaza, Arlington, Va. March 16

Contact: Sandra Bryant at 202-778-1505

Note: There is a \$150 charge for this event. For reservations and information call the number listed above.

CONGRESS AND THE LEGISLATIVE PROCESS

Congressional Quarterly will sponsor an advanced seminar on Congress and the legislative process.

9am to 4pm, Congressional Quarterly, 1414 22nd St. N.W. March 16

Contact: 202-887-8620 (toll-free 1-800-432-2250, ext. 620)

Note: There is a \$295 charge for this event. For reservations and information call the number listed above.

UNDERSTANDING CONGRESSIONAL BUDGETING

Congressional Quarterly will sponsor a seminar on understanding congressional budgeting.

9am to 1pm, Congressional Quarterly, 1414 22nd St. N.W. March 17

Contact: 202-887-8620 (toll-free 1-800-432-2250, ext. 620)

Note: There is a \$225 charge for this event. For reservations and information call the number listed above.

Campaign Future Listings

--from Reuters

Candidates

DEMOCRATS

Jerry Brown

Contact: Ileana Wachtel, 213-449-1992 ext. 917
February 6

In California

7:30pm: Attends "We the People" Revival. Scottish Rite Temple, 4357 Wilshire Blvd., Los Angeles, Calif.

Bill Clinton

Contact: Richard Mintz or Steven Cohen, 501-372-1992

■ Revised listing

Campaign Events *continued...*

February 6
Not immediately available

Tom Harkin

Contact: Lorraine Voles or Kerri McClimen,
301-656-1992

February 6

In New Hampshire

5:45am: Handshaking with workers of James River/Cascade Division pulp and paper mill. Cascade Flats, Berlin, N.H.

6:45am: Handshaking with workers of James River/Burgess Division pulp and paper mill. Unity Street, Berlin, N.H.

7:45am: Breakfast. Choo Choo's Restaurant, 102 Main St., Berlin, N.H.

11am: Visits Merrimack Valley Day Care. 19 North Fruit St., Merrimack, N.H.

1:30pm: Addresses the American Pilots Association. Sheraton Wayfarer, 125 South River Road, Bedford, N.H.

7:15pm: Gives a speech at a presidential forum sponsored by the New England Community Action Association. Sheraton Tara Hotel, Nashua, N.H.

February 8

In Iowa

9:30am: Attends a coffee. Trolley Center, Central Avenue and Ninth Street, Fort Dodge, Iowa.

Noon: Attends a rally. Siouxland Senior Center, 217 Pierce St., Sioux City, Iowa.

2:30pm: Attends a rally. Council Bluffs Senior Center, 900 S. Sixth St., Council Bluffs, Iowa.

7:30pm: Attends a caucus kick-off concert. Iowa State Fairgrounds, Tourism Building, Des Moines, Iowa.

February 9

In Iowa

9am: Attends a breakfast reception. Parkview Plaza, 107 E. Second St., Ottumwa, Iowa.

11:30am: Attends a reception. SECC Theater, Gear Avenue, Burlington, Iowa.

3pm: Attends a rally. LULAC Club, 4224 Ricker Hill Road, Davenport, Iowa.

4:30pm: Attends a rally. Mt. Saint Clare College, Francis Hall, Clinton, Iowa.

6:30pm: Attends a rally. Coe College's Carter Racquet Center, C Avenue and Center Point Road, Cedar Rapids, Iowa.

February 10

In Iowa

8am: Attends a rally. University of Iowa, Iowa City, Iowa.

Noon: Attends a rally. University of Dubuque, Dubuque, Iowa.

2:30pm: Attends a rally. University of Northern Iowa's Maucker Union-Hemisphere Lounge, Cedar Falls, Iowa.

5pm: Attends a rally. Iowa State University's Union, Ames, Iowa.

Bob Kerrey

Contact: Steve Jarding or Carolyn Rauch, 202-393-4110

February 6

In New Hampshire

7:15am: Greets workers. Lockheed Sanders, Canal Street, Nashua, N.H.

8am: Addresses students. Nashua High School,

Riverside Drive, Nashua, N.H.

10am: Addresses the New England Community Action Association. Sheraton Tara Hotel, Tara Boulevard, Nashua, N.H.

3pm: Addresses students. Thayer High School, 43 Parker St., Winchester, N.H.

6pm: Meet and greet. Pub Restaurant, Winchester Street, Keene, N.H.

7pm: Addresses students. Keene State College, 229 Main St., Keene, N.H.

8pm: Visits the Keene VFW with fellow Navy SEALs. Keene VFW, 459 Winchester St., Keene, N.H.

February 7

In Boston, Mass.

Noon: Addresses a luncheon forum sponsored by the Center for National Policy. Omni Parker House, 60 School St., Boston, Mass. Contact Amy Weiss Tobe or Laura Blowman, 202-546-9300

3:30pm: Meets with educators. Memorial High School, South Porter Street, Manchester, N.H.

6pm: Attends a community meeting. Mill Pond Center, 50 New Market Road, Durham, N.H.

Paul Tsongas

Contact: Andy Freed, 617-422-0100

February 6

In Concord and Manchester, N.H.

2:30pm: Addresses a presidential candidate forum. Sheraton Tara Hotel, Nashua, N.H.

February 7

In Rochester and Dover, N.H.

February 8

In New Hampshire

February 10

In New Hampshire

Noon: Addresses the Manchester Rotary Club.

February 11

In New Hampshire

February 12

No public events scheduled

February 13

In New Hampshire

February 14

In New Hampshire

7:30pm: Birthday party. Sheraton Tara, Nashua, N.H.

February 15

In New Hampshire

February 16

8pm to 9:30pm: Participates in the third of four nationally televised Democratic candidates' debate. This debate will be broadcast by CNN: St. Anselm's College, Manchester, N.H. Contact Iris Jacobson-Burnett or Sarah Farnsworth, 202-828-9140

February 17

In New Hampshire

REPUBLICANS

Pat Buchanan

Contact: Greg Mueller or Don Miller, 703-683-5004, or Jerry Woodruff, 703-790-9292

February 6

Not immediately available

David Duke

Contact: Laura Otilio, 504-831-7745

February 6

No campaign events scheduled

February 7

In Texas

7:30pm: Attends a rally. League City Civic Center, Houston, Texas.

INDEPENDENTS

Ralph Nader

Contact: Carl Mayer, 603-641-5577

February 6-7

No campaign-related events scheduled

February 8

In New Hampshire

Primaries & Caucuses

February 10: Iowa caucus

February 18: New Hampshire primary

February 23: Maine caucus

February 25: South Dakota

March 3: Colorado, Georgia and Maryland and Utah (Democrats) primaries; American Samoa (Democrats), Idaho, Minnesota and Washington Caucuses

March 7: South Carolina primary; Arizona and Wyoming caucuses

March 8: Nevada caucus

March 10 (Super Tuesday): Florida, Louisiana, Massachusetts, Mississippi, Oklahoma, Rhode Island, Tennessee primaries; Delaware, Hawaii and Missouri caucuses. Texas has a combined caucus and primary

March 15: Puerto Rico primary.

March 17: Illinois and Michigan primaries

March 5-19: North Dakota caucus

March 24: Connecticut primary

March 31: Vermont caucus

April 2: Alaska caucus (Democrats)

April 7: Kansas, Wisconsin and New York primaries

April 11: Virginia caucus

April 28: Pennsylvania primary

May 3: Guam caucus

May 5: Washington, D.C., Indiana, North Carolina and Ohio primaries

May 12: Nebraska and West Virginia primaries

May 19: Oregon primary

May 26: Arkansas and Kentucky primaries

June 2: Alabama, California, Montana, New Jersey and New Mexico primaries

Status of Appropriations — Fiscal 1993

WEEK OF FEBRUARY 3

FULL COMMITTEE

House: 225-2771; Senate: 224-3471

AGRICULTURE

House: 225-2638; Senate: 224-7240

**COMMERCE, JUSTICE, STATE,
& THE JUDICIARY**

House: 225-3351; Senate: 224-7277

DEFENSE

House: 225-2847; Senate: 224-7255

DISTRICT OF COLUMBIA

House: 225-5338; Senate: 224-7236

ENERGY & WATER DEVELOPMENT

House: 225-3421; Senate: 224-7260

FOREIGN OPERATIONS

House: 225-2041; Senate: 224-7209

INTERIOR

House: 225-3081; Senate: 224-7233

LABOR/HHS/EDUC

House: 225-3508; Senate: 224-7283

LEGISLATIVE BRANCH

House: 225-5338; Senate: 224-7338

Senate subcmte hearings scheduled: February 6, 7

MILITARY CONSTRUCTION

House: 225-3047; Senate: 224-7255

TRANSPORTATION

House: 225-2141; Senate: 224-7245

TREASURY/POSTAL SERVICE

House: 225-5834; Senate: 224-6280

VA, HUD & INDEPENDENT AGENCIES

House: 225-3241; Senate: 224-7211

House Floor Action

Week of February 3

Monday, February 3:

No legislative business

Tuesday, February 4:

HR 4095 Increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991

HR 4095, as amended, passed in House by yea-nay vote: 404-8, under suspension of the rules (two-thirds vote required)

HR 3749 Reauthorize title I of the Marine Protection Research, and Sanctuaries Act of 1972

HR 3749, as amended, passed in House by voice vote, under suspension of the rules (two-thirds vote required)

HConRes 206 Provide for the printing of the Constitution of the United States of America

H Con Res 206, as amended, agreed to in House by voice vote, under suspension of the rules (two-thirds vote required). (title amended)

S 1415 Provide for additional membership on the Library of Congress Trust Fund Board

S 1415 passed in House on a division vote: 3-1, under suspension of the rules (two-thirds vote required)

S 1415 cleared for the president.

HR 2927

St. Croix, Virgin Islands Historical Park and Ecological Preserve Act of 1991

House agreed, by voice vote, to concur in the Senate amendment to HR 2927, under suspension of the rules (two-thirds vote required)

HR 2927 cleared for the president.

HR 2194

Federal Facilities Compliance Act of 1991

SWIFT, D-Wash., unanimous consent that the House disagree to the Senate amendment and agree to a conference with the Senate, agreed to

Wednesday, February 5:

H Res 340 Regarding an investigation of the House Post Office passed 254-160

H Res 258 Create a task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980 began consideration

Thursday, February 6:

Convenes at 11am
Schedule uncertain

Friday, February 7:

Not in session

Senate Floor Action

Week of February 3

Monday, February 3:

S 2166 Energy Policy Act began consideration of motion to proceed to consideration of S 2166

Tuesday, February 4:

S 2166 Energy Policy Act

[Continued from February 3]

Senate continued consideration of the motion to proceed to consideration of S 2166

MITCHELL, D-Maine, motion to close debate (cloture motion) on the motion to proceed to consideration of S 2166, agreed to by yea-nay vote: 90-5. (3/5's vote required)

MITCHELL, D-Maine, unanimous consent providing for further consideration of the motion to proceed to consideration of the bill, and for consideration of an amendment to be proposed to the bill on Wednesday, February 5, 1992, agreed to by unanimous consent

S 2173

Earlier, objection was heard to a MITCHELL unanimous consent request that the Senate proceed to consideration of the bill

[Continued February 5]

Increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991

MITCHELL, D-Maine, unanimous consent request that the agreement governing the consideration of S 2173 be modified to permit the raising of a single point of order, as well as any relevant motion in relation thereto at the conclusion or yielding back of time on the bill, agreed to by unanimous consent

DASCHLE, D-S.D., motion to waive Section 311 of the Congressional Budget Act with respect to Senate consideration of S 2173, agreed to by yea-nay vote : 88-8. (3/5's vote required)

Subsequently, the BROWN, R-Colo., point of order against S 2173, on the basis that it violates section 311(a) of the Congressional Budget Act, fell.

Note: The Senate concluded consideration of S 2173 but did not take final action on it

Under a previous order, they proceeded to

Senate Floor continued. . .

consider HR 4095, the House companion measure.

HR 4095 passed by yea-nay vote: 94-2

Subsequently, S 2173 was indefinitely postponed.

HR 4095 cleared for the president.

S 2184 **Establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation** passed by voice vote

Wednesday, February 5:

S 2166 **Energy Policy Act** continued consideration

Thursday, February 6:

S 2166 **Energy Policy Act** continue consideration

Friday, February 7:

Schedule uncertain

CQ
EXEU-20500-00A 20500
WHITE HOUSE OFFICE
PATTY PRESCOT
EXECUTIVE OFC OF THE PRESIDENT
WASHINGTON
LOBBY
DC
CQ

CONGRESSIONAL MONITOR



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Washington, D.C. 20037



News Summary

OFFICE OF THE PRESS SECRETARY

THURSDAY, FEBRUARY 6, 1992
6:00 A.M. EST EDITION

NATIONAL NEWS

BUSH HEALTH CARE PLAN BOASTS VOUCHERS, TAX DEDUCTIONS -- President Bush's long-awaited health care plan calls for \$100 billion in vouchers and tax breaks to help poor and middle-class Americans buy health insurance, sources said Wednesday. (AP, Washington Times)

ADMINISTRATION'S ECONOMIC REPORT PRESENTS LOWER EXPECTATIONS -- The Administration is counting on its election-year package of tax cuts to stimulate the lagging U.S. economy as much by improving consumer and business confidence as by putting more money in their pockets, Administration economists said Wednesday. (Washington Post)

INTERNATIONAL NEWS

DEMOCRATS WON'T USE REQUEST FOR SOVIET AID AGAINST PRESIDENT -- Key Senate Democrats vowed Wednesday not to use the Administration's new \$620 million aid request for the former Soviet Union to fuel criticism of President Bush for spending too much time on foreign policy at the expense of domestic needs. (Chicago Tribune)

U.S. MAY SEEK TO HASTEN ACTION TO PROTECT OZONE -- The Bush Administration, alarmed by new forecasts of a growing ozone "hole" over the Northern Hemisphere, is likely to push for a speedier phaseout of the most ozone-damaging chemicals at a diplomatic meeting in April, officials said Wednesday. (Washington Post)

NETWORK NEWS (Wednesday evening)

HEALTH CARE -- President Bush will not propose national health insurance nor any plan that would require employers to provide coverage.

EDUCATION -- American kids don't make the grade in math and science.

DEFENSE -- The Pentagon has sent the White House a long list of programs that the military says are a waste of money.

NATIONAL NEWS.....A-1

INTERNATIONAL NEWS...A-8

NETWORK NEWS.....B-1

NATIONAL NEWS

CALIFORNIA DEMOCRATS WILL FOCUS ON THE ECONOMY IN ELECTION

California's sluggish economy will give Democrats their greatest opportunity in years to capture the state in November, the state Democratic Party chairman said Wednesday. Phil Angelides said in an interview that Gov. Wilson "has made quite a bit of noise...about how much of a burden immigrants have placed on the government" and "then vowed to seek "full funding" from President Bush to pay for assistance for the state's immigrant population.

"The Bush Administration is shortchanging California dramatically," Angelides said. "We needed \$600 million for assistance to immigrants for health and welfare, but Bush only provided for \$180 million. Wilson is a coward because he has not criticized Bush for failing."

Angelides said California's economy, "for the first time in a long time," is worse than the national economy and 85% of Californians believe the country is on the wrong track for economic recovery. Bush will also face trouble in the state on abortion, if the Supreme Court "tampers with the Roe v. Wade" ruling, Angelides said. (Henry Rosso, UPI)

CLEVELANDERS BET TOP HEALTH CARE WILL BE CHEAPER

President Bush will travel to Cleveland Thursday to unveil his vision of health care reform. But to the disappointment of many Clevelanders, he is expected to largely ignore the city's own pioneering experiment in controlling health care costs. At a time when the profits of U.S. corporations are being bled by rising medical costs, Cleveland executives believe they have found an antidote: attack bad quality medical care as a way to lower costs.

(Walt Bogdanich, Wall Street Journal, B1)

BUSH \$100 BILLION HEALTH CARE PLAN BOASTS VOUCHERS, TAX DEDUCTIONS

President Bush's long-awaited health care plan calls for \$100 billion in vouchers and tax breaks to help poor and middle-class Americans buy health insurance, government and congressional sources said Wednesday....

Sen. Bentsen said the cuts in Medicaid and Medicare "could be devastating." He questioned whether the vouchers and tax breaks would provide people with enough money to afford health insurance, which can cost hundreds of dollars monthly.

Executive Director Ron Pollack of Families USA said Bush's plan would cause doctors and hospitals to shun Medicare and Medicaid patients and cause some increased costs to be shifted to other patients. "George Bush is violating the Hippocratic Oath, because he is doing harm with these proposals," Pollack said.

(Alan Frank, AP)

Bush Ready To Fire Health Care Salvo

President Bush Thursday will unveil a \$100 billion, five-year health plan that would provide health care vouchers to the poor and tax deductions for health insurance to families with incomes up to \$800,000, according to Administration officials....

A key Administration official called the Bush plan "a starting point" for more extensive health system reforms. Rep. Gingrich said, "It's not a silver bullet...but clearly a building block."

(Paul Bedard & Joyce Price, Washington Times, A1)

**BUSH TO OMIT FINANCING MECHANISM
IN HEALTH CARE PLAN HE OFFERS TODAY**

President Bush, seeking to avoid what an aide called "a lot of slings and arrows," will omit a specific financing plan for the health care proposal he unveils Thursday. Instead, he will suggest some "examples" of how the program can be paid for and call on Congress to choose among them or offer its own ideas.

According to a senior Administration official, earlier drafts of the Bush proposal that relied on specific funding mechanisms, such as taxing insurance benefits above a certain level for the employed, or cutting Medicare and Medicaid payments or curbing their growth, have been replaced with "illustrations instead of financing proposals."...

"We think because there are so many different ideas on how to pay for this, that we want to concentrate on the proposal and not get involved in the financing side that will require quite a lot of debate," a senior official said Wednesday.

The official pointed out that many of the competing Democratic plans "don't say how they would pay for themselves either, so why should we," and added, "The important thing is there is a fundamental difference between us and the Democrats on what kind of health reform we should have. The debate should be over the fundamental differences of approaches, not the other."

One Republican source said the lack of specific funding mechanism "amounts to an almost automatic admission that nothing will be passed in Congress this year" because Bush is politically unwilling to put himself behind controversial efforts to pay for a plan.

(Ann Devroy, Washington Post, A7)

EDITOR'S NOTE: "Focusing More On Cost Than Compassion," regarding the health care debate, by Kenneth Cooper, appears in The Washington Post, page A16.

"Reforming The Health Care System: An American Paradox," by Malcolm Gladwell, appears in The Washington Post, page A25.

"Bush Plan For Health Care Market-Based," by Marshall Ingwerson, appears in The Christian Science Monitor, page 1.

**ADMINISTRATION'S ANNUAL ECONOMIC REPORT
PRESENTS LOWER EXPECTATIONS**

The Bush Administration is counting on its election-year package of tax cuts to stimulate the lagging U.S. economy as much by improving consumer and business confidence as by putting more money in their pockets, Administration economists said Wednesday in presenting the annual Economic Report of the President.

Without passage of the plan -- "business as usual," the report calls it -- the Administration predicted economic growth in 1992 would be only 1.6 percent after adjustment for inflation, but 2.2 percent if the plan were passed....

CEA Chairman Boskin said the proposed cut in capital gains taxes would immediately increase the value of assets such as homes, buildings and stocks and would "translate into increased confidence and more spending."

Sen. Sarbanes criticized the report, declaring, "The Administration admits the most they can muster is about 2 percent growth (this year) and that unemployment will average 6.9 percent in '92. It will be 1997 before the unemployment rate will get back to 5.3 percent, where it was just before this recession began. The Administration is forecasting a very weak, anemic recovery that will leave us with all of the serious economic problems we have now."

(John Berry, Washington Post, A14)

BUSH'S FISCAL ADVISERS: 'WE DON'T HAVE A CREDIBILITY GAP'

President Bush's Council on Economic Advisers, which failed to recognize the recession last spring, denies it has a credibility gap and predicts an economic upturn this summer.

CEA Chairman Boskin also insisted Wednesday that the prospects of a recovery would rise "mightily" if Congress approved Bush's election-year economic rescue plan....

"I don't think we suffer from a credibility gap at all," he said in response to a question. "In 1989, we were more accurate than all 52 private blue chip forecasters. Only eight were more accurate in 1991."

(Thomas Ferraro, UPI)

BUSH ADVISERS LINK FED POLICY, SLOW ECONOMY

President Bush's Council of Economic Advisers said the Fed deserves some of the blame for the unexpectedly sluggish economy. "In retrospect," the council said in its annual report, "it appears that monetary policy should have been geared to lowering interest rates faster and earlier." The council stops short of calling for further rate cuts, but it notes that short-term interest rates, adjusted for inflation, "are higher than they have been during many comparable periods in the past."

(David Wessel, Wall Street Journal, A2)

BUSH'S CAPITAL GAINS PLAN FAVORS WEALTHY, PANEL SAYS
Study: 70% Of Tax Benefits Go To Top Earners

President Bush's proposed cut in the tax rate for capital gains income would give lopsided benefits to the richest Americans and cost the federal government \$15.4 billion in lost tax revenue, according to a study by tax experts in Congress.

The study, by the Joint Committee on Taxation, showed that Americans earning more than \$100,000 a year would get nearly 70 percent of the total benefits of Bush's proposal to cut the capital gains tax, even though they represent less than 3.5 percent of the population....

Rep. Gephardt seized upon the study to renew his attack on the President's capital gains proposal. "The capital gains proposal by the President is tantamount to class warfare," Gephardt said in a statement. "It engages the government in redistributing income and services from the middle class to the most privileged members of our society." (Steven Mufson, Washington Post, D11)

HILL REPUBLICANS MUTE BUDGET WOES

Some Republican lawmakers, who publicly praise President Bush's budget, hold their noses privately and wonder if they can hold their seats come November. "The budget doesn't save the money it purports to save," said a GOP staff aide. "There are net increases in spending and most of the savings are accounting gimmicks and increased user fees and collections from taxpayers."

"Republicans in Congress really think the President's budget stinks but they aren't going to say so publicly," said a House GOP leadership aide. "Republicans were extremely exuberant over the President's speech. But now that they are aware of the facts in the proposed budget, the word 'nauseated' comes to mind."...

"These tax and spending increases in the President's budget concern me," said Rep. Boehner. "It shows there is not any serious work going on in the Administration or Congress to significantly reduce the deficit."...

These Republicans are convinced Democrats will pass a middle-class tax cut soaking the rich that Bush will either have to sign or veto and appear to favor the rich. The members feel they lose either way. "It could have been avoided by having more creative people than Brady and Darman write this budget," said Rep. Doolittle. "They should get the boot."

(Ralph Hallow, Washington Times, A5)

BUSH'S PRO-GROWTH SPENDING PLAN SHOWS
CONFLICT WITH BUDGET-CUTTING RECORD

President Bush's plan to accelerate spending for select domestic program is at odds with his record of cutting from many of the same accounts.... Many of the accounts covered by his order have been targeted for cuts by his own Administration in the past and again this year. And in some cases, even though Bush boasts that he is acting unilaterally, he actually is obliged to spend the funds quickly because of provisions written into law by Congress in October.

(David Rogers, Wall Street Journal, A2)

**FCC IS CONSIDERING CHANGES IN RULES
THAT COULD STIMULATE ECONOMIC GROWTH**

Federal regulators are considering ways to modify broadcast and telecommunications rules that could boost the economy and eventually help change the competitive landscape. Among the ideas being discussed among FCC members and their staffs are accelerating depreciation rates for phone companies and easing ownership limits on radio and television studios.

(Mary Lu Carnevale, Wall Street Journal, A16)

TREASURY SAYS IT WILL SELL FEWER LONG-TERM SECURITIES

The U.S. Treasury, the world's largest borrower, Wednesday said it would change its borrowing plans modestly to take advantage of low short-term interest rates and reduce costs to American taxpayers.

But Treasury Undersecretary Jerome Powell Wednesday said that "this change is not a departure from our long-held view that, over time, the cost of financing the (federal government's) debt is minimized by a stable, predictable pattern of Treasury borrowing."

(Steven Mufson, Washington Post, D11)

KEMP APOLOGIZES TO BUSH FOR REMARK

HUD Chief Regrets Context, Not Content, Of 'Gimmicks' Statement

Secretary Kemp wants it understood that he is sorry. He is very sorry. It was "not artful" for a member of the President's Cabinet and a key link to the party's conservative base to refer publicly to some White House economic proposals as "gimmicks." It was a "mistake" to hand critics of the President a potent weapon with which to pummel him politically. It was "wrong" to "wear my feelings if not on my sleeve, then tattooed on my forehead."

Kemp's act of contrition, in a written statement Sunday and in an interview Wednesday, however, is only in the most narrow sense an act of retraction. He would not withdraw the economic theory behind what he said, he explained Wednesday, adding that he just should not have said it out loud, and certainly not the way he said it. "In this environment, you just can't make that kind of a comment," he lamented....

"They ought to have fired him on the spot," one disgusted Administration official said. "They ought to have shown up bright and early Monday morning at the HUD building and changed the locks and then invited the media over to film Kemp heading for the unemployment line."...

Kemp, and some who know him best, scoff at the idea that he deliberately planned the remarks with 1996 in mind. "Jack has no grand plan on what he's going to do next week, much less four years from now," one friend said. Another argued that most of Kemp's political advisers had recommended he get out of the Cabinet if he wants to run in 1996, but he could not bring himself to do it.

(Ann Devroy, Washington Post, A1)

**STUDENTS TEST BELOW AVERAGE
In World, U.S. Fares Poorly In Math, Science**

A new international comparison of schoolchildren shows American students performing below average in mathematics and science, a "clear warning" that even good schools are not properly preparing students for world competition, Secretary Alexander said Wednesday.

The survey of 175,000 students worldwide, which Alexander called "the best international comparison of student abilities in 25 years," also shows American students watching more television and doing less homework than almost all of their counterparts around the world.

Alexander noted that the results show that the top 10 percent of American students "can compete with the best students in any country." However, he said, the results also show that the vast majority of American students perform below the international average.

"It means this is not just an inner-city problem or a rural poverty problem," he said. "It's a problem in the suburbs and in the middle-class families all over the country."

(Mary Jordan, Washington Post, A1)

**SENATE COMMITTEE VOTES TO END BAN ON
FEDERALLY FINANCED FETAL TISSUE TRANSPLANTS**

In a move that may rekindle congressional debate over abortion rights, a Senate committee Wednesday voted to remove the Bush Administration's ban on federally financed fetal tissue transplants. The Labor and Human Resources Committee sent the measure to the Senate floor as part of a bill reauthorizing programs at the National Institutes of Health.

(Elizabeth Neuffer, Boston Globe)

FLAP MAY GROUND BUSH'S FAA CHOICE

Jerry Curry's bid to become chief of the FAA -- once on the fast track -- apparently has derailed. Last month, Acting Secretary Busey asked him to withdraw. But so far, Curry hasn't agreed to bow out. That could be a sensitive political problem for President Bush in his bid for support from minority conservatives.

(Lori Sharn, USA Today, 2A)

TEAMSTERS' CHIEF VOWS NO BUSH ENDORSEMENT

Newly elected Teamsters President Ronald Carey says the nation's second-largest labor union will break its allegiance to the Republican Party and join most other unions in seeking a Democrat to defeat President Bush.

Speaking to reporters Wednesday for the first time since his inauguration Saturday, Carey called an endorsement of Bush "absolutely out." He said the Teamsters will try to join their efforts with other labor organizations. He said he hoped his union could back a particular Democrat by the end of February.

(Ed Roberts, UPI)

LEFT OUT?

President Bush's trip Thursday to Nevada brings to 49 the number of states he's visited since his inauguration. The only state to miss out: Arkansas.... Former GOP Rep. Robinson says Bush is probably ashamed to show his face in Arkansas. "It's very obvious that the Arkansas Republican Party was behind that leak" that Gennifer Flowers had an affair with Gov. Clinton.

("Capital Line," USA Today, 4A)

DEMOCRATS AX SPECIAL POSTAL PROBE

House Democrats turned back a Republican plan for a special bipartisan probe of the scandal-plagued House Post Office Wednesday, sending the matter instead to a Democratic-controlled committee. In the heated 60-minute debate, Republicans charged the House Democratic leadership with covering up allegations of illegal drug sales, questionable loans and embezzlement at the post office.

(Paul Rodriguez & Jennings Moss, Washington Times, A1)

EDITOR'S NOTE: "Mr. Bush, The Latest In Gadgets," regarding President Bush's trip to Orlando, by Joel Achenbach, appears in The Washington Post, page C1.

"White House Race Is Recast: No Kremlin To Run Against," by R.W. Apple, appears in The New York Times, page A1.

INTERNATIONAL NEWS

DEMOCRATS WON'T USE REQUEST FOR SOVIET AID AGAINST PRESIDENT

Key Senate Democrats vowed Wednesday not to use the Administration's new \$620 million aid request for the former Soviet Union to fuel criticism of President Bush for spending too much time on foreign policy at the expense of domestic needs.

While suggesting a degree of bipartisan backing for the humanitarian and technical assistance to the republics, the lawmakers warned Secretary Baker that the voters' domestic worries nonetheless will make it difficult for Congress to vote for foreign aid this year.

Sen. Dodd, while offering support, cautioned there is a lot of opposition "on the streets" to foreign aid. The Administration would be making a "dreadful mistake...(to assume) the American public will be behind this particular effort," he said.

Baker responded that "you don't have to be a rocket scientist" to understand Americans' economic concerns, but he said that spending "a few billion" now to help the republics could prevent having to spend trillions meeting a renewed threat in the future.

(Terry Atlas, Chicago Tribune)

BAKER: N-THREAT SHRINKING

Secretary Baker, seeing a "once-in-a-century opportunity," predicted Wednesday that all Soviet nuclear weapons will be moved to Russia by July 1. There is "the distinct possibility...that all such tactical nuclear weapons will be in the Russian republic by July 1 of 1992," he told the Senate Foreign Relations Committee.

(Johanna Neuman & Laurence Jolidon, USA Today, 4A)

SENATE URGES ADMINISTRATION TO ACT ON DISMANTLING NUCLEAR WEAPONS

A senior Senate Democrat Wednesday accused the Bush Administration of dragging its feet in assisting the former Soviet Union in rounding up and dismantling its nuclear weapons.

"I'm not impatient for the expenditure. I'm impatient for the plan," Sen. Nunn said of the Administration's delay in deciding how to spend the \$400 million Congress earmarked to help the former Soviets....

Nunn noted that Thursday would be exactly eight weeks since President Bush signed the Soviet Nuclear Threat Reduction Act of 1991, the aid package, and "none of the \$400 million, not one penny" had been used.

(Donna Cassata, AP)

**RUSSIA TO BE SOLE NUCLEAR REPUBLIC
Other Ex-Soviet States Agree To
Destruction Of Strategic Missiles**

The former Soviet republics with nuclear weapons have agreed that all of the nuclear-tipped strategic missiles outside Russia will be disabled within three years and eliminated within seven years, senior Bush Administration officials disclosed Wednesday.

The pledge means that strategic missiles currently deployed in Kazakhstan, Belarus and Ukraine are to be destroyed by the end of the decade, the officials said. At that point, only Russia will have ballistic missiles capable of striking the U.S. from territory of the former Soviet Union....

Undersecretary of State Reginald Bartholomew disclosed the plan to eliminate long-range missiles in testimony Wednesday to the Senate Armed Services Committee, saying that Russian authorities had informed him of it during a visit to Moscow last month.

A senior State Department official said later that leaders of the other three nuclear-armed republic had separately told Bartholomew during visits to their capitals that they agreed with the Russian plan. (Jeffrey Smith, Washington Post, A1)

NEW RUSSIAN ENVOY LEANS HARD ON U.S.

MOSCOW -- Russia's new ambassador to the U.S., Vladimir Lukin, signaled Wednesday that he'll be aggressive in courting U.S. officials to assist in Russia's transition to democracy. "If the historical challenge to make normal relations with Russia is lost, the U.S. will be in a much worse political situation," he said in an interview. (Carole Landry, USA Today, 2A)

U.S. TEAMS IN GENEVA RIPPED OFF TAXPAYERS

U.S. taxpayers had to foot the bill for U.S. arms control delegates in Geneva who lavished funds on servants, phantom housing and even a Barbie doll, federal auditors say. A report by the U.S. Arms Control and Disarmament Agency's inspector general says curtailing free-spending ways in Geneva could save \$618,000 every year. (Chris Collins, USA Today, 4A)

**U.S. MAY SEEK TO HASTEN ACTION TO PROTECT OZONE
Signs Of Atmosphere Damage Alarm Officials**

The Bush Administration, alarmed by new forecasts of a growing ozone "hole" over the Northern Hemisphere, is likely to push for a speedier phaseout of the most ozone-damaging chemicals at a diplomatic meeting in April, officials said Wednesday....

EPA Administrator Reilly said Wednesday that in view of new data projecting greater ozone loss than anticipated, U.S. officials are nearing agreement on a plan to accelerate the CFC phaseout deadline by three or four years....

"There are encouraging signs in industry that allow us to end CFCs more quickly," said a senior official.... "The NASA data are worrisome and create an added urgency to phasing out these chemicals," said Reilly in an interview. "The President feels strongly about phasing them out earlier than the year 2000."

(Michael Weisskopf, Washington Post, A3)

INTELLIGENCE OVERHAUL URGED Agencies Could Be Compelled To Cooperate

Sen. Boren and Rep. McCurdy Wednesday proposed the most far-reaching changes in the U.S. intelligence community since it was first set up in 1947 to fight the Cold War.

Boren and McCurdy called for creation of a new post of director of national intelligence with authority to make military and civilian intelligence agencies work together at less cost and to create a new government-wide structure for intelligence analysis.

"The world has changed and the intelligence community must change with it," Boren said. "Changes in the world have made the current intelligence structure outdated."

The proposal is expected to encounter stiff opposition from the Pentagon, which would lose much of its clout, and other agencies that might have to surrender intelligence assets. Both Boren and McCurdy said at a news conference they regard the plan as simply a starting point for change and hope it will prompt bolder ideas from the Bush Administration....

Boren said Bush's "reaction was one of appreciation" for the effort. "I don't regard it as written in stone," Boren said. "It may not be where we will wind up.... It is not our purpose to pass a bill, send it to the White House and have it rejected by the President."

(George Lardner, Washington Post, A1)

REPATRIATION STOPS; HAITI SEEKS MORE AID FOR REFUGEES

PORT-AU-PRINCE -- Two U.S. Coast Guard cutters carrying 508 Haitian refugees idled off Haiti Wednesday as the provisional government called a halt in plans to repatriate them and about 10,000 others, authorities said.

State Department officials said in Washington that Haiti asked for a delay because it could not assimilate large numbers of refugees at one time. A U.S. Embassy official in Port-Au-Prince said he expected the refugees to be allowed to disembark Thursday, instead of Wednesday as planned.

(Michael Norton, AP)

DELAY IN DEPORTING HAITIANS VOTED Impending Recess May Make Congressional Measures Moot

A House Judiciary subcommittee Wednesday night approved a six-month moratorium on the forced repatriation of Haitian boat people, but supporters of the measure said they doubted it could be passed before the House recessed Wednesday night.

The bill, approved on a 5-3 vote along party lines, was the first congressional response to the Administration's controversial effort to return about 10,000 boat people. A related Senate measure, sponsored by Sen. Kennedy, has not been acted upon and there may not be time to do so before the Senate adjourns Friday, refugee advocates said.

(Al Kamen, Washington Post, A21)

**WHITE HOUSE ACCUSED OF BACKING AWAY
FROM COMMITMENT TO DEMOCRACY FOR HAITI**

The Bush Administration, desperate to halt the tide of refugees from Haiti and frustrated by the failure of a two-month international embargo, appears to be backing off from its commitment to restore democracy to the Caribbean nation, human rights groups and congressional critics said Wednesday.

Administration officials denied their position has softened, and said they are working privately with other regional governments on ways to increase pressure on the regime that overthrew President Aristide. "The ball has not been dropped, and hope has not been lost," one U.S. diplomat said. "This is the time to be patient and persistent and work together to keep the pressure on."

(Pamela Constable, Boston Globe)

CUOMO CRITICIZES FORCED REPATRIATION OF HAITIANS

ALBANY -- Gov. Cuomo Tuesday said the Bush Administration's order sending Haitian refugees back to their homeland was "tantamount to turning our back on family members in their hour of greatest need." Cuomo said the forced repatriation order "demonstrates a blatant disregard for (refugees') safety in the hands of the illegal regime."

(UPI)

HILL COALITION SEEKS MORE HEAT ON CUBA

A bipartisan coalition of lawmakers has proposed legislation to tighten the 30-year-old U.S. economic embargo against Cuba and encourage the overthrow of Fidel Castro. Called the Cuba Democracy Act, the bill allows for the donation of food and medicines to needy Cubans, the establishment of telecommunications systems between the U.S. and Cuba and the procurement of aid for non-violent democratic groups in Cuba.

(Carleton Bryant, Washington Times, A7)

U.S. SEEKING TO ESTABLISH ANTI-DRUG BASES IN LATIN AMERICA

LA PAZ, Bolivia -- In an effort to strengthen Latin America's anti-narcotics forces, the U.S. is seeking to establish a series of bases to train police and military forces from five South American nations and Mexico, according to a U.S. government document. The document, which outlines the Bush Administration's position in advance of a major drug summit later this month, says the "regional training centers" would be located in the Andean region, which includes Colombia, Bolivia, Peru, Ecuador and Venezuela.

(Gary Marx, Chicago Tribune)

BAKER IS SAID TO SEEK DELAY IN MIDEAST TALKS

JERUSALEM -- Secretary Baker has asked Israelis and Palestinians to resume peace talks on Feb. 24 in Washington, participants said Wednesday. The date initially mentioned had been Feb. 10, but Baker asked that the talks be postponed until after he returns from trips abroad so he can take an active role in what is expected to be a tough session, an Israeli government official said.

(AP, Washington Post, A24)

GOVERNMENT HOLDS UP SHIPMENT OF NUCLEAR MATERIALS TO IRAN

BUENO AIRES -- The government, reportedly acting at the request of President Bush, has halted a shipment of nuclear material to Iran until that country promises not to develop nuclear weapons. "We are waiting for Iran to sign safeguards and conduct its nuclear affairs in a way that permits exploration," said Argentina's foreign minister, Guido di Tella. (AP)

U.N. SECURITY COUNCIL RETAINS ECONOMIC SANCTIONS AGAINST IRAQ

U.N. -- The Security Council decided to retain economic sanctions against Iraq Wednesday, saying it has not complied with U.N. demands on monitoring its weapons industry. Amb. Pickering said members also "strongly deplored" Iraq's refusal to continue talks with U.N. officials on resuming oil exports.

(Reuter, Washington Post, A21)

EMBASSY BACKS IRAQI ATROCITY REPORTS

Responding to what it called the "smug and cynical casting of doubt" on stories of Iraqi soldiers killing Kuwaiti babies in hospitals occupied by Iraq, the U.S. Embassy in Kuwait this week outlined for the State Department why it believes the account to be true.

In a classified cable dated Feb. 3, Amb. Gnehm said officers at the embassy "have not systematically pursued accounts" of baby deaths but have had hundreds of conversations with Kuwaiti nurses, doctors, morgue attendants, ambulance drivers and cemetery caretakers who have told them they witnessed or helped to bury babies that died because Iraqi soldiers removed them from hospital life-support systems or otherwise denied them health care.

(Dana Priest, Washington Post, A21)

GAO STUDY SAYS ARMY DODGED MEDICAL BULLET

A harsh new assessment of Army medical preparedness has concluded that if the Persian Gulf War had lasted longer than it did, field hospitals and medical staff would not have been able to cope with the expected flood of wounded U.S. soldiers.

Problems identified by the GAO included physicians with no training in combat medicine, shortages of basic supplies such as drugs and X-ray film and outdated hospital tents that in some circumstances could not be cooled below 100 degrees Fahrenheit. Mobile field hospital units assigned to combat areas had to leave behind beds and equipment because there were not enough trucks to carry them.

(John Lancaster, Washington Post, A3)

POWELL: GAY BAN STAYS FOR MILITARY

Gen. Powell said Wednesday that the military maintains its ban on homosexuals to avoid potential problems of discipline and morale. Powell told the House Budget Committee he agrees with Secretary Cheney's view that the ban is not justified by the department's one-time contention that homosexuals pose a greater security risk.

(AP, Washington Times, A3)

HOUSE APPROVES PROBE OF ALLEGED 1980 HOSTAGE DEAL

Overcoming six months of Republican resistance, the House late Wednesday authorized a formal investigation into whether the 1980 Reagan-Bush campaign conspired with Iran to delay release of American hostages.

Lawmakers engaged in a scathing partisan debate before voting 217-192, mostly along party lines, to begin the inquiry and pay for it with an undetermined amount from the House contingency fund....

In vitriolic terms that presaged a contentious election-year session on Capitol Hill, Republicans accused Democrats of wanting to use the investigation as a political hammer against President Bush. Rep. Hyde called the probe "an excursion into political paranoia."
(Jim Drinkard, AP)

MONITORS PRAISE REPORTING OF ABUSES BUT FAULT POLICIES

Private groups on Wednesday praised the State Department's global human rights report for an overall objectivity but complained that the findings were seldom translated into foreign policy.

"In many countries where the United States has other strong interests, human rights repeatedly takes a back seat," Human Rights Watch told the House Human Rights Committee.

"The U.S. has never spoken out forcefully on gross abuses in Turkey" nor used the leverage of its large Turkish aid program to press for human rights protection there, Holly Burkhalter, the group's Washington director, said.

"The State Department report on China is excellent and the Bush Administration's policy toward China continues to be terrible," Burkhalter said. Also, "strong condemnation has been missing on abuses in post-liberation Kuwait." (Gene Kramer, AP)

TRADE GAP BLAMED ON HIGH U.S. HEALTH COSTS

Crippling health care costs, not lazy workers, are the main drag on corporate America in its rivalry with Japan, business officials and experts said Wednesday. They fired the latest salvo in the trans-Pacific war of words at a congressional hearing on health care. "The health care issue is going to be the issue of the decade and we need to resolve it," Rep. Upton told the House subcommittee on commerce, consumer protection and competitiveness.

(Reuter, Washington Times, A8)

NETWORK NEWS

(Wednesday evening, Feb. 5)

HEALTH CARE

CBS's Dan Rather: President Bush comes out tomorrow with his much-delayed health care plan. Advance word has it that Mr. Bush will not propose a national health insurance nor any plan that would require employers to provide coverage. What he will propose could be a make-or-break issue this election year.

CBS's Susan Spencer: For a man who scarcely mentioned health care for three years, George Bush has high hopes for the five-year \$100 billion reform package he'll unveil tomorrow.

(President Bush: "And my plan ensures that people can find health care, choose health care, afford health care and keep health care.")

Mr. Bush rejects national health insurance or requiring employers to provide it. He will call instead for a series of tax breaks and a system of vouchers -- up to \$3,750 a family so that poor- and middle-income people can buy their own insurance.

(Rep. Gingrich: "The President's trying to say you take an essentially sound system and begin [lost audio] to take care of a series of problems.")

Critics say it's reform of an unsound system.

(Sen. Rockefeller: "If he has a tax credit voucher approach, that still makes it the voluntary program which is failing us as now. It means that every man, woman and child will not have access to health care.")

Wrong, says Mr. Bush, who also wants insurance reforms to make it cheaper for small business to offer coverage, and to continue coverage on workers who change jobs.

(Sen. Simpson: "It isn't just a political gimmick, and it's paid for. You know, there's 600 health care plans in Congress right now, which means some people are covering their butt twice.")

But to pay for his plan, Mr. Bush will go after Congress' sacred cows: Medicare and Medicaid, slowing down their explosive growth by steering patients to managed care, HMOs, by reducing so-called waste and by lowering reimbursement to hospitals on the theory that now more patients will have insurance. It's a theory some don't buy.

(Ron Pollack, Families USA: "Those doctors and hospitals are going to charge those of us who have private insurance a whole lot more money to make up for it.")

No one expects any plan to pass Congress this election year. But apart from providing Mr. Bush with some needed political cover, his plan at least gets the national health care debate started. And even people who think that this is all politics are thankful for that.

(CBS-Lead)

ABC's George Strait reports on the Healthy Kids program in Florida: The Healthy Kids program works this way: The state of Florida contracts with a private insurance company to insure school children directly, not through their parents. Since children rarely get serious illnesses, the company can cover them at a lower cost. The premiums range from \$60 a month to nothing, if government will subsidize the poorest families. If the program works in Daytona, officials plan to extend it statewide and cover uninsured parents as well. That potential is drawing the attention of President Bush's health advisers.

(Carl Schram: "This is a good idea. It's a good idea. It's innovate and it holds lots of promise in effective and efficient ways of getting insurance and care to people.")

Despite that promise, Healthy Kids can't solve all of the problems of the uninsured. At best it is first aid for an ailing health care system -- examples of how in the absence of a national plan the burden of caring for the neediest is shifting to the states.

(ABC-13)

EDUCATION

NBC's Jane Pauley: American kids don't make the grade in math and science. In test results released today by the Educational Testing Service, the people who give college-bound students the SAT test, young Americans ranked far behind the rest of the world.

NBC's Robert Hager reports that to design the most accurate test ever, comparing U.S. students to others in math and science, the government hired the best: Princeton-based Educational Testing Service. The exams were given in Korea and Taiwan -- Japan chose not to participate -- in a half dozen West European countries, in the former Soviet Union, Hungary, even the Yugoslav republic of Slovenia and several other countries. The results announced today are devastating. Math testing of 13-year-olds: number of nations tested, 15. U.S. students finished 14th. Science tests for the same age, the U.S. finished 13th. Math tests of 9-year-olds: nations tested, 10. The U.S. finished 9th. Only in science tests of 9-year-olds did the U.S. do better, finishing 3rd. Korean students scored a clean sweep, first in every category. Taiwanese students were almost always second. Students from the former Soviet Union finished ahead of U.S. students in all but one of the tests. For example, when 13-year-olds were asked to decide which way between two towns was shortest by adding the mileage and comparing, only 66 percent of U.S. students answered correctly; 86 percent of Soviet students got it; and 93 percent of Swiss students. Educators noted that Korea and Taiwan have much longer school years than the U.S. Their classes are huge -- nearly 50 to a class -- but they're motivated, as the president of the ETS observed.

(Gregory Anrig, ETS: "In Korea, when the students were called out of their classes to participate in these tests, their fellow classmates stood and applauded as they left. In America we often make fun of our brightest students, giving them such derogatory names, you've heard them, as nerd, dweeb, or in a former day, egghead.")

Hager continues: One other glaring difference: U.S. students watched more television, thought to take vital time from studies. Two years ago the Administration set out to make the U.S. first in math and science by the year 2000. Today's results indicate we're further than ever from that goal. (NBC-Lead, ABC-8)

CBS's Richard Threlkeld reports:

(Secretary Alexander: "This is not the kind of report that an America that likes to be first should be happy about.")

The reasons for America's relatively poor showing are predictable enough. Our students did less homework, spent less time in school, and watched a lot more television. Teachers say they're often too busy baby sitting in class. Students say they are not motivated.

(Stephanie Bell, student: "No matter what, we're not going to earn as much as our parents, and it's really discouraging. I mean, what do we have to work for? If we know we're not going to do as well, why should we bother working?")

In New Hampshire today, the Democrats running for President were demonstrating how important they think education reform is. They spent the day talking to school children, all of whom are too young to vote.

(Sen. Harkin: "President Bush said he wanted to be the education president, but he has not led us in education.")

To which some teachers said amen.

(Wayne Johnson, teacher: "In all honesty, the only thing the President has done is cut aid to education.")

Today's report is one more reason that fixing America's school system is likely to be a hot-button issue this election year, right along with fixing the economy. Here in New Hampshire there are five Democrats who all insist they can be a better education president than George Bush. (CBS-2)

DEFENSE PROJECTS

ABC's Peter Jennings: We're going to spend a good deal of time this evening reporting on money. Is there enough to provide Americans with adequate health care? With Americans so focused on a recession at home, is there the political will to send billions of dollars overseas to help others? And when everyone wants to cut the defense budget, why is Congress giving the Pentagon more than the Pentagon wants -- more than the Pentagon wants?

This week the Defense Department sent to the White House a long list of programs costing billions of dollars which the military says are a waste of money.

ABC's Bob Zelnick says that for 30 years the Hercules Engine Company of Canton, OH, counted on the U.S. Army to buy its truck engines. Last year the Army switched to a new truck and a new engine from a different company. Still, in December, Congress told the Army to spend another \$20 million on Hercules engines and spare parts. How did the extra money get appropriated when military supply depots were already bulging with Hercules engines? The funds were not authorized by the Armed Services Committees. Instead, the money was added by members of the House and Senate Conference Committee who tacked on dozens of pet projects to the final defense appropriations bill. The key proponent of the money for the engines was Ohio Rep. Regula.

Zelnick continues:

(Zelnick: "Was this an example of pork-barrelling?"

Regula: "I think this was an example of good management. The committee felt that these projects would be more cost-effective than some that the Army requested.")

Critics like Sen. McCain have been urging colleagues to reject 11th-hour deals struck without hearings or debate.

(McCain: "Some of them may be good. Some of them may be perfectly legitimate requirements for our defense needs. But we don't know that, because the process is broken.")

A process which, according to one estimate, added \$6.3 billion in spending the Pentagon did not request. Example: almost \$12 million to build military museums; the Pentagon doesn't want any of them; \$175 million to upgrade the Navy's F-14 fighter. The Defense Department is trying to phase out that plane; \$61 million to buy more ready-to-eat meals. The military is still trying to give away leftovers from the Gulf War; \$25 million to study whether energy from the aurora borealis can be harnessed. The Pentagon has no interest. And there's \$10 million for Marywood College, a Scranton, PA, school run by nuns who study causes of family stress. There is no particular application to the military. At a time of defense cutbacks, Pentagon leaders resent being told to use scarce funds for things they don't need.

(Secretary Cheney: "Congress has directed me to spend money on all kinds of things that are not related to defense, but mostly related to politics back home in the district.")

Pentagon leaders are now asking Congress to cancel all the money appropriated for unwanted programs. But every time that's happened before, the answer from Capitol Hill has been, spend it anyway.

(ABC-Lead)

JOB FAIR

Pauley says you couldn't find a more graphic picture of our current economic health during this recession than what NBC's Keith Morrison found in California.

Morrison reports that if you had walked past the Federal Armory in affluent west Los Angeles today, you would have seen what is wrong with America. They didn't come here to be a curiosity or to be part of a symbol, but that's what it got to be. This was a job fair put on by the federal government and offering a few jobs in private industry and public service. And stretched down the street over two days, well-groomed and patient, waited 9,000 people. And who were they? The heart and cream of the middle class. Most of them said never in their lives did they think they'd have to do this.

(NBC-2, ABC-9, CBS-9)

ECONOMIC INDICATORS

NBC's Irving R. Levine reports that it's no guarantee of clear sailing ahead, but signs that have been reliable in the past are indicating a more buoyant economy ahead. In past recessions it's been an early sign of recovery when people started buying recreational items like boats. A more important signal: orders for packaging materials such as paperboard made at this California factory -- orders up 10 percent from a year ago.

Levine continues:

(Jason Small, factory owner: "When we begin to see a pickup in our industry it's generally an indication that the economy in general is improving.")

That's because every kind of manufacturing firm needs packaging before it can ship its products. Equally important: semiconductors. Production at semiconductor plants is now running 10 percent behind orders. Food chain sales are up a healthy 3 percent, the biggest monthly increase in nearly three years. How reliable are such signs?

(John Mueller, economist: "Any single indicator can be misleading, but when this many indicators tell you that the economy is on the way to recovery, you can believe it.")

Still, the signal of recovery most Americans will believe is a turnaround from firing to hiring, and that's not likely to occur until much later this year at the earliest. (NBC-3)

FOREIGN AID

Jennings reports that Secretary Baker told the Senate Foreign Relations Committee today that U.S. foreign aid is still a vital concern. Baker said that believing the world is safe enough to suffer a little American neglect is just plain wrong. But it isn't easy in an election year to convince the senators.

ABC's John McWethy reports that just back from Moscow, Secretary Baker argued that America has a once-in-a-century opportunity to influence the course of history by providing \$5 billion in aid to Russian, Ukraine and the other new nations that used to make up the Soviet Union. What Baker found was a Senate committee dominated by Democrats worried about what the voters would say and wanting to pin blame on the Republicans.

(Sen. Dodd: "Certainly intellectually one could make a very strong case with the idea that we ought not to miss this historical opportunity. But I think it would be a dreadful mistake if we went forward from this room assuming that the American public are going to be behind this particular effort given the conditions that exist in this country.")

(Sen. Kerry: "I've held a lot of town meetings recently, and I've never seen the level of anger as high as it is.")

(Baker: "You don't have to be a rocket scientist to see what's happening in this political year.")

Baker argued that not spending the money could eventually cost the U.S. billions more if Russia and the other new countries slip into chaos, with millions of people short of food and nuclear arsenals still intact.

(Baker: "Protectionism, isolationism, have done nothing but get us in trouble.")

Democrats repeatedly made the point that the Bush Administration might get better support for aid proposals overseas if domestic policy was in better shape. Baker, without missing a beat, simply told them that Domestic policy was not his job. (ABC-2)

FETAL TISSUE

Pauley: In a move sure to turn up the heat on the abortion issue, a Senate committee today voted to lift the Bush Administration's ban on federal funding for transplants using tissue from aborted human fetuses.

NBC's Robert Bazell says researches believe transplanted tissue from aborted fetuses could treat many conditions, including Parkinson's disease, spinal cord injury and diabetes. The Bush Administration is standing firm on the ban, because it fears the transplants would condone abortions.

(Dr. James Mason, Assistant Secretary of Health: "Sometimes a scientist needs to take a time out when his goals come in opposition or collide with moral and ethical principles.")

(Dr. Curt Freed, University of Colorado: "Why is it better to throw this tissue away than to use it to treat an incurable disease? I would ask President Bush that.")

This controversy will be debated intensely when the full Senate considers it, and it could become a major issue in the presidential campaign. (NBC-4)

U.N. SANCTIONS/IRAQ

Rather: The Security Council today renewed U.N. sanctions against Iraq for not complying with cease-fire resolutions. The council said Saddam has refused to cooperate with weapons inspectors. Asked if some action is planned against Saddam, U.S. Ambassador Pickering said, "Stand by for further news." (CBS-7)

RUSSIAN ECONOMIC REFORMS

Jennings reports that in Moscow, President Yeltsin's advisers announced the government is taking a step back from its economic reform program. The government will reduce a new tax on some foods because of resistance to the enormous increase in prices. Inflation is now running at more than 300 percent since last month. (ABC-4, CBS-8)

TSONGAS

Pauley: The New Hampshire primary is now less than two weeks away. Former Sen. Tsongas comes closest to having home field advantage, but it's not just being from neighboring Massachusetts that accounts for his surprising strength. It's also his ideas.

NBC's Andrea Mitchell says Paul Tsongas understands the loneliness of the long-distance runner. His chief idea is the need to rebuild the nation's industrial base. But for months people didn't listen. They called him boring, too earnest, terrible on television.

(Tsongas: "They say that my strongest point is I have a movie star quality, that I'm a very charismatic speaker." [laughter])

What few people realized was that Tsongas is a man with a mission, who has licked tougher odds than he faces this year. Eight years ago he quit politics to fight cancer. His economic philosophy is rooted in his hometown, Lowell, Massachusetts, a dying mill town Tsongas and local businessmen helped revive. His sense of service was born in the Peace Corps.

-more-

Mitchell continues:

(Tsongas: "And it, to me, was the defining experience of my life. It did a lot of things for me. When I went to Ethiopia I was a Republican." [laughter])

Some Democrats say he is still a Republican. He favors cutting the capital gains tax, calls a middle-class tax cut pandering, and has the nerve to tell the UAW not to bash Japan. But on television, his message was getting lost in the medium. He's trying to fix that, had a relative coach him on what to wear and how to act in the last debate.

(Tsongas: "I've got a media coach. [Holds up his tie]. You'll notice this is both red and diagonal. You will never again see me with a tie that's not red and not diagonal.")

Tsongas' determination is paying off. Polls show him leading other candidates who were thought to have star appeal.

(Tsongas: "I have a sense of purpose in what I'm doing. I really, as corny as this may sound, I feel that I survive. And there's an obligation in that survival.")

He doesn't have much money to carry him past New Hampshire, but he has ideas which have already forced the other Democrats to be more substantive in this year's campaign. (NBC-8)

-end of News Summary-

--- Thursday --- February 6, 1992 ---

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--- 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

NH TV: SOME OLD, SOME NEW

HARKIN "recycles" 60-sec. ad from '90 campaign touting work on ADA bill -- moves from "only real Democrat" theme. (#3)

KERREY returns to biography; 60-sec. version in SD makes him 1st on air in second primary state. (#2)

DON'T RUMINATE, ENUMERATE!

Cuomo tells of bulging mailbag. No time to read them all, but he counts 'em. (#6)

FEC: FUN WITH NUMBERS (#12)

2nd half figures for all Sen. candidates required to file.

TIDBITS: Specter (R), Shelby (D) top incumbent raisers in each party; Sanford (D), Rudman (R) on bottom. CA "A": Boxer out-raises Levine in period, but TV, mail leave her behind in cash. "Best Cash Position For Challenger Without A Primary Award": Hogsett (D-IN).

NY SEN: THE GANG OF THREE

Abrams, Ferraro locked at 27% in Dem primary; Holtzman close at 20%. Mrazek largely unknown at only 4%. (#13)

SPOTLIGHT

CHECK-OUT LINE POLITICS

From the tabloids and Clinton ... to electronic scanners and Bush ... not to speak of the prices they scan ... it's a win Dixie kind of year.

CLINTON: What the Star started NEWSDAY continues with new info about state hiring of Flowers. The WALL STREET JOURNAL adds its own reporting on Clinton draft deferment. And Flowers will appear today on (surprise) "A Current Affair." (#1)

BUSH: After his amazement at 12 year old check-out innovation, the columnists and TV monologues introduce him to ATM, radio station scanners, remote control TV (and Quayle to electronic doors), etc. These aren't the gimmicks Jack Kemp was talking about, but it all seems connected. (#8)

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

"If Clinton were to lose, I think he would be very seriously compromised, if not destroyed."

-- Jack Germond on NH, "Inside Politics," CNN, 2/5. (#1)

THE APN BULLETIN BOARD

FROM TODAY'S GREENWIRE: In aftermath of ominous ozone data, Bush admin. likely to push for faster phase-out of CFCs.
FROM TODAY'S DAILY REPORT CARD: New study says U.S. students fare worse than most countries in math and science.
FROM TODAY'S ABORTION REPORT: Sen Cmte. follows House's July lead, votes to end fetal tissue research ban. Veto expected.

HOTLINE/DATABASE INDEX

WHITE HOUSE '92

CLINTON: Re-examination phase continues. (#1)
KERREY: Two weeks is a lifetime ... he hopes. (#2)
HARKIN: Calls Bush "education antagonist." (#3)
TSONGAS: Increasingly seen as a "party maverick." (#4)
BROWN: Raiding Nader? (#5)
VULTURE WATCH: Cuomo, Bentsen, Richards, usual suspects. (#6)
DEM ROUND-UP: Debate watch. (#7)
BUSH: The future is now ... or at least November. (#8)
BUCHANAN: Says Bush lacks compass; borrows from Harkin. (#9)
DUKE: Fundraising can't compare to gov. bid. (#10)
NEW HAMPSHIRE POLLS (#11)

SENATE WATCH

FEC REPORTS: 2nd half 1991 filings. (#12)
NY: 3 Dems tightly bunched for D'Amato bid. (#13)
OR: OCA recruiting another candidate against Packwood. (#14)
PA: Freind "zinger" ad misses target. (#15)

HOTSPOTS

CO: Mixed Rocky Mountain reax to Romer-Bush scrap. (#16)
CT: Weicker's third party outdoes Dems and GOP. (#17)
NY: Queens secession movement emerges. (#18)

TV MONITOR (#19)

? ? ? ? OVERLOOKED ? ? ? ?

Dan Quayle has \$415,341 cash-on-hand from his Senate campaign committee.

*1 CLINTON: RE-EXAMINATION PHASE CONTINUES

W.S. JOURNAL's Jeffrey Birnbaum revisits Clinton's draft exemption. In the summer of 1969, when Clinton was studying at Oxford, he was exempted from the draft on the basis of his statement that he would be enlisting in U of AR Law School's ROTC program that fall (Jeffrey Birnbaum, W.S. JOURNAL). He "never joined the program, or even attended the law school. But it exempted him [during] the critical two months when he expected to be called into service. By October, he had a change of heart and subjected himself to possible induction. But by then the draft lottery was about to take effect and he drew a lottery number high enough that he was never called. ... many young men with Mr. Clinton's educational background found ways to avoid military service ... But the issues raised by his conduct remain relevant for several reasons": Republicans "no doubt will demand that Mr. Clinton's record receive equal scrutiny" to Quayle in '88. "Moreover, people directly involved with Mr. Clinton's draft status contradict his version of what happened." AR draft board exec. sec. Opal Ellis, a Republican "who held her civil service position for twenty years": "We gave him more [leeway] than he was entitled to." Ellis "alleges that he 'went in and told me he was too well educated to go.' She says he told her that 'he was going to fix my wagon [and] pull every string he could think of.'" The report quotes Clinton's own statements on the matter, as well as several draft and AR officials. Clinton "had his deferment in time to cover the very same period ... that the draft board had earlier told him was when he would probably be conscripted." Asked "whether the deferment was proper," Clinton: "I didn't know what the rules were. All I can tell you is what they told me." But he "says he soon had doubts about the morality of it": "I had already had one year [at Oxford], I had high school classmates who were already dead. I decided it was an inappropriate thing to do." He then told UA ROTC Col. Eugene Holmes, who "says he was angered to learn of the change of plans, and moved to revoke" Clinton's deferment. He was reclassified 10/30/69. Holmes: "Ethically, I think he should have stayed in ROTC. He'd given his word, and was backing out." Clinton was never called up; the new lottery system, based on birth dates, took effect 11/26/69; Clinton was given the number 311 on 12/1/69. No one higher than 195 was called (2/6).

NH: Germond & Witcover report strategists for Harkin and Kerrey are "conceding ... they must find a way to cut [Clinton] down to size" in the final weeks of NH. If they don't, either or both could be eliminated" after 2/18. But the two "face the tricky question of how to attack Mr. Clinton without evoking a backlash." In "one sense," they are "fighting with one hand tied behind their backs." The "single best issue they have ... is a challenge to his electability." There are two "unanswered questions about the shape" of the NH primary: "One is whether there is a hidden vote against Mr. Clinton on the personal life issue ... The second is how many voters are still genuinely undecided and susceptible to appeals in the final weeks" (Balto. EVENING SUN, 2/5). Clinton cancelled several afternoon and evening campaign stops yesterday due to illness, but is expected to resume campaigning today. At Concord High School, where he outlined his proposal for a "lifetime system of education" and "fired back" at Cuomo. Clinton said Cuomo "overreacted" to his

taped reference to Cuomo's Italian heritage: "I just go back to what Governor Cuomo said when Senator Kerrey got into a little hot water in the early part of the election. He said if something like this happens, you've got to go back and look at a person's whole public life and not overreact. That's what I would urge everyone to do" (Oman, ARKANSAS DEMOCRAT-GAZETTE, 2/6). He also hit the Bush admin.'s deportation of Haitians: "We have to support our immigration laws, but I do not support what happened to the Haitians" (BOSTON GLOBE, 2/6). WMUR-TV in Manchester showed Clinton at Concord High: "Those of you that are students here today have more riding on this election than I do or the people of my generation do" (2/5). Several reports mentioned the campaign was filming footage of Clinton and the students, and that Clinton's obvious illness might detract from the quality of the video.

MORE ON FLOWERS: N.Y. NEWSDAY's Clifford/Perlman report "substantive irregularities" in the way now-fired Gennifer Flowers obtained her \$17,524/yr state job. Earlier reports had established that the official description of the job had been reclassified to include more P.R.-type background, which worked to Flowers' advantage. The reclassification also led to grievance filed by a woman who lost the job to Flowers (see HOTLINE 1/27). What's new: Flowers scored 9th out of 11 candidates on a merit test. Also: There are new questions raised about how Flowers heard about the job opening, but there is still no conclusive evidence that Clinton himself was involved in getting her the job over the other. NOTE: NEWSDAY devotes one line to the explanation of why Bd of Review chair Don Barnes, a Clinton appointee, overruled the initial complaint: "prior disciplinary issues" with complainant "Charlette" Perry (2/6). Earlier reports by the DEM-GAZETTE identified the woman as "Charlene," and described the Perry's prior conduct in greater detail. DEM-GAZETTE reports a month before Flowers made her allegations, she "had asked that she be considered ... to score music" for Clinton's TV spots. Telephone records reveal she called Clinton media man Frank Greer 3 times in early December. "Greer said he returned her calls, but never reached her. He said he didn't know her at the time" (2/6). Her interview with "A Current Affair" airs today (USA TODAY, 2/6).

ABOUT THAT REPORT: The author of a report ranking AR 50th in workplace safety replied to Clinton's statement made during the 1/31 PBS debate. In a letter to Clinton that was sent to all the Dem candidates, Nat'l Safe Workplace Inst. exec. dir. Joseph Kinney charged claims by Clinton backers that the report was "politically motivated ... are without foundation" (mult., 2/5). N.Y. POST's Orin reports the Clinton campaign "has never made a written request" for the report. Her column, under header "Clinton's credibility problem grows," also notes conflicting Clinton statements on the Gulf War: "At best, the record shows that Clinton was still waffling two days after" the use-of-force resolution (2/6).

MORE: Following Gov. Brereton Jones' (D-KY) recent endorsement, Clinton "showed little familiarity" with issues "crucial" to KY, and "displayed leanings that could keep him from carrying the state" if he wins the nomination. Clinton said he would not rule out a new tax to help slow global warming by "discouraging use of coal," and noted "he has been at odds with" the tobacco industry -- two areas important to KY. Clinton said he would take a position on the federal tobacco program before KY's 5/26 primary. Jones "voiced no concern" on Clinton's

positions. Kerrey has been "more favorable to tobacco" than Harkin or Tsongas (Cross, Louisville COURIER-JOURNAL, 2/6). ROLL CALL editorial (with photo of his signature on the AR resolution to raise his own pay) hits his position on the congressional pay raise: "Clinton's hypocrisy is galling ... Stop yapping ... It's an issue for a glib demagogue, not for a substantial candidate" (2/6). A separate report notes affidavits by AR legislators supporting Clinton's explanation, but AR Common Cause dir. Scott Trotter stands by his statement that Clinton supported the measure (Craig Winneker, 2/6).

FROM THE "THANKS BUT NO THANKS" FILE: John Doggett, who told the Sen. Judic. Cmte that Anita Hill "developed a romantic fixation on him," showed up at a TX Clinton rally "to act as a character witness" for him (Dowd, N.Y. TIMES, 2/6).

PREDICTION: GERMOND: "If Clinton were to lose [NH], I think he would be very seriously compromised, if not destroyed" ("Inside Politics," CNN, 2/6).

*2 KERREY: TWO WEEKS IS A LIFETIME ... HE HOPES

With 12 days left in NH, Kerrey "cast aside" questions "about whether he has failed to 'connect' with voters or whether his campaign is 'dead in the water'": "There are 2 weeks left in the campaign, and there are a lot of undecideds out there." Kerrey adviser Mike McCurry "said Kerrey's strong second-choice support and his likability, as measured by the polls, indicate there 'is a great story about to happen. We just have to make it happen. That's all'" (Kotok, OMAHA WORLD-HERALD, 2/6). In NH 2/5, he put "his best environmental foot forward," saying the purchase of Japanese fuel-efficient cars feeds the Japanese economy, so the U.S. must build its own fuel-efficient cars to "spark our own economy." He also "cited money for renewable energy source development and energy tax credits as ways of stimulating the development of more energy efficient power sources" (UNION LEADER, 2/6). W. POST's David Broder writes Kerrey had a "tranquil day," with only two stops before leaving NH for a NYC fund-raiser (2/6).

CANDOR MAN: Speaking to Manchester high school students, Kerrey said he has been seeing a NH prosthetist "for troubles he has been having with his injured leg": "It's a tremendous source of strength knowing that care will be there. We must relieve the growing uncertainty about health care that affects many families." The comments "reflect his efforts to speak directly with audiences, in an unscripted, almost intimate, way. ... Wednesday, however, was the first time he has spoken directly about complications" (Canellos, BOSTON GLOBE, 2/6). Asked by one student if he thought his candidacy would be a "waste" if he lost, Kerrey: "Doing well in the ballot box is only one measure of my success." Kerrey noted he had "made friends, contributed to the national debate and 'learned a lot about myself'" (AP/W. TIMES, 2/6).

ALSO: ATLANTA CONSTITUTION's Tom Baxter reviews his 2/3 GA trip: "Liberal labor lawyers, old Buckhead money, firebrand environmentalists and curious legislators" showed up. "You'd figure that many in this crowd will wind up in Bill Clinton's corner, if he weathers his present storm. But the curiosity about Kerrey was a sign of a lingering uncertainty" (2/6). Dr. Irwin Redlener, chief of community pediatrics at Albert Einstein College of Medicine in NYC, is forming Health Professionals for Kerrey (WORLD-HERALD, 2/6).

OUCH: BOSTON HERALD's Margaret Doris calls the distribution

of "hundreds" of Kerrey buttons, mistakenly printed without the union "bug" certifying it was made by union labor, "symptomatic of what ails the Kerrey campaign. ... Despite its early promise, the campaign has been a disappointing amalgam of erratic scheduling, sophomoric media and occasional flashes of brilliance" (2/6). "Lately the Kerrey campaign has found itself trying to deal with a new problem: the candidate's own candor" (Richard Mertens, CONCORD MONITOR, 2/5).

NEW BIO AD: His latest 30-second spot, which began airing 2/5, begins with a series of pictures and with a narrative voice over. It starts with the picture of him as a Navy SEAL and then receiving the Medal of Honor with the word "valor" across the bottom of the screen. Narrator: "For valor in battle, the Medal of Honor ..." Marathon picture with word "determination" on screen: "From the loss of his leg to running a marathon ..." Desk picture with word "Businessman": "From nothing, a business with 900 jobs." Governor picture which changes to press conference with word "Governor": "In a farm depression, he turned a deficit into a surplus." Film from bio: "Bob Kerrey." Same visual with words "Bob Kerrey -- National Health Insurance": "The courage to take on the insurance companies and fight for National Health Insurance." Same visual with words "Bob Kerrey -- Fight for American jobs": "To take on unfair trade practices and fight for American jobs." The picture changes to Kerrey with people in chair with words "Bob Kerrey -- Economic Plan for Investment, Training, Jobs" then words "Bob Kerrey -- Put America Back to Work": "To take on the recession with an economic plan for investment, education and training to put America back to work." Visual and vocal: "Bob Kerrey. Courage, for a change" (Kerrey release, 2/5). Kerrey's managers "believe he must show himself in his late commercials as a more relaxed and engaging figure than he has appeared so far" (Germond/Witcover, Balto. EVENING SUN, 2/5).

SD: He became the first candidate on the air in SD 2/5, running a 60-sec. bio spot (Sioux Falls ARGUS LEADER, 2/6).

***3 HARKIN: CALLS BUSH "EDUCATION ANTAGONIST"**

He spent his 109th work day since 1974 at Manchester West High School, teaching "American history, science, and English classes." He "breezed through an exposition on Jeffersonian democracy and a discussion of U.S. Energy reserves, but then got tripped up in the English class when they discussed "The Tempest" (Broder, WASH. POST, 2/6). In his address to the students, he said he "supports a college loan program that would let students repay the government through public service" (AP/W. TIMES, 2/6). Harkin: "I give the kids here the same message that I give to adults, because what's hurting the adults is hurting the kids too" (WMUR-TV, 2/5). DES MOINES REGISTER's McGrath notes Harkin "seemed at ease with students" (2/6). He "pledged to restore the federal investment in education to 'pre-Reagan levels' during the first two years of his presidency": "Bush is not the Education President; he is the Education Antagonist" (Harkin release, 2/5).

AD WATCH: He unveiled a new 60-second spot on Americans with disabilities in NH yesterday. The ad, called "Danette," is Harkin's 7th. Danette: "Everywhere I go I get stared at." Narrator over shot of Harkin working with Danette: "Danette Crawford knows the discriminations faced by persons with disabilities. So does Denny Thiesfield." Video of Thiesfield working on a tractor: "They said he'd never farm again after he

was paralyzed in Vietnam. But with Tom Harkin's help, he got back on his tractor and went back to work." Video of Harkin and brother Frank: "Tom Harkin Understands too. His brother Frank is deaf, but Frank has courage just like millions of other Americans with disabilities." Video of Harkin on the Senate floor: "Tom Harkin took on their cause, fought the special interests, and wrote the most important civil rights legislation in 25 years. Many said he didn't have a chance, but he won, and now it's the law of the land. The promise of America is finally extended to all Americans." Danette: "The ADA is going to help people appreciate this gift that they are given: the gift of two legs, two ears, and two eyes that work." Narrator, video of Harkin working with Danette: "Tom Harkin and Danette Crawford -- the courage of our convictions" (Harkin release, 2/5). W. POST's Howard Kurtz notes the ad is "recycled" from his '90 Senate race and is first not to give the "only real Democrat in the race" line. The spot also "doesn't mention that President Bush supported the measure" (2/6).

HOMEWARD BOUND: His IA office is "starting to bustle with activity." Though he is "sure to win," he's "not taking anything for granted. He's the only major candidate with an active campaign here and he's campaigning in a big way." He'll be in IA from 2/8-10 and is scheduled for "13 pre-caucus rallies" (Victoria Benning, OMAHA WORLD-HERALD, 2/6).

*4 TSONGAS: "PARTY MAVERICK"

New details of his "differences with liberal [Dem] principles on gun control, the death penalty and US military intervention are being drawn into sharper focus" (Wilkie, BOSTON GLOBE). Although he has made his "opposition to traditional Dem economic policy the cornerstone" of his campaign, his "departure from liberal orthodoxy on other issues did not come under close scrutiny until he emerged in recent days as one of the favorites" in NH. Some of his comments "strengthened" his image as "a party maverick who is abandoning liberal doctrine": 1) A former opponent of capital punishment, Tsongas said the execution of ex-Panamanian dictator Manuel Noriega would be "fine with me." 2) He supports a crackdown on assault weapons and the Brady bill, but declared, "I believe people have the right to bear arms." Tsongas on the recent attention: "I'm just answering the questions. I'm not intentionally trying to raise these issues" (2/6). He ran an ad in the Manchester UNION LEADER today highlighting his "A Call to Economic Arms." The ad includes commentary from a variety of editorials and columnists (2/6).

MR. NICE GUY: For Tsongas, "the challenge in convincing the world nice guys don't have to finish last": "I'm not on the front page of any tabloid. I'm don't make comments about Mario Cuomo. The press has some responsibility to give an equal chance, and not dismiss someone because of a preconceived idea of electability." But he's had "success wooing voters," and "may finally be emerging from the shadow of Bill Clinton (Milligan, N.Y. DAILY NEWS, 2/6). S.F. CHRONICLE's Jerry Roberts profiles him (2/6).

TV: NBC's Andrea Mitchell profiles him: "When he began eleven months ago nobody took him seriously." Video of Tsongas being asked question, "Is this for real Senator?" Tsongas: "Yes, I wouldn't be doing this if I was not serious." Mitchell: "Deadly serious. ... But for months people didn't listen, they called him boring, too earnest, terrible on television. What few people realize is Tsongas is a man with a mission who has licked

tougher odds than he faces this year." Tsongas in interview: "I have a sense of purpose in what I'm doing. As corny as this may sound, I feel that I've survived and there's an obligation in that survival." Mitchell: "He doesn't have much money to carry him past New Hampshire, but he has ideas which have already forced the other Democrats to be more substantive" (2/5).

*5 BROWN: RAIDING NADER?

Seeking to "consolidate the support of other anti-Washington candidates for his own insurgent campaign," he tried appealing to Nader supporters by offering Nader a job as "consumer advocate" in the Brown WH: "I'm not saying vote for Ralph Nader, because he's not on the ballot. I'm saying, if I'm elected, I'll bring Ralph Nader into the [WH] and he'll help run your government" (John Milne, BOSTON GLOBE). Nader, running a write-in campaign, "declined Brown's offer" through a spokesperson. Brown has often said he would name Jesse Jackson as VP (2/6). Brown also taught students at Pinkerton Academy in NH and vowed his campaign and message will be around a lot longer than NH's primary: "I'm just not running a campaign here. I'm running a cause to change America. We've got a corrupt system. It has an unfair tax code. The politicians are giving us empty rhetoric." WMUR-TV's Tom Griffith: "Brown would not speculate how well he needs do in New Hampshire, but he did say he will carry on no matter what the results are on the 18th" (2/5).

PROFILES: SAN JOSE MERCURY NEWS's Philip Trounstein writes, "Only one candidate running for president would have the overweening sense of personal mission -- or the chutzpah to schedule a book-signing event and autograph copies of Thomas Paine's 'Common Sense'" (2/6). W. POST's Lou Cannon's piece subtitled, "Reluctant Political Warrior Tries to Tap Voters' Alienation," begins with a confrontation with a station manager about offering his 800 phone number (2/6). W. TIMES' Elisabeth Hickey writes under title: 'Mad as hell' is not selling well.' Subtitle: "All ethics, purity, morality, Jerry Brown ranks among 'others'" (2/6).

*6 VULTURE WATCH

W. TIMES' Donald Lambro reports House Dems are "voicing the belief that a veteran Democrat who has been through the fires of a presidential campaign will get into the 1992 nomination contest before it is over. This is the view that clearly emerged last weekend in a random survey I conducted of rank-and-file House Democrats and their leaders who gathered" for a leg. strategy session. One House Dem leader: "We want to wait and see what happens in [NH]. It depends on what happens in the next couple of weeks. But if the field remains split and no one emerges as a strong contender, then you are going to see others get into this." Many mentioned Bentsen, Gephardt, Gore (2/6). W. POST's David Broder: "The chances of anyone really getting into this race are small, not impossible" ("Inside Politics," CNN, 2/5). PHILA. DAILY NEWS' Sandy Grady writes, "Here we go again. Mario Scenario No. 1000. ... the new Mario Scenario only has credibility because Democratic sahibs -- the moneymen, state chairmen, top congressfolk -- are scared stiff." Rep. Charles Stenholm (D-TX): "If it's not Clinton, it will be somebody else, not one of the other four." Grady: "Translation: Saddle up the posse, boys, we've got to find Candidate X. ... My guess is that Mario Scenario No. 1000, like 999 previous scripts, will collapse. I don't think Cuomo -- for his own labyrinthine

reasons -- wants to run for president." His "bet" for "backup," if one is necessary, is Bentsen (2/5). HOUSTON POST's Lynn Ashby puts in a vote for a Bentsen candidacy, calling him "electable, which is more than we can say for the others his party is considering" (2/4).

CUOMO: He was asked at a 2/5 Albany news conference of the plight of the NH man who has received hundreds of misdialed calls intended for the Cuomo write-in campaign. "But the answer [Cuomo] gave had nothing to do with the travails of Mr. Wells. It had to do with all the mail he continues to get encouraging him to run for President." Cuomo to reporters: "Did you hear about the letters we got?" To aides: "How many did we get? Anybody know? Ten thousand?" Reporter: "What do the letters say?" Cuomo: "I don't know." Reporter: "You just count them?" Cuomo "dislodged himself by joking that the letters had urged him to pass a state budget on time." N.Y. TIMES' Kevin Sack reports there is "no sign" Cuomo "has any interest in making a late-entry into the race ... And yet [Cuomo] cannot quite restrain himself from occasionally parachuting onto the Presidential landscape." A few Cuomo aides "admit to spending some of their spare time war-gaming a last-minute candidacy." While "most agree" with Cuomo that the nominee will "almost certainly" come from one of the 5 candidates, DNC spokesperson Ginny Terzano "said a new candidate could still win the nomination, even on a first-convention ballot, by winning the last few primaries, earning the support of elected officials and other so-called superdelegates, and picking off the support of delegates committed to candidates who drop out of the race" (2/6). The NH draft effort "will receive a minor boost" today when Lou D'Allesandro, who ran for Gov. in '82 as a GOPer and has since switched parties, will endorse the effort (BOSTON GLOBE, 2/6).

CNN's Gene Randall reported on the NH campaign: "Begun soon after Cuomo announced he would not run [12/20], the write-in effort has taken on new life, why? The argument that ... Clinton is damaged goods. ... The immediate objective for the Draft Cuomo group is getting at least 15% ... With no active encouragement from [Cuomo], in the view of the draft organizers it would be an impressive showing and a sign that primary voters too are concerned about the issue of electability." CNN reported the Draft Cuomo phone number -- 1-800-92-CUOMO, also noting those who are misdialing COUMO ("Inside Politics," CNN, 2/5). NH Draft cmte member Barry Newman: "We'd love to come in the top three, but substantive success would be 15 percent. That way we'd get a delegate" (BOSTON GLOBE, 2/6).

NY POLL: The Marist College poll, conducted 1/29-30 & 2/3, surveyed 714 registered Dems; margin of error +/-4% (Marist release, 2/6).

QUESTION: SHOULD CUOMO RUN FOR PRES. IN '92?

Yes	51%
No	38
Undec.	11

RICHARDS: TX Gov. Ann Richards (D), at a retreat for House Dems in MD last week, "skewered" Bush for his economic recovery plan, calling it "a Brylcream agenda, a little dab'll do ya." On Bush's foreign policy: "Even a 17-year-old debutante can bow from the waist." At the finish, the 200 Reps. and staffers "were on their feet, cheering exuberantly," with some chanting "We want Ann," and "Ann Richards for president." The retreat was broadcast by C-SPAN, and Richards received a call from Bill Cosby

2/3, "urging her to run." Richards spokesperson Bill Cryer: "He said he was impressed with how well she could communicate and wanted her to run for president. She was flattered," but said "Texas was more than she could handle." Rep. Martin Frost (D-TX): "Depending on how the nominating process goes, if we nominate somebody for president from another part of the country, I think she would be seriously considered" as a VP candidate. And, while aides "discount" talk of being a VP nominee, they "confirm" some Dems, such as Kerrey and Cuomo, have called her (Wayne Slater, DALLAS MORNING NEWS, 2/6).

***7 DEM ROUND-UP**

DEBATES: The 2/9 NH Dem-sponsored debate in Claremont will be moderated by Harvard's Marvin Kalb. The debate will be televised on WNNE and the Yankee Cable Network in NH, and C-SPAN nationally (CONCORD MONITOR, 2/5). While MONITOR reported 4 of the 5 will be present, NH Dem chair Chris Spirou expects "at least three." Manchester UNION LEADER's John DiStaso adds "he may have counted one too many." Harkin will be in IA for the caucuses. Tsongas and Brown have committed to attend. Spirou said Kerrey's staff was at a planning session 2/5, "and so, obviously, he is weighing it." The Clinton camp "says that despite what Spirou says, he has not confirmed and may or may not be there" (2/6). Balto. EVENING SUN editorial calls the 1/31 PBS debate a "breath of fresh air." The open discussion format "illustrated that these forums can be useful ways of getting beyond the sound bites that often characterize campaign coverage" (2/4). N.Y. NEWSDAY editorial, on the 1/31 debate: "OK, so maybe it wasn't Lincoln-Douglas. But [it] came as close as any candidates' forum has come in years to being a genuine exchange of political ideas. ... This is the way to debate; the public must demand no less" (2/4). Kerrey, Tsongas and Agran have committed to attend the 2/23 SD Dem TV forum. CNN's Ken Bode moderates (SD Dem release, 2/4).

***8 BUSH: THE FUTURE IS NOW ... OR AT LEAST NOVEMBER**

Several news items form interesting counter-point to today's news that in math/science "US kids still rank near the bottom" in a world that now demands knowledge of both (USA TODAY, 2/6).

ITEM: Critics have started to introduce Bush to other modern world phenomena like the electronic super-market scanner that so amazed the president in Orlando 2/4. Johnny Carson noted VP Quayle was astonished at the super market doors opening automatically -- and added that the president hasn't been in a super market for so long that he's never heard the phrase "paper or plastic" ("Tonight," 2/5). E.g., a BOSTON GLOBE editorial suggests he probably has never had a chance to use a car radio station scanner (2/6). WASH. POST's Joel Achenbach adds the microwave oven, remote control TV, intermittent wipers, call waiting (2/6). N.Y. DAILY NEWS' Rob Herbert wants to introduce him to multiplex theaters (2/6). All three want him to know of the ATM, with Herbert imagining his reaction: "'I think we can lick this recession thing if we can just convince a majority of Americans to go to their cash machines and draw out some of that money and start spending it ... Cash machines are the answer. That's what it's all about'" (N.Y. DAILY NEWS, 2/6). BOSTON GLOBE editorial: "Maybe there will be time next year to try some of these things. After 12 years' vacation from the real world,

there will be a lot of catching up to do" (2/6).

ITEM: The president's doctor says Bush will no longer take the sleeping pill Halcion. Fitzwater: "He's not taking it now due to the controversy over its use" (W.S. JOURNAL, 2/6). Bush took it to help deal with jet-lag on his recent Japan trip. Some writers have suggested it might have caused his collapse at dinner in Japan or his recent syntax problems. Dr. Lee said the drug had nothing to do with his syntax: "He's had a problem with syntax when he's tired, stressed out and hassled that goes back decades and he's aware of that" (Kaplan, N.Y. TIMES, 2/6). "There's general agreement among those close to the president that his recent comments aren't really any more odd than some things he's said in the past" (WASH. TIMES, 2/6).

ITEM: CHICAGO TRIBUNE's Wm Neikirk writes the country was ready "for a message Bush didn't deliver ... The president has only a few real duties. He must tell us truths we don't want to hear. He must set goals. He must rally the country ... [He should have answered] Where did he want the country to go: What does he have to say about the changing nature of work in a global economy ... One thing that has distinguished the current recession is that people have suddenly become alert to a longer-term economic threat" (2/5).

KEMP UPDATE: While some praise Kemp for labelling as "gimmicks" part of the president's short-term economic package, rumblings persist. Neikirk writes Kemp acted "artfully and correctly ... Kemp, unfortunately, was dressed down for saying the emperor had no clothes" (CHICAGO TRIBUNE, 2/5). Columnist Cal Thomas, who saw the GOP and TWA going "bankrupt" the same week, says Kemp acted "courageously and correctly ... The president regards loyalty as an important character quality, but loyalty to what?" (WASH. TIMES, 2/6). WASH. POST's Ann Devroy reports (front page) Kemp apologized but "he would not withdraw the economic theory behind what he said, he explained yesterday, adding that he just should not have said it out loud and certainly not the way he said it." In fact, just before the speech on 1/28, key government officials had been instructed "to label Democratic proposals 'gimmicks' and Bush's proposal 'real.'" One disgusted administration official told Devroy that Kemp should have been fired "on the spot ... They ought to have ... invited the media over to film Kemp heading for the unemployment line" (2/6).

***9 BUCHANAN: SAYS BUSH LACKS COMPASS; BORROWS FROM HARKIN**

In NH on WNHQ-radio, Buchanan "charged" Bush's "lack of a political compass has led to policy gyrations that have deepened" NH's recession: "There is no overriding philosophy when it comes to George Herbert Walker Bush. The truth is, George Bush has no real philosophy on taxes." He claimed Bush's "absence of a clear set of beliefs" had allowed Bush to make his famous "voodoo economics" remark in '80 and then "embrace those same policies" as VP, and to renege on his "No new taxes" pledge (Chris Black, BOSTON GLOBE, 2/6).

REAX TO HIS POSITIVE POSTURING: "Bush partisans are perfectly happy to see Buchanan switch gears" from bashing Bush to selling himself, although they believe he has "little bearing on the race." Bush NH chair/Gov. Judd Gregg (R): "Buchanan is not the issue in this election. What Pat Buchanan says, what he doesn't say, isn't going to have much impact on the (economic) frustration vote." HOUSTON CHRONICLE's Cragg Hines notes, "The retooled Buchanan thrust is a mixed message in which the

challenger can sound like a populist and an economic royalist in the same 15-minute speech. He blesses extended unemployment benefits only moments before denouncing proposals for higher taxes on the rich: 'It's not my money. They earned it'" (2/6). PHILA. INQUIRER's Paolantonio & Boyd write, Buchanan's "insurgent candidacy is running into the hard realities of challenging an incumbent president, even in hard times." His "right-wing rebellion" has "awakened" the WH from its "political torpor and spurred George Bush into campaign mode sooner than he had intended." And the "immense power" of the presidency and GOP rules that discourage challengers, with Buchanan's "own flaws, limit how far he can push his crusade." Even conservatives "argue he is not yet a mythic hero," and even if he "scares" Bush in the 2/18 NH primary, "his limits will be severely tested" in the South, "where his money and message will be up against Bush's entrenched loyalists" (2/6). Manchester UNION LEADER editorial: "Buchanan has chosen a wise course of action. ... Since it is arguably true that if by now [NH GOPers] don't recognize George Bush as the biggest taxpayer and spender in the nation's history, they never will, we concur" Buchanan "should spend more time emphasizing what he would do as President" (2/6). UNION LEADER on his "positive" ad that details what he would do if elected: "It comes just in time (some, we're sure, will say it comes too late). People were clearly getting tired of the 'read my lips' negative ad on Bush and anxious for Buchanan to talk about himself" (2/6). In a WASH. POST op-ed, Michael Kinsley defends his defense of Buchanan and takes issue with Richard Cohen's op-ed (see HOTLINE 1/27) claiming a Beltway "whitewash" of Buchanan's alleged anti-Semitism (WASH. POST, 2/6).

PROFILE: He is profiled by L.A. TIMES' Josh Getlin who notes, "With the exception of [Duke], no candidate in the presidential race has shown more disdain for campaign protocol than Buchanan. ... Most Republicans do not attack the head of their party. Politicians rarely tangle with senior citizens, who vote in large numbers. And even the most freewheeling candidates think twice before shooting from the lip" (2/6).

CRYING FOUL: NH Rep. Sarah Browning's (R) use of state House time and phone to solicit lawmakers to form a group called "Legislators for George Bush" was called into question after she contacted a Buchanan supporter. State Rep. Tom Christie (R), who supports Buchanan: "I have no objection to what they do on their own time. But on state time, on state telephones, is a different story." Buchanan issued a press release accusing the Leg. of joining the exec. branch in "showing they have been 'co-opted, not for the business of state government, but to push the election efforts of George Bush'" (DiStaso, Manchester UNION LEADER, 2/5).

UPCOMING: He will appear on C-SPAN's "Road to the White House" series tomorrow at 6pm. He is also scheduled to attend NH Conservative Political Victory Fund's "Tribute to Ronald Reagan" 2/8, along with ex-WH CoS John Sununu, HUD Sec. Jack Kemp, ex-Drug Czar Wm Bennett, Sen. Phil Gramm (R-TX), NH Gov. Judd Gregg (R) and conservative radio commentator Rush Limbaugh. Publisher Nackey Loeb will present the Conservative of the Year Award (UNION LEADER, 2/6).

*10 DUKE: FUNDRAISING CAN'T COMPARE TO GOV. BID

In statements filed with the FEC, Duke reported raising only \$58,864 for his presidential bid and, unless he has raised much more since the 12/31 deadline, "it appears likely that his

candidacy will fade" (Barbara Demick, PHILA. INQUIRER). In his gov bid, Duke raised close to \$1.8M. One ex-Duke supporter/Bossier Parish GOP chair "said he had seen little evidence that Duke had been successful" in \$-raising for his pres. bid: "Of the Duke people around here form the gubernatorial election, very few are supporting Duke. ... They think [Duke] is too narrow in scope, that he needs to broaden his platform. A lot of the Duke people are almost embarrassed that he is running." One controversial part of Duke's report concerns the LA GOP. Duke lists a \$3,000 contribution from them, "but party officials deny making the contribution." LA GOP spokesperson Ann Myers: "It' isn't us. ... I think you can expect most [LA GOPers] are going to support George Bush." She noted the contribution was listed as coming from a Shreveport post office box, while the GOP HQ is in Baton Rouge. Myers: "We are trying to trace" the P.O. Box. In an interview with Reuters, Duke said his "long-shot" bid "might be his last": "This is my last campaign for the foreseeable future" (2/6). N.Y. TIMES' Peter Applebome examines Duke's efforts to get on the ballot, and GOP opposition (2/6).

TX READY FOR VISIT: On 5/7, Duke travels to Houston for an a.m. news conference and then stops in League City. Galveston Co. Commissioner Wayne Johnston: "There is real fear that David Duke coming to town might stir up some of those negative passions that we thought were behind us." But Duke staffers say they're expecting a "warm" reception. Duke spokesperson Laura Otillio: "If it's any comparison" to SC, "it should be fantastic." League City Mayor Joe Lamb: "Personally, I'm going to a basketball game" (Grandolfo, HOUSTON POST, 2/5).

*11 NEW HAMPSHIRE POLLS:

BOSTON HERALD/WCVB: 399 likely Dem primary voters and 404 likely GOP primary surveyed 2/1-2 by Opinion Dynamics Corp.; margins of error +/- 5% (2/6).

	GOP VOTERS	DEM VOTERS
COMPARED TO 4 YEARS AGO, RU ...		
Better off	25%	15%
Worse off	48	61
About same	25	23
IF THINGS CONTINUE, THEY'LL GET ...		
Better	19%	8%
Worse	68	83
About same	3	1
SHOULD CANDIDATES TAKE NO TAX PLEDGE?		
Yes	12%	14%
No	74	75

NIGHTLY TRACKING: American Research Group surveys nightly about 450 likely Dem primary voters, margin of error +/- 4.6; and 425-453 likely GOP primary voters, +/- 4.6-4.75% (ARG, 2/6). W/CUOMO denotes horserace question asked w/Cuomo write-in option.

	W/CUOMO						
DEMS	2/3-5	2/3-5	2/2-4	2/1-3	1/31-2/2	1/30-2/1	29-31
Clinton	38%	31%	35%	34%	37%	38%	38%
Tsongas	21	19	20	20	20	23	26
Kerrey	10	9	10	10	10	8	6
Harkin	9	9	5	3	4	5	5
Brown	4	4	4	5	5	5	3

Agran	0	0	0	0	0	0	0
Cuomo	--	13	--	--	--	--	--
Undec.	18	16	27	28	23	21	21
GOP	2/3-5	2/2-4	2/1-3	1/31-2/2	1/30-2/1	29-31	27-29
Bush	63%	62%	59%	57%	53%	52%	52%
Buchanan	23	25	27	25	22	19	18
Undec.	14	13	14	18	25	29	30

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SENATE WATCH =====

*12 FEC REPORTS: 2ND HALF 1991 FILINGS

The following data is derived from statements covering activity from 7/1-12/31/91 and filed at the FEC on 1/31. 35 seats are up in '92 -- 20 Dem (1 open) and 15 GOP (2 open). Incumbents in CAPS. Only major challengers who filed are listed.

	2ND H RAISED	2ND H SPENT	2ND H PAC \$	TOTAL DEBT	CASH-ON HAND
ALABAMA					
SHELBY (D)	759,420	97,406	374,202	0	2,536,139
ALASKA					
MURKOWSKI (R)	375,703	174,220	135,100	0	505,439
Hensley (D)	6,300	6,000	0	2,000	2,300
Smith (D)	83,097	81,726	15,500	29,170	105,150
ARIZONA					
MCCAIN (R)	502,678	407,264	135,452	84,532	526,266
Spangrud (D)	5,854	5,554	0	0	300
ARKANSAS					
BUMPERS (D)	194,125	36,875	95,000	0	952,912
Busby (R)	31,019	30,139	1,500	12,600	981
CALIFORNIA "A"					
Boxer (D)	1,560,683	1,036,418	74,878	2,000	1,257,826
Levine (D)	988,377	570,982	75,855	200,000	3,724,744
McCarthy (D)	734,632	523,971	54,510	27,641	801,489
Bono (R)	55,017	89,744	0	50,608	10,624
Campbell (R)	1,432,303	838,762	193,975	46,705	2,096,866
Herschensohn (R)	1,229,379	888,406	15,055	122,955	496,378
CALIFORNIA "B"					
SEYMOUR (R)	1,660,485	1,391,377	316,800	78,364	1,062,934
Allen (R)	73,759	80,308	0	42,013	3,441
Dannemeyer (R)	589,717	698,578	12,447	856,255	509,662
Feinstein (D)	1,176,194	1,024,833	70,374	17,136	766,777
Davis (D)	464,888	197,709	43,418	0	1,536,622
COLORADO					
WIRTH (D)	685,750	363,306	210,433	0	1,013,674
Considine (R)	34,620	2,000	0	2,777	32,620
Zakheim (R)	27,843	33,401	0	10,000	4,441
CONNECTICUT					
DODD (D)	500,675	279,857	203,075	0	1,062,166
Burnham (R)	64,224	60,600	0	13,077	3,624
FLORIDA					
GRAHAM (D)	748,618	154,118	217,680	0	1,662,809
Grant (R)	12,851	7,038	0	0	5,812
GEORGIA					
FOWLER (D)	900,415	324,567	276,043	0	1,639,868
Barr (R)	20,908	30,881	150	10,468	2,510
Coverdell (R)	312,054	153,959	48,819	16,821	158,766
HAWAII					
INOUE (D)	388,321	247,787	134,00	0	623,898
IDAHO					
Stallings (D)	304,157	168,022	160,965	0	137,349
Kempthorne (R)	121,767	68,819	14,000	0	52,947
ILLINOIS					
	2ND H RAISED	2ND H SPENT	2ND H PAC \$	TOTAL DEBT	CASH-ON HAND

DIXON (D)	506,111	644,182	214,783	2,317	1,567,168
Braun (D)	87,805	36,712	11,675	2,650	51,093
Hofeld (D)	117,770	289,259	0	224,876	53,386
INDIANA					
COATS (R)	860,985	589,706	235,450	0	1,062,166
Hogsett (D)	301,670	38,925	109,274	8,562	406,878
IOWA					
GRASSLEY (R)	433,092	193,546	136,753	0	1,153,031
KANSAS					
DOLE (R)	196,310	153,082	135,850	0	2,100,025
Glickman (D)	74,066	77,055	29,670	0	312,161
KENTUCKY					
FORD (D)	452,951	348,253	241,251	0	758,434
LOUISIANA					
BREAUX (D)	633,661	112,763	355,509	0	1,819,740
MARYLAND					
MIKULSKI (D)	777,144	479,403	170,437	0	1,235,912
Cassily (R)	11,428	9,647	0	0	1,781
Keyes (R)	51,874	36,413	5,000	6,986	15,462
Zarwell (R)	1,207	2,018	0	24,924	222
MISSOURI					
BOND (R)	726,059	551,552	225,550	52,878	1,548,008
Bernstein (D)	63,211	58,717	0	0	10,391
Peacock (D)	63,688	21,235	8,550	52,453	37,974
NEVADA					
REID (D)	372,606	217,463	180,565	0	1,627,282
NEW HAMPSHIRE					
RUDMAN (R)	1,000	9,180	0	0	43,899
NEW YORK					
D'AMATO (R)	943,826	815,290	146,326	0	2,779,531
Abrams (D)	1,144,559	759,076	58,500	0	805,078
Ferraro (D)	1,133,523	979,408	41,462	239,729	498,435
Holtzman (D)	989,056	520,277	100,000	34,020	544,710
Mrazek (D)	402,568	375,212	33,600	10,000	853,172
NORTH CAROLINA					
SANFORD (D)	140,655	113,342	120,800	0	97,435
Faircloth (R)	217,646	411,421	10,125	274,848	1,123
Myrick (R)	43,702	40,860	5,000	0	2,841
Johnston (R)	51,611	96,091	0	51,099	5,520
NORTH DAKOTA					
CONRAD (D)	351,007	127,701	252,512	0	1,152,320
OHIO					
GLENN (D)	591,592	168,507	127,169	10,884	724,002
OKLAHOMA					
NICKLES (R)	740,897	274,472	229,493	0	1,835,277
Lewis (D)	168,149	125,846	27,275	0	101,351
OREGON					
PACKWOOD (R)	2,103,765	733,646	342,650	0	3,115,654
AuCoin (D)	469,473	497,479	169,926	0	475,014
Lonsdale (D)	94,581	47,405	0	33,150	36,506
	2ND H RAISED	2ND H SPENT	2ND H PAC \$	TOTAL DEBT	CASH-ON HAND
PENNSYLVANIA					
SPECTER (R)	1,148,945	613,136	239,830	0	3,286,186
Freind (R)	87,700	75,321	12,500	67,801	17,536
Singel (D)	112,381	45,090	3,250	102,730	167,290
SOUTH CAROLINA					
HOLLINGS (D)	545,180	241,965	171,005	51,250	1,748,076
Hartnett (R)	3,430	5,635	0	0	- 2,205

SOUTH DAKOTA					
DASCHLE (D)	783,820	490,934	389,987	51,250	1,049,217
Harr (R)	10,795	42,651	0	33,180	1,324
UTAH					
Anderson (D)	8,759	120,948	0	0	1,011,732
Owens (D)	260,312	67,553	111,202	17,712	195,863
Bennett (R)	73,890	70,375	4,000	28,686	13,515
Cannon (R)	108,538	832,990	0	903,309	75,548
Stewart (R)	27,520	16,203	0	4,347	11,317
Ward (R)	39,320	12,161	0	0	27,159
VERMONT					
LEAHY (D)	272,432	101,690	172,760	0	703,340
WASHINGTON					
ADAMS (D)	360,917	333,341	114,329	14,296	504,408
Boyle (R)	18,801	25,864	0	0	2,364
Chandler (R)	300,000	235,290	114,299	0	420,269
Thorsness (R)	83,101	81,305	1,046	0	6,828
WISCONSIN					
KASTEN (R)	760,734	495,840	122,397	20,549	1,693,280
Checota (D)	225,638	227,248	0	1,004,813	998,958
Feingold (D)	162,382	95,036	16,660	2,432	172,098
Moody (D)	472,020	188,249	142,425	185,000	872,889

***13 NEW YORK: 3 DEMS TIGHTLY BUNCHED FOR D'AMATO BID**

The Marist College poll, conducted 1/29-30 & 2/3, surveyed 714 registered Dem voters; margin of error +/- 4% (Marist release, 2/6). Dem candidates for nomination to oppose Sen. Al D'Amato (R): AG Robert Abrams, ex-Rep. Geraldine Ferraro, NYC Comptroller Elizabeth Holtzman, Rep. Bob Mrazek (D-03), Rev. Al Sharpton. Primary 9/15.

	ALL	MEN	WOMEN	UPSTATE	NYC	SUBURBS
Abrams	27.4%	34.5%	21.4%	26.1%	27.2%	30.3%
Ferraro	27.1	23.8	29.8	29.7	26.7	24.3
Holtzman	20.2	15.7	23.9	14.1	22.9	18.7
Mrazek	3.1	4.5	2.0	2.4	2.3	8.2
Sharpton	2.3	3.4	1.3	0	3.7	0
Undec.	20.0	18.0	21.6	27.7	17.2	18.5

***14 OREGON: OCA RECRUITING ANOTHER CANDIDATE AGAINST PACKWOOD**

Christian broadcaster Perry Atkinson (R) said he is being encouraged to run in a primary against Sen. Bob Packwood (R) by the OR Citizens Alliance "and other anti-abortion conservatives" since conservative Joe Lutz (R) opted out last month. Atkinson said he has been "overwhelmed" with calls to run and is looking at the race "very seriously." If he runs, Atkinson "may start with a base of support" in Southern OR from his talk radio work. OCA dir. Lon Mabon, who "has talked about the possibility" of backing a 3rd party Senate challenger in the general election, said "his group hopes to continue working in the Republican Party and that he is hearing the 'right noises and the right moves' from party leaders" (Portland OREGONIAN, 2/6). The presence of OCA-backed independent Al Mobley contributed to the election of Gov. Barbara Roberts (D) in '90 with less than a majority.

***15 PENNSYLVANIA: FREIND "ZINGER" AD MISSES TARGET**

State Rep. Stephen Freind's (R) first 30-second spot lists Sen. Arlen Specter's (R) corporate and special interest PAC contributors. The ad is on running only on cable, and just in the Philadelphia area and Central PA. One GOP "insider," noting

the ad's \$5,000 broadcast budget, said it will only run during the "creature feature at 2:30 in the morning." Over a scrolling list of company and PAC names and a "none-too-flattering black and white photo" of Specter's face, a narrator says: "Twelve-year Senator Arlen Specter has pocketed \$5 million from Washington power brokers. What do these groups get from Specter for \$5 million? It's time for a senator who represents the people of [PA] and not the fat-cat lobbyists in Washington." Over a color photo of an "animated" Freind "forcefully talking to someone off camera": "Steve Freind will be that senator. Steve Freind, the Republican candidate you can trust to keep his word and not sell his vote." PHILA. DAILY NEWS' John Baer's analysis: "This nasty little low budget zinger is a little like trying to hit a wiffleball with a hardball bat. Big swing, not likely to get much distance. ... The ad's intent is clear. Portray Specter as a vote for sale. ... But it offers no specific dirt on Specter and pointing out that big money is part of politics is hardly headline news." The Specter camp's response was described as "bored by it all." One Specter spokesperson said Specter "meticulously complies" with campaign contribution laws (2/5).

===== HOTSPOTS =====

*16 COLORADO: MIXED ROCKY MOUNTAIN REACTION TO ROMER-BUSH SCRAP
DENVER POST's Mike Keefe cartoon depicts Pres. Bush seated, with "economic plan" in hands, as Gov. Roy Romer (D) vomits in Bush's lap. DENVER POST editorial: "Seldom does the public get a good look at the choreography behind big-time politics -- the facade that is so carefully erected to create an illusion to the voters ... We applaud Romer's gall. ... Romer merely refused to be a singer in the [WH] chorus. After all, that's the job [CO] voters elected him to do" (2/5). Colorado Springs GAZETTE TELEGRAPH editorial header: "Romer picks wrong fight." While Romer "was long on guts, he was caught short by the president's sharp reply" on the specifics in the defense budget. The "details [from Romer] never came. Instead, Romer replied feebly that he was simply trying to suggest an alternative to the Bush plan. Not good enough, governor ... he should have done his homework before venturing into the serious business of national defense" (2/5). Boulder DAILY CAMERA: "Romer probably won't be invited to a [WH] state dinner ... anytime soon, since it is clear to the occupant that [Romer] doesn't know how to behave ... it was obvious Romer had planned his move in advance, and he can be faulted for a bit of grandstanding. On the other hand, [he] was right on two counts. One, too many things in [DC] are scripted to leave out the people in the rest of the country ... And two, Bush was off-base in trying to use the grandeur of the East Room to intimidate the governors" (2/5).

*17 CONNECTICUT: WEICKER'S THIRD PARTY OUTDOES DEMS AND GOP
A Connecticut Party, created by Gov. Lowell Weicker (I) for his successful 3rd-party '90 Gov. candidacy, raised more money, \$86,875, in the last quarter of '91 than the CT Dems or CT GOP, also finishing in a better cash-on-hand position than the other two parties. While Weicker pledged to run his admin. in an "unorthodox" way, his party is receiving contributions "like past governors ... from the traditional Capitol givers ... lobbyists, state contractors, agency heads and [PACs]." A Connecticut Party chair Diane Blick: "We're probably going to make contributions to candidates who were supportive of the governor's budget"

(Michele Jacklin, HARTFORD COURANT, 2/5).

*18 NEW YORK: QUEENS SECESSION MOVEMENT EMERGES

NYC Mayor David Dinkins (D) was "stunned" when three Queens lawmakers unveiled legislation similar to the 1990 Staten Island secession plan that would allow a panel to draw up plans for a City of Queens (McKenna/Hurewitz, N.Y. POST). Dinkins: "Nobody is going to break off from the city. ... We need all of our children -- Manhattan, Bronx, Queens, Staten Island and Brooklyn -- we need them all." Gov. Mario Cuomo (D), "Queens' most favorite son": "I doubt that bill will ever make it to my desk." But Queens Borough pres. Claire Schulman called the idea "a plan worth studying." Dinkins received the plan in time to coincide with his plea to Albany for additional state aid (2/5). Assemblyman Anthony Seminerio (D): "We're very serious about this. We're being inundated with taxes all over the place and we're not getting our fair share back" (Goldberg, N.Y. NEWSDAY). A spokesman for Assembly Speaker Saul Weprin (D), whose support for the bill is "virtually essential" to passage, said Weprin was "not inclined" to support it (2/5). Queens contends that with its solid base of single family homes and industry, it could "support better services at a lower tax rate." With nearly 2 million people, the proposed city would be the nation's fourth largest. Staten Island residents vote on final secession next year. Cuomo backs the S.I. secession plan (N.Y. POST, 2/5). State Sen. Serphin Maltese (R), a bill sponsor, "probably could not even line up a majority of Queens lawmakers today to support his bill" (Benenson, N.Y. DAILY NEWS). "Even among critics, the measure has touched a chord of anger and isolation that Queens residents have felt since the 1960s when the borough's streets were left unplowed after a blizzard" (2/6). Secession would require both legislation in Albany and a vote by residents.

*19 THIS MORNING: ABC's "GMA" hosted Sec./HHS Dr. Louis Sullivan and Sen. Jay Rockefeller (D-WV) on Bush's health care plan. NBC's "Today" hosted WA Citizen Action's David West and Dr. Philip Alper about Bush's health plan. "CBS This Morning" hosted Sullivan on the health plan, Sen. John Glenn (D-OH) on his NASA career and ex-Drug Czar Wm Bennett on his new book (2/6).

A.M. QUOTABLES: Sullivan on Bush's health plan: "This is voluntary and this is in the American spirit." Rockefeller: "This is a victory in the sense [Bush] is now engaged in health care. But it has no cost control ... and it doesn't guarantee universal health care" (ABC). Sullivan: "I think the president's plan is one that is comprehensive and compassionate" (CBS). West: "It seems like [Bush] is still out of touch with where the American people are on the health care issue. ... What's missing from this plan is that they're not taking the cost issue seriously" (NBC, 2/6).

LAST NIGHT: ABC led with Congressional spending on items Defense Dept. does not want. CBS led with Bush health plan. CNN led with arrest of Dr. Kevorkian, the "Suicide Doctor." NBC led with American education report card. PBS' "MacNeil/Lehrer" led with Bush's economic report going to Congress, and focused on Bush's 90 day moratorium on regulation with WH counsel Boyden Gray, US Chamber of Commerce's Lawrence Hunter, Congress Watch's Michael Waldman and World Watch's Christopher Flavin. "M/L" aired Paul Tsongas' "stump speech." CNN's "Crossfire" hosted Media Research Center's Brent Bozell and Dem pollster Celinda Lake (partner of Clinton pollster Stan Greenberg) on polls and 1992 issues; ABC's "Nightline" discussed the possibility of a Japanese-owned American baseball team with Sen. Don Riegle (D-MI) and Gov. Booth Gardner (D-WA) (2/5).

BUSH: CBS' Susan Spencer: "For a man who scarcely mentioned health care for three years, George Bush has high hopes for the five year, \$100 billion dollar reform package he'll unveil tomorrow. ... No one expects any plan to pass Congress this election year, but apart from providing Mr. Bush with some needed political cover his plan at least gets some national health care debate started. And ever people who think this is all politics are thankful for that" (2/5). CNN reported that Gov. John Sununu was in NH stumping for Bush (2/5). ABC's Ann Compton, on the Bush health plan: "What the president says he wants to fix is access to the system, especially for people who can not afford insurance premiums or for people who are simply too sick to get insurance." CBS' Randall Pinkston: "Perhaps it was pressure from Congress, maybe persuasion from the polls, whatever the motivation, President Bush now has a health care reform proposal. ... Even if the Congress doesn't accept his medicine, Mr. Bush has at least inoculated himself against one of the Democrats' biggest complaints the Democrats had been able to make -- that he didn't care enough about the nation's health care system to make any plans at all" (2/6). NBC's Jim Miklaszewski: "This is one year when political pressure may actually force Congress and the White House to come up with a plan. It's called re-election insurance" (2/6).

OCTOBER SURPRISE: NBC's Faith Daniels: "For six months Democrats have been demanding a probe of charges that campaign officials schemed to delay the releases of U.S. hostages until



Discovered
note
Hill do it!

February 6, 1992

Marlin:

Re: Overnights

Please get someone to get from NCR a letter on their advanced technology. Little Rosenthal's piece will be further picked up on.

The Dems will use it as tout of touch prez'.

nothing to do now but get a letter from ncr saying what that new tech does so if needed later when dems go negative (mor begative) we'll come back with a scintillating hi tech response.

(thinking all the time)

Bush Library Photocopy
George Bush Handwriting

FROM THE PRESIDENT

2692

Date



CA

Ash Doug Paul

When is John Burns

Robert Paul

He King Sheng

Was this new House

China vote Pelosi 8-15

409-21 77

Style

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GOVERNMENT HOLDS UP SHIPMENT OF NUCLEAR MATERIALS TO IRAN

BUENO AIRES -- The government, reportedly acting at the request of President Bush, has halted a shipment of nuclear material to Iran until that country promises not to develop nuclear weapons. "We are waiting for Iran to sign safeguards and conduct its nuclear affairs in a way that permits exploration," said Argentina's foreign minister, Guido di Tella. (AP)

U.N. SECURITY COUNCIL RETAINS ECONOMIC SANCTIONS AGAINST IRAQ

U.N. -- The Security Council decided to retain economic sanctions against Iraq Wednesday, saying it has not complied with U.N. demands on monitoring its weapons industry. Amb. Pickering said members also "strongly deplored" Iraq's refusal to continue talks with U.N. officials on resuming oil exports.

(Reuter, Washington Post, A21)

EMBASSY BACKS IRAQI ATROCITY REPORTS

Responding to what it called the "smug and cynical casting of doubt" on stories of Iraqi soldiers killing Kuwaiti babies in hospitals occupied by Iraq, the U.S. Embassy in Kuwait this week outlined for the State Department why it believes the account to be true.

In a classified cable dated Feb. 3, Amb. Gnehm said officers at the embassy "have not systematically pursued accounts" of baby deaths but have had hundreds of conversations with Kuwaiti nurses, doctors, morgue attendants, ambulance drivers and cemetery caretakers who have told them they witnessed or helped to bury babies that died because Iraqi soldiers removed them from hospital life-support systems or otherwise denied them health care.

(Dana Priest, Washington Post, A21)

GAO STUDY SAYS ARMY DODGED MEDICAL BULLET

A harsh new assessment of Army medical preparedness has concluded that if the Persian Gulf War had lasted longer than it did, field hospitals and medical staff would not have been able to cope with the expected flood of wounded U.S. soldiers.

Problems identified by the GAO included physicians with no training in combat medicine, shortages of basic supplies such as drugs and X-ray film and outdated hospital tents that in some circumstances could not be cooled below 100 degrees Fahrenheit. Mobile field hospital units assigned to combat areas had to leave behind beds and equipment because there were not enough trucks to carry them.

(John Lancaster, Washington Post, A3)

POWELL: GAY BAN STAYS FOR MILITARY

Gen. Powell said Wednesday that the military maintains its ban on homosexuals to avoid potential problems of discipline and morale. Powell told the House Budget Committee he agrees with Secretary Cheney's view that the ban is not justified by the department's one-time contention that homosexuals pose a greater security risk.

(AP, Washington Times, A3)

LEFT OUT?

President Bush's trip Thursday to Nevada brings to 49 the number of states he's visited since his inauguration. The only state to miss out: Arkansas.... Former GOP Rep. Robinson says Bush is probably ashamed to show his face in Arkansas. "It's very obvious that the Arkansas Republican Party was behind that leak" that Gennifer Flowers had an affair with Gov. Clinton.

("Capital Line," USA Today, 4A)

DEMOCRATS AX SPECIAL POSTAL PROBE

House Democrats turned back a Republican plan for a special bipartisan probe of the scandal-plagued House Post Office Wednesday, sending the matter instead to a Democratic-controlled committee. In the heated 60-minute debate, Republicans charged the House Democratic leadership with covering up allegations of illegal drug sales, questionable loans and embezzlement at the post office.

(Paul Rodriguez & Jennings Moss, Washington Times, A1)

EDITOR'S NOTE: "Mr. Bush, The Latest In Gadgets," regarding President Bush's trip to Orlando, by Joel Achenbach, appears in The Washington Post, page C1.

"White House Race Is Recast: No Kremlin To Run Against," by R.W. Apple, appears in The New York Times, page A1.

NOTE
→

Pres. sent note
to mention in this
for future
get NRZ
letter on advanced
tech

Bush Presidential Library Photocopy

**STUDENTS TEST BELOW AVERAGE
In World, U.S. Fares Poorly In Math, Science**

A new international comparison of schoolchildren shows American students performing below average in mathematics and science, a "clear warning" that even good schools are not properly preparing students for world competition, Secretary Alexander said Wednesday.

The survey of 175,000 students worldwide, which Alexander called "the best international comparison of student abilities in 25 years," also shows American students watching more television and doing less homework than almost all of their counterparts around the world.

Alexander noted that the results show that the top 10 percent of American students "can compete with the best students in any country." However, he said, the results also show that the vast majority of American students perform below the international average.

"It means this is not just an inner-city problem or a rural poverty problem," he said. "It's a problem in the suburbs and in the middle-class families all over the country."

(Mary Jordan, Washington Post, A1)

**SENATE COMMITTEE VOTES TO END BAN ON
FEDERALLY FINANCED FETAL TISSUE TRANSPLANTS**

In a move that may rekindle congressional debate over abortion rights, a Senate committee Wednesday voted to remove the Bush Administration's ban on federally financed fetal tissue transplants. The Labor and Human Resources Committee sent the measure to the Senate floor as part of a bill reauthorizing programs at the National Institutes of Health.

(Elizabeth Neuffer, Boston Globe)

FLAP MAY GROUND BUSH'S FAA CHOICE

Jerry Curry's bid to become chief of the FAA -- once on the fast track -- apparently has derailed. Last month, Acting Secretary Busey asked him to withdraw. But so far, Curry hasn't agreed to bow out. That could be a sensitive political problem for President Bush in his bid for support from minority conservatives.

(Lori Sharn, USA Today, 2A)

TEAMSTERS' CHIEF VOWS NO BUSH ENDORSEMENT

Newly elected Teamsters President Ronald Carey says the nation's second-largest labor union will break its allegiance to the Republican Party and join most other unions in seeking a Democrat to defeat President Bush.

Speaking to reporters Wednesday for the first time since his inauguration Saturday, Carey called an endorsement of Bush "absolutely out." He said the Teamsters will try to join their efforts with other labor organizations. He said he hoped his union could back a particular Democrat by the end of February.

(Ed Roberts, UPI)

Bush Library Photocopy
George Bush Handwriting

BUSH'S CAPITAL GAINS PLAN FAVORS WEALTHY, PANEL SAYS
Study: 70% Of Tax Benefits Go To Top Earners

President Bush's proposed cut in the tax rate for capital gains income would give lopsided benefits to the richest Americans and cost the federal government \$15.4 billion in lost tax revenue, according to a study by tax experts in Congress.

The study, by the Joint Committee on Taxation, showed that Americans earning more than \$100,000 a year would get nearly 70 percent of the total benefits of Bush's proposal to cut the capital gains tax, even though they represent less than 3.5 percent of the population....

Rep. Gephardt seized upon the study to renew his attack on the President's capital gains proposal. "The capital gains proposal by the President is tantamount to class warfare," Gephardt said in a statement. "It engages the government in redistributing income and services from the middle class to the most privileged members of our society." (Steven Mufson, Washington Post, D11)

HILL REPUBLICANS MUTE BUDGET WOES

Some Republican lawmakers, who publicly praise President Bush's budget, hold their noses privately and wonder if they can hold their seats come November. "The budget doesn't save the money it purports to save," said a GOP staff aide. "There are net increases in spending and most of the savings are accounting gimmicks and increased user fees and collections from taxpayers."

"Republicans in Congress really think the President's budget stinks but they aren't going to say so publicly," said a House GOP leadership aide. "Republicans were extremely exuberant over the President's speech. But now that they are aware of the facts in the proposed budget, the word 'nauseated' comes to mind."...

"These tax and spending increases in the President's budget concern me," said Rep. Boehner. "It shows there is not any serious work going on in the Administration or Congress to significantly reduce the deficit."...

These Republicans are convinced Democrats will pass a middle-class tax cut soaking the rich that Bush will either have to sign or veto and appear to favor the rich. The members feel they lose either way. "It could have been avoided by having more creative people than Brady and Darman write this budget," said Rep. Doolittle. "They should get the boot."

(Ralph Hallow, Washington Times, A5)

BUSH'S PRO-GROWTH SPENDING PLAN SHOWS
CONFLICT WITH BUDGET-CUTTING RECORD

President Bush's plan to accelerate spending for select domestic program is at odds with his record of cutting from many of the same accounts.... Many of the accounts covered by his order have been targeted for cuts by his own Administration in the past and again this year. And in some cases, even though Bush boasts that he is acting unilaterally, he actually is obliged to spend the funds quickly because of provisions written into law by Congress in October.

(David Rogers, Wall Street Journal, A2)

NATIONAL NEWS

CALIFORNIA DEMOCRATS WILL FOCUS ON THE ECONOMY IN ELECTION

California's sluggish economy will give Democrats their greatest opportunity in years to capture the state in November, the state Democratic Party chairman said Wednesday. Phil Angelides said in an interview that Gov. Wilson "has made quite a bit of noise...about how much of a burden immigrants have placed on the government" and then vowed to seek "full funding" from President Bush to pay for assistance for the state's immigrant population.

"The Bush Administration is shortchanging California dramatically," Angelides said. "We needed \$600 million for assistance to immigrants for health and welfare, but Bush only provided for \$180 million. Wilson is a coward because he has not criticized Bush for failing."

Angelides said California's economy, "for the first time in a long time," is worse than the national economy and 85% of Californians believe the country is on the wrong track for economic recovery. Bush will also face trouble in the state on abortion, if the Supreme Court "tampers with the Roe v. Wade" ruling, Angelides said. (Henry Rosso, UPI)

CLEVELANDERS BET TOP HEALTH CARE WILL BE CHEAPER

President Bush will travel to Cleveland Thursday to unveil his vision of health care reform. But to the disappointment of many Clevelanders, he is expected to largely ignore the city's own pioneering experiment in controlling health care costs. At a time when the profits of U.S. corporations are being bled by rising medical costs, Cleveland executives believe they have found an antidote: attack bad quality medical care as a way to lower costs.

(Walt Bogdanich, Wall Street Journal, B1)

BUSH \$100 BILLION HEALTH CARE PLAN BOASTS VOUCHERS, TAX DEDUCTIONS

President Bush's long-awaited health care plan calls for \$100 billion in vouchers and tax breaks to help poor and middle-class Americans buy health insurance, government and congressional sources said Wednesday....

Sen. Bentsen said the cuts in Medicaid and Medicare "could be devastating." He questioned whether the vouchers and tax breaks would provide people with enough money to afford health insurance, which can cost hundreds of dollars monthly.

Executive Director Ron Pollack of Families USA said Bush's plan would cause doctors and hospitals to shun Medicare and Medicaid patients and cause some increased costs to be shifted to other patients. "George Bush is violating the Hippocratic Oath, because he is doing harm with these proposals," Pollack said.

(Alan Frank, AP)

2/6/92

MR. PRESIDENT:

RE: STATE VISIT OF RICHARD vonWeizsacker on 29 April.

He is going to Houston after he leaves here. State Department has received a call from the German Embassy saying that vonWEIZSACKER is going to church on Sunday, May 3, with Governor Richards in Houston, after which he would like to visit a ranch outside of Houston.

DO YOU HAVE ANY SUGGESTIONS?? OR EVEN WANT TO BE INVOLVED.

YES ☐

NO ☐

No But Mosbacher would be glad to assist in any way and I'd like Neil to call on him
If Ann Richards not taking her to church get Neil to take her to St Martin's Church

Bush Presidential Library Photocopy

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Memo	From Rose Zamaria to Matt Smith Re: VonWeizsachers visit [redaction of personal information] (1 pp.)	02/11/92	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Thursday, February 6, 1992 [1]

Date Closed: 9/23/2011	OA/ID Number: 90651-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE
WASHINGTON

DATE: Feb 11, 1992

TO: Matt Smith

FROM: ROSE ZAMARIA *RZ*
Deputy Assistant to the President

The President said that Bob Mosbacher would be glad to assist you in finding a ranch outside of Houston for the vonWeizsachers to visit on May 3.

Also, Mr. Bush would like his son, Neil, to pay a courtesy call on them and, in the event that Governor Richards does not take them to Church, Neil would be pleased to take them to St. Martin's Church.

Neil can be reached at (b)(6) (ask for his assistant, Kerri Embers).

Blind cc:
Neil Bush

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Matthew Smith
Office of Protocol
Department of State
Room 1238

(by courier)

Bush Presidential Library Photocopy

THE WHITE HOUSE
WASHINGTON

DATE: 2/11/92

TO: *Neil*

FROM: ROSE ZAMARIA
Deputy Assistant to the President

*FYI. Hope all
is well with
you and the family
Rose*

The President said that Bob Mosbacher would be glad to assist you in finding a ranch outside of Houston for the vonWeizsachers to visit on May 3.

Also, Mr. Bush would like his son, Neil, to ~~xxxxxx~~ pay a courtesy call on them and in the ~~xxxx~~ event that Governor Richards does not take them to Church, Neil would be pleased to take them to St. Martin's Church.

Neil can be reached at -----

THE WHITE HOUSE
WASHINGTON

DATE: 2/11/92

TO: Matt Smith

FROM: ROSE ZAMARIA
Deputy Assistant to the President

Re State Visit of Richard vonWeizacker, the President said that Bob Mosbacher would be glad to assist you regarding a visit to a ranch outside Houston.

Also, ^{the President} he would like for his son, Neil, to call on him and if Ann Richards does not take them to church, Neil should take them to St. Martin's. Neil can be reached at

the von Weizackers to

WHITE HOUSE STAFFING MEMORANDUM

*Rose*DATE: 2/5/92ACTION/CONCURRENCE/COMMENT DUE BY: ---PRESIDENTIAL REMARKS: UNIVERSITY MEDICAL CENTER
LAS VEGAS, NEVADA

SUBJECT: _____

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☒
SKINNER	☐	☒	CALIO	☐	☒
SCOWCROFT	☐	☐	PETERSMEYER	☐	☒
DARMAN	☐	☒	PORTER	☐	☒
BRADY	☐	☒	ROGICH	☐	☒
BROMLEY	☐	☐	SMITH	☐	☒
CARD	☐	☐	MOORE	☐	☒
DEMAREST	☐	☒	FINDLAY	☐	☒
FITZWATER	☐	☒	KAUFMAN	☐	☒
GRAY	☐	☒	SNOW	☐	☒
HOLIDAY	☐	☒		☐	☐

REMARKS:

The attached has been forwarded to the President.

RESPONSE: _____

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE
WASHINGTON

32 FEB 5 P4:34

February 5, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVE DEMAREST

FROM: TONY SNOW TS

SUBJECT: PROPOSED REMARKS TO STAFF OF THE UNIVERSITY
MEDICAL HOSPITAL, LAS VEGAS, NEVADA

I. SUMMARY

On Thursday, February 6, 1992 at 4:00 p.m. you will deliver remarks to an audience of 60 physicians at the University Medical Center Hospital in Las Vegas, Nevada.

II. DISCUSSION

Your remarks (approximately 8 minutes / cards) reiterate the four points of your health plan unveiled earlier in the day.

SNOW/BUNTON
VEGAS3
DRAFT THREE
FEBRUARY 4, 1992

PRESIDENTIAL REMARKS: HEALTH CARE
UNIVERSITY MEDICAL HOSPITAL
LAS VEGAS, NEVADA
THURSDAY, FEBRUARY 6, 1992
4 P.M.

Thank you all, and thank you, Dr. Brandness for that introduction.

This is an extraordinary medical center, and I want to thank you for this afternoon's tour. Let me tell you, no one who walks through these halls, and sees the incredible work you do in the neonatal care unit and the burn unit -- no one who sees you treating young babies or helping those ravaged by horrible burns -- can have anything but the greatest admiration and gratitude for what you do. I know that this is National Burn Awareness week. \\\

As you know, I released my comprehensive health care proposal earlier today. I'd like to talk a few minutes about how that plan fits into your work.

Now, I know you're used to extended debates about health care. You probably can't get through a family reunion without at least a dozen requests for free advice. \\\ But your families understand something that politicians sometimes forget: America's medical system offers the best care in the world. When people from other countries seek the best possible care, they come here. That includes many of our Canadian neighbors.

With all the complaints and all the breathless press stories about health care -- I think of the story about a fellow who got in a car accident. When he got to the hospital a doctor set his broken bones, examined him carefully and assured him he could go home the next day.

But when the next day came, the doctor rushed into the patient's room, with a look of great anxiety and concern. "Is something wrong?" the patient asked.

The doctor replied. "I'm not sure. Just to be safe, I'd like you to stay another day. You see, I didn't know how badly you were injured until I read about your accident in the newspaper." \\\

Well, reports of the demise of American medicine are greatly exaggerated. My comprehensive health care plan builds on the many strengths of our medical care system. I don't want to roll the dice -- that's a local reference -- on a nationalized plan that can guarantee only long lines, indifferent service, and very high taxes. I want a plan that will work.

That's my plan. It addresses Americans' basic concerns about health care: that it costs too much; that you can't always get access to care -- or if you do, you can't choose the doctors you want; and that you can't be sure of keeping coverage if you lose your job or fall victim to a debilitating injury or illness.

My plan ensures that everyone -- regardless of employment or health status -- can get health care coverage, can choose providers, can afford care, and can keep it.

Here's my four-point plan in brief. One: We make health care affordable by offering a health-insurance tax credit to low-income individuals and families, and a health insurance tax deduction to middle income individuals and families. These measures will help 95 million Americans purchase the health insurance they need.

Two: We improve the efficiency of our system by developing health insurance networks. These networks drive costs down.

Three: We wring out waste and excess -- and we start by putting a lid on outrageous medical malpractice lawsuits. Over the past decade, malpractice insurance premiums have risen by an average of more than 15 percent per year -- in effect, fining people simply because they want to heal others. This national epidemic of lawsuits has persuaded some doctors not avoid such vital specialties as surgery or obstetrics. That's just insane.

Four: We'll get federal health programs under control, and encourage innovation at the state and local levels -- without cutting benefits and without raising tax rates.

America has been blessed by the world's best doctors, best hospitals and finest training institutions. My health care plan will reward your hard work. You don't need your hands bound by red tape. You don't need your stethoscopes replaced by federal millstones. You need the freedom to serve others.

You also need support. Everyone must play a part in building a healthier nation.

Every hospital depends not just on professionals, but also on volunteers. Hundreds of thousands of people around this country, in thousands of groups and organizations, give their time to make medical care accessible to others. Every community relies not just on physicians, but also on teachers, counselors, nurses -- people who teach, who show others the path to good health.

My Secretary of Health and Human Services, Dr. Louis Sullivan, has talked eloquently about the role of character in health. He has mounted an effective campaign to encourage preventive care. He teaches people about good habits, and promotes the cause of immunization.

Celebrities, including Arnold Schwarzenegger, promote active, healthy lifestyles. I don't know about you, but when Arnold says, "Exercise!" I do it.

The point is, everyone has a role. And my plan encourages everyone to work together.

Congratulations on the challenging and noble careers you have chosen. Together, we'll make the world's best health care system even better -- and we'll show the world once again that there's nothing Americans can't do.

Thank you. May God bless you and the United States of America.

#

R

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/4/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: ANNUAL MEETING OF THE GREATER CLEVELAND
SUBJECT: GROWTH ASSOCIATION - THURSDAY, FEB. 6 - 2:00 PM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☒
SKINNER	☐	☒	CALIO	☐	☒
SCOWCROFT	☐	☐	PETERSMEYER	☐	☒
DARMAN	☐	☒	PORTER	☐	☒
BRADY	☐	☒	ROGICH	☐	☒
BROMLEY	☐	☐	SMITH	☐	☒
CARD	☐	☒	BOSKIN	☐	☒
DEMAREST	☐	☒	KAUFMAN	☐	☒
FITZWATER	☐	☒	FINDLAY	☐	☒
GRAY	☐	☒	SNOW	☐	☒
HOLIDAY	☐	☒		☐	☐

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

THE WHITE HOUSE
WASHINGTON

32 FEB 4 P6:21

FEBRUARY 4, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVE DEMAREST
TONY SNOW *TS*

FROM: DAN MC GROARTY *DMG*

SUBJECT: PROPOSED REMARKS FOR THE ANNUAL MEETING OF THE
GREATER CLEVELAND GROWTH ASSOCIATION

I. SUMMARY

On Thursday, February 6, 1992 at 12:00 p.m. you will deliver remarks to an audience of 1,500 at the annual meeting of the Greater Cleveland Growth Association, in the Grand Ballroom of The Stouffer Tower City Plaza Hotel, Cleveland, Ohio.

II. DISCUSSION

Your remarks (approximately 17 minutes / teleprompter) announce your comprehensive health care reform plan. The draft also highlights the alternatives to a market-based health care system -- Play or Pay and nationalized care -- and their negative consequences for quality health care.

McGroarty/Bunton
February 4, 1992
5:30 pm
[health]

PRESIDENTIAL REMARKS: GREATER CLEVELAND GROWTH ASSOCIATION
CLEVELAND, OHIO
FEBRUARY 6, 1992
12:00 NOON

[Introductory acknowledgements.] I'm pleased to be back in Cleveland, capital city of the North Coast. [[opening humor...]]

People who know Northern Ohio know this region's outgrowing the old rustbelt image. In addition to the world-renowned Cleveland Clinic -- now the city's number one employer -- Northern Ohio is also home to some of the most innovative approaches to health care. COSE [COZY] and Cleveland Health Quality Choice are pioneers: communities across the country can follow your lead to create workable solutions to health care challenges. / That's why I've chosen to come to Cleveland this morning to address the health care crisis -- and lay out my four-point program for comprehensive health care reform. //

Reform is urgent -- for more reasons than one. / Right now, far too many Americans are uninsured -- and those who are insured pay too much for health care. And we're going to do something about that. //

The one thing this crisis isn't about is quality of care. American health care is first-rate, the best in the world. And right now, the vast majority of Americans have access to that health care system. But the cost has skyrocketed: from \$74 billion dollars in 1970 to \$800 billion dollars today. And if we

keep going at the same rate, that \$800 billion will double to \$1.6 trillion by the year 2000.

These numbers alone would make the case for reform. But cold statistics don't show us the worry people feel -- the all-too-familiar fear about what happens to their health care if they change jobs -- or worse still, if they lose their jobs. // And in these hard times, we simply cannot accept the fact that one in every seven Americans is uninsured. //

There's a better way. / My plan puts the emphasis on expanding access -- while preserving the choice people now have over the type of health coverage and health care they receive. My plan will give Americans a greater sense of security -- help ease the fears so many Americans have that changing jobs will cost them their health coverage: the key here is portability -- changing the system to ensure people they'll always have access to health insurance -- no matter where they go, no matter what. // Finally, my plan will cut costs. It helps us make health insurance more affordable -- and more affordable means more accessible.

My plan will preserve what works -- and reform what doesn't. And above all, it will ensure every American universal access to affordable health insurance. //

We stand at a crossroads. We can settle on sensible reforms -- or we can force ourselves to swallow a cure worse than the disease.

Some people have scribbled out a prescription for disaster: they want to nationalize the health system. Put government in control of the system: let government control the prices, let government ration the kind of health care people get -- let government tell people looking for care how much they'll get, what kind, and when.

Right now, across Lake Erie, Canada's system covers everyone. But keep in mind the drawbacks that come with a nationalized system: long waiting lists for surgery -- shortages of the high-tech equipment responsible for so many of the miracles of modern medicine. // Let me cite just one example: The Cleveland Clinic performs ___ coronary bypass surgeries a day. Mt. Sinai hospital, which I just visited, does ___ a day. High tech, high quality surgery -- without any wait. But if you live in British Columbia, the wait for coronary bypass surgery is six months. It's no wonder so many Canadians come to Seattle's hospitals for surgery.

When you nationalize health care, you push costs higher -- far higher. Some studies estimate that a Canadian-style plan would cost the average American family a huge new tax burden -- for the nation, a staggering \$250 to \$500 billion dollars a year in new taxes. //

Such a massive tax increase is simply unacceptable. //

And for that price, you get the worst of both worlds: No one has an incentive to control costs -- and everyone pays. //

But there are other proposals out there that sound simple, but are every bit as harmful. One's called "Play or pay." Each employer must "play" -- meaning: provide insurance for employees, or "pay" -- a payroll tax to finance government health coverage.

Businessmen and women tell me horror stories about health care costs spiralling out of control. Well, Play or Pay will leave a lot of small businesses -- businesses struggling on the edge of survival right now -- with a tough choice: They can cut workers' wages to pay for mandated health care, they can fire some workers to cover the rest -- or they can raise prices, and pass along the cost to the consumer. Some studies put the cost in jobs lost under "Play or Pay" as high as half-a-million or more.

Strip away the rhetoric, and "Play or pay" just creates a back-door route to a nationalized health care. It encourages employers to stop offering benefits, throw the problem in the government's lap, and dump millions of fully-insured workers into a public plan like Medicaid. And because the new employer taxes in Play or Pay don't pay for the program -- the American taxpayer will foot the bill. / I'm not about to let that happen. //

You won't hear this from the people pushing Play or Pay. Ask them about the side-effects of their proposal, and they'll say: Take two aspirin -- and call me after the election. //

I don't believe people want to be shoveled into some new health care bureaucracy. They want good health. // A large

part of the answer is prevention: every one of us can make changes in our behavior to reduce the risk of disease and illness. {Pardon me for being old-fashioned, but what we're talking about is just plain clean-living -- and there's nothing wrong with that.} / Tomorrow, in San Diego, I'll focus in more detail on the ways prevention can help people live healthier lives -- and help keep our economy healthy, too.

But today, I want to focus on the health care system -- on my comprehensive, market-based reform plan. / The fact is, we don't have to create a new government bureaucracy to give Americans access to affordable, quality health care. We need a system that delivers -- a system that works for America -- a system that puts quality care within reach of every American family.

Our system should be built on choice -- not central control. It should keep costs down -- and open up access. But above all, it should allow all Americans to rest secure when it comes to health care -- to ease their worry that if they change jobs, if they or their kids develop serious health problems, they'll still be able to count on the coverage they need. //

My comprehensive four-point plan meets every one of these common-sense tests. Here's how:

Point one: we will make health care more accessible by making health insurance more affordable. For low-income individuals and families, I propose a health insurance credit -- up to \$3,750 dollars a year to guarantee people, even people too

poor to file taxes, the ability to purchase private health insurance. That will put in their hands a certificate or voucher worth more than \$300 dollars a month. They can use it to buy into the plan their employers offer but they could never afford - or they can shop for whatever private plan suits them best.

That's the American commitment to choice at its best.

For middle-income individuals and families, I propose a health insurance tax deduction of \$3,750. / American families with incomes under \$80,000 will receive new help from either the credit or the tax deduction. Let me tell you what that means: new help to purchase health insurance for 95 million Americans.

Once again, this insurance will be portable: people who change jobs would have insurance regardless of their health -- and this is important -- or their family's health.

But best of all, my plan will bring health care coverage to 30 million uninsured Americans -- security / to people who for far too long have had to do without. //

That's the first point in my four-point plan: access.

Point two: we will cut the runaway costs of health care by making the system more efficient. Today, I'm asking you to learn a new acronym: HIN -- Health Insurance Networks. / Insurance costs obey the "law of large numbers:" The larger the group being insured, the lower the cost per individual. "Pooling" lowers insurance costs -- and significantly cuts administrative costs. HIN's will provide incentives for small companies to do what Cleveland's C.O.S.E. [COZY] group has done -- when it

brought 10,000 small businesses together to make a joint purchase of health care.

Another way to drive costs down: make everyone a better health care consumer. Right now, most people pay more attention to the price of toothpaste than the comparative costs of health care. People don't waste much time thinking about the costs of their care -- but in the end, we all pay the price. We need to follow the lead of initiatives like Cleveland Health Quality Choice -- programs that give people "shopping" for health care a kind of "blue book" for medical costs. // Innovations like these will help all of us keep the costs of quality health care as low as possible.

Point Three: we will wring out waste and excess in the present system. We've targeted medical malpractice for reform. It's time to put an end to these astronomical, sky's-the-limit lawsuits. // You shouldn't have to pay a lawyer when you go to the doctor. //

Right now, people do just that: high malpractice premiums mean higher doctors' bills, higher hospital costs -- costs passed along to the patient. / I have challenged the health insurance industry to cut red tape -- to share common forms, and to simplify and speed up claims processing. Here's a challenge for the next four years: There is no reason almost all health insurance claims can't be processed electronically. That single step would eliminate a mountain of health care paperwork and pare back costs.

Fourth and finally, we will get the growth in federal health programs under control. Right now, government health care programs can claim a dubious distinction: they are the fastest growing parts in the federal budget. / We must bring runaway costs under control. We won't cut benefits -- we can make real savings simply by reducing the rate of increase.

Efficiencies like this will help our reform plan pay for itself. //

The federal government should also give states the flexibility to design new universal access programs for the poor -- programs that will provide quality services to all their citizens. I've just met with the Governors -- they want flexibility, and we'll give it to them. States will be able to use new federal resources to design programs that work -- not one-size-fits-all solutions imposed by Washington.

Providing affordable care, efficient care, / wringing out excess and waste and controlling federal growth: these four points will create the kind of market-based reform plan that will give Americans the kind of health care they want and deserve -- and put an end to the worry that keeps them awake at night.

Remember what people want. People want quality care / care they can afford / care they can count on.

I keep coming back to what works for this country. //

We've got to make certain our reform corrects our weaknesses without destroying our strengths. / When we talk about health care, we're talking about matters of the most personal nature --

in some cases, literally, life and death decisions. We don't need to put government between patients and their doctors. We don't need to create another wasteful federal bureaucracy. This President won't let that happen. //

We need common sense, comprehensive health care reform -- and we need it now. My plan is the right plan -- a plan that meets our obligation to all Americans by putting hope and health within their reach. //

Once again, my thanks for this warm Cleveland welcome. May God bless the United States of America.

#

THE WHITE HOUSE
WASHINGTON

Leti
political

Date: 2/6/92

TO: *Rose Zamaria / FYI*

FROM: RONALD C. KAUFMAN
Deputy Assistant to the President
for Political Affairs
Room 132, OEOB, x2135

February 4, 1992

MEMORANDUM FOR RICH BOND
BOB TEETER
FRED MALEK
MARY MATALIN
BILL CANARY

FROM: RON KAUFMAN

SUBJECT: ATTACHED ARTICLE

The President wanted to be sure that you saw the attached article. As the President wrote to me, "They've got Lyndon, we've got Dave."

LaRouche to be on Texas ballot

Justices order Democratic Party to allow him in primary race

By Christy Hooper

Austin Bureau of The Dallas Morning News

AUSTIN — The Texas Supreme Court on Thursday ordered the Democratic Party to include fringe candidate Lyndon LaRouche on its March 10 presidential primary ballot.

The LaRouche campaign initially filed for the election Jan. 2, but state Democratic Party Chairman Bob Slagle rejected the application.

At the time, Mr. Slagle said he believed that Texas law prohibited a convicted felon from running for elective office.

But the Supreme Court, acting on a petition filed by LaRouche attorneys, held that the U.S. Constitution governs the qualifications of presidential candidates and that the Texas Election Code does not extend to federal elections.

Mr. Slagle said that Mr. LaRouche, who is serving a 15-year prison term for federal tax fraud, will be added to the ballot immediately.

"We thought we were doing the right thing. Clearly, after briefing, we found out that we were in error," Mr. Slagle said Thursday.



Lyndon LaRouche ... his presidential campaign filed for the election Jan. 2, but the state Democratic Party chairman rejected the application.

LaRouche campaign spokesman Bruce Director said he saw the legal fight as an effort by some people to silence the LaRouche message.

"The whole thing was political. It's typical of certain elements of the Democratic Party in Texas," Mr.

ELECTIONS REPORT

- Clinton denies report. 1A
- Improved TV views. 1A
- Candidate seeks ruling. 19A

Director said.

He said Mr. LaRouche's message includes using federal credit to make loans for building infrastructure and promoting agriculture. He also proposes a manned mission to Mars for scientific research.

Mr. Slagle said he and the state party see the LaRouche message differently.

"We think that he is a fraud, cheat, a charlatan, that he used to be a Trotskyite and we think now he is a neo-Nazi, and we have no use for the man whatsoever," Mr. Slagle said.

Mr. Director, speaking from Leesburg, Va., said that the LaRouche campaign would continue in Texas. "There's no question he can't do campaign appearances, but we're getting his message out as best we can," he said.



February 2, 1992

To: Ron K.

Be sure Rich, plus campaign see this...

Theyve got Lydon, we've got Dave.

Gb

FROM THE PRESIDENT

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Memo	From Susie to Patty [Presock]/Rose [Zamaria] Re: Phone Call from Congressman Ralph Regular [redaction of personal information] (1 pp.)	02/06/92	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Thursday, February 6, 1992 [1]

Date Closed: 9/23/2011	OA/ID Number: 90651-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

2/6/92

✓ daily

NOTE TO PATTY

Rose

FROM: SUSIE

RE: Phone Call from Congressman Ralph Regula

Per Congressman Regula, the President forgot to mention Mike White, Mayor of Cleveland, today during his opening remarks there. The Mayor apparently was upset and made a point of contacting a friend of the Congressman's to let him know how he felt.

Regula thought it might be a good idea for the President to call the Mayor today at: (b)(6), and felt a call from the plane, etc., would be wise. The Mayor is black and very important in Cleveland.

*gave message to
Bill Graham on AFI
5 PM
2/6/92*

*2/7/92 Per Bill the President
elects not to call after talking
with Martin, Brady etc.*



IMPORTANT ANNOUNCEMENT

February 6, 1992

THIS IS AN ALL POINTS BULLETIN FROM THE PRESIDENT

SUBJECT: MY DOG "RANGER"

GB/

Recently Ranger was put on a weight reduction program. Either that program succeeds or we enter Ranger in the Houston Fat Stock Show as a Prime Hereford.

All offices Should take a formal 'pledge' that reads as follows:

"WE AGREE NOT TO FEED RANGER.WE WILL NOT GIVE HIM BISCUITS.WE WILL NOT GIVE HIM FOOD OF ANY KIND"

In addition Ranger's "access" is hereby restricted. He has been told not to wander the corridors without an escort. This applies to the East and West Wings, to the Residence from the 3rd floor to the very, very bottom basement.

Although Ranger will still be permitted to roam at Camp David, the Camp David staff including Marines, Naval Personnel, All Civilians and Kids are specifically instructed to 'rat' on anyone seen feeding Ranger.

Ranger has been asked to wear a "Do not feed me" badge in addition to his ID.

I will, of course, report on Ranger's fight against obesity. Right now he looks like a blimp, a nice friendly appealing blimp, but a blimp.

We need Your Help- All hands, please, help.

FROM THE PRESIDENT



Aboard Air Force One

February 6, 1992

FROM THE PRESIDENT

TO: Sam Skinner

CSB
You've got to respect the way Governor Voinovich fights for his state. Some of the projects he mentions in the attached memo may not deserve our support, but some of them clearly do. I have written the attached memos to go to the Departments. Unless after looking at the memo you see a reason not to send them, please have them go out immediately.

Governor Voinovich and Mike Dewine tell me that there is a NAP? report on acid rain that definitely states the SO² from Ohio plants is not causing acid rain. In the meantime, the acid rain bill is imposing tremendously expensive scrubbing costs on the industries involved and have increased their costs as high as 30 percent. Perhaps Mike Deland or Bill Reilly can contact Governor Voinovich saying that the President asked them to be in touch in order to tell what we can do. If there is such a report, and it has validity, perhaps we can do an amendment

Also, a major gripe Governor Voinovich had related to the Corps of Engineers is holding up a new highway proposal due to "wetlands." I have encouraged Dewine, who knows her, to contact Nancy Dorn of the Corps of Engineers. But I think we need someone in the White House to follow up with Voinovich and Dewine to help them get satisfaction. Assuming that this is simply bureaucratic.

P.S. I hope someone will reply to Gov Voinovich on points 1-12 as raised in his letter -- even if we bring him bad news, it's better than no news.



Aboard Air Force One

February 6, 1992

FROM THE PRESIDENT

CB

TO: Acting Secretary of Transportation

When I was in Ohio, Gov Voinovich called to my attention the fact that The Federal Highway Administration (FHWA) was holding up a new interchange. He said a successful businessman was willing to pay for the interchange. He further stated that an interchange was planned, but there with a difference of one mile. This would result in creating 20,000 jobs. The Governor's language follows:

"FHWA opposes Ohio's efforts to move forward with a new interchange on the east side of the Columbus I-270 outerbelt, which would help turn an undeveloped tract into a regional shopping mall and office-park creating as many as 20,000 new jobs. This private-public partnership would provide a significant economic boost to the city of Columbus and, at the same time, help alleviate traffic congestion in the area. FHWA officials have objected to this proposal on the grounds that the interchange does not serve a major arterial and that additional lanes would be required on I-270 to alleviate congestion -- however, funds already are earmarked by the Congress to study the widening of I-270. The Administration cannot allow this type of bureaucratic regulation to continue to hamper growth and economic development."

I do not know anything about the project, but I would think if we could move an interchange by a mile in order to get an all-job creating venture put in place, we should do so if at all possible. The Governor talks about bureaucratic regulation hampering growth and it gets my attention, and I am sure it will get yours.



Aboard Air Force One

February 6, 1992

FROM THE PRESIDENT *CM*

TO: Secretary of HHS

It is my understanding that a "waiver" has been requested for the Dayton Area Health Plan. As you know, I am committed to speeding up the waiver process where possible. Indeed, I have publicly stated that the Administration will do this. Governor Voinovich summarizes the problem in the following language:

"The Dayton Area Health Plan needs an emergency exemption from federal Medicaid regulations in order to continue their managed care program. Currently, this state-supported program is operating under a HCFA exemption, but that waiver will expire on April 30. If the waiver is not extended, the plan will cease to exist. This is a model program that reduces Medicaid costs and provides better care to its patients. A permanent exemption serves the interests of HCFA, the State, and the Dayton area."

The Governor tells me that this program has saved many millions of dollars already. Would you please determine why a waiver has not been granted as requested and let me know.



GEORGE V. VOINOVICH
GOVERNOR

STATE OF OHIO
OFFICE OF THE GOVERNOR

COLUMBUS 43266-0601

FEDERAL PRIORITIES -- STATE OF OHIO

TRANSPORTATION

1. The Administration should be aware of the State's dissatisfaction over the Army Corps of Engineer's refusal to grant a permit for work to continue on the **Buckeye Basin/Greenbelt Parkway project** in North Toledo. Two years have passed since the initial wetlands permit pre-application meeting with the Corps on this project. Since then, a host of federal (DOT, EPA) and state agencies have signed off on this project. The Corps remains the sole impediment to a project which would help an area that is severely depressed economically.
2. The recently passed highway bill directs the Secretary of Transportation to select six states to receive \$500,000 each to develop model, **long-range intermodal transportation plans**. The Ohio Department of Transportation would be an excellent candidate for this award since its plan is already under way and could be the first completed model plan in the country. Ohio's existing infrastructure makes it a prime candidate for intermodalism; Ohio is the fourth largest transportation market in the United States.
3. The Federal Highway Administration (FHWA) provides grants to states for funding of signal devices and gates at railroad grade crossings. **Ohio is second in the nation in the number of grade crossing accidents**. However, FHWA's methods for processing these grants takes up to two years, needlessly causing delays and additional fatalities (like the recent deaths of two Kent State students). FHWA micromanagement and delays of this process must end.
4. FHWA opposes Ohio's efforts to move forward with a **new interchange on the east side of the Columbus I-270 outerbelt**, which would help turn an undeveloped tract into a regional shopping mall and office-park creating as many as 20,000 new jobs. This private-public partnership would provide a significant economic boost to the city of Columbus and at the same time, help alleviate traffic congestion in the area. FHWA officials have objected to this proposal on the grounds that the interchange does not serve a major arterial and that additional lanes would be required on I-270 to alleviate congestion -- however, funds already are earmarked by the Congress to study the widening of I-270. The Administration cannot allow this type of bureaucratic regulation to continue to hamper growth and economic development.

DEFENSE

5. The Pentagon is scheduled to request proposals for expanded **Defense Finance and Accounting Service (DFAS) Centers** in the next several weeks. This process affords Cleveland and Columbus the opportunity to expand their operations from 1,700 and 2,000 employees respectively to as many as 7,000 employees each. Although a final decision is not expected from the Pentagon on winning sites until 1993, some basic decisions will be made later this year about where to place the additional 18,000 jobs that DFAS will gain. Both the Cleveland and Columbus Centers are highly regarded and would make excellent sites for expansion.

HUMAN SERVICES

6. The Bush Administration should work with Congress to pass legislation to create an escrow account for **federal child support audit penalties**. This action would make funds available to states that improve their child support programs and help break the cycle of audit failures.
7. The **Dayton Area Health Plan** needs an emergency exemption from federal Medicaid regulations in order to continue their managed care program. Currently, this state-supported program is operating under a HCFA exemption, but that waiver will expire on April 30. If the waiver is not extended, the plan will cease to exist. This is a model program that reduces Medicaid costs and provides better care to its patients. A permanent exemption serves the interests of HCFA, the State, and the Dayton area.
8. The Department of Education's **Rehabilitation Services Administration** issued a regulation in December that severely limits states' ability to use Social Security reimbursement funds for programs such as independent living and personal care assistance. The regulation was issued without warning and went into effect immediately. When I signed Ohio's 1992-93 state budget into law last year, I was counting on roughly \$3 million from this program. To have the rules changed in the middle of the game is simply unfair. This regulation must be withdrawn or, at the very least, rewritten to allow Ohio to continue to provide these needy services to the disabled.

ENVIRONMENT

9. In order for utilities to install scrubbers to comply with the **Clean Air Act**, they need assurance that they will have access to at least some of the allowances they apply for. Instead of "pro-rata" allocation, the Administration has yielded to western coal interests who do not want the allowance system to work, and proposed a telephone queue or "lottery" to distribute allowances. A fair allocation of these critical allowances is needed to ensure that states like Ohio can protect the coal mining industry, while, at the same time, keeping rates to industry competitive.
10. The Department of Energy has announced plans to close the **Miamisburg Mound Plant**, but has not documented the reasons for this decision, which is a very heavy blow to the economy of the Dayton area. The Administration needs, at a minimum, to make public its data on the cost-effectiveness of closing Mound, and to announce its plans for retraining the Mound workforce for other tasks, perhaps involving clean-up activities.

MISCELLANEOUS

11. Ohio looks forward to hosting **AmeriFlora '92**, the largest international exposition in the U.S. to celebrate the achievements of Christopher Columbus. Congress originally slated AmeriFlora for \$9.6 million, but that figure was slashed to \$1 million under last year's "no new starts" policy. It is our understanding that some federal departments (e.g. EPA, Interior, Agriculture, and Commerce) may have some current year money which could assist various ongoing projects at AmeriFlora. We need the Administration's assistance in securing federal dollars for a very worthwhile event.

Barbours is slated to open.

12. **Construction of the West Columbus floodwall** has stalled as a result of bickering with the Corps of Engineers over the local funding share. Although this issue has been resolved and \$3 million was appropriated in fiscal year 1992 for design and engineering work, Ohio needs the Administration's assistance in securing \$10 million in 1993 to begin construction of this important project. Development has lagged in this area because of the lack of effective flood protection. It is imperative that construction begin in 1993 in order to avoid duplicative highway construction.

daily



Aboard Air Force One

(Personal)

February 6, 1992

Dear Charley,

I received your message about President Serrano, and I understand that Brent has talked to you about this matter. These human rights reports mandated by Congress are often upsetting to those who are trying to improve the situation. I do understand, however, that the President is feeling a little better about things as of this morning.

Warm Regards,

A handwritten signature, likely of George H.W. Bush, consisting of a stylized "G" and "H" followed by a long, sweeping diagonal line.

Mr. Charles L. Bartlett
1529 18th Street, N.W.
Washington, D.C. 20036

Blind cc:
Brent Scowcroft

Mr. President: 2/3/92
The NSC does not recommend
you call President Serrano
at this time.

Gen Scowcroft or Adm Howe
are available to discuss
with you at your
convenience.

Rose

Coleman/Bartlett's Washington Focus

Charles L. Bartlett
1529 18th Street, N.W.
Washington, DC 20036
(202) 234-3681
FAX: (202) 483-6018

Memo to the President
from Charley Bartlett

We have a bit of a problem with President Jorge Serrano of Guatemala and I believe that it ought to be handled promptly. He called late last night to convey through me to you his dismay at the Civil Rights report on human rights, which blames him for a lot of what he inherited as well as for installing telephone monitoring devices with which, according to the report, the government is now listening in on private telephone conversations.

The devices were of course made available to Guatemala as part of the DEA enforcement activities and they have contributed to a very successful drug intercept program. I believe that Serrano understands that the human rights report is not produced under the control of your administration and I believe, from what he said, that he would like to continue the telephone intercepts.

But he is faced with a severe public relations problem and his easy resort would clearly be to denounce the intercepts as a U.S. intrusion upon Guatemalan sovereignty and declare that he will tolerate them no more.

To avert this step, I think it will be advisable for you to call him soon today and and tell him again of your appreciation for all that he is doing in the drug fight, urge him to stay with us, and promise that you will see that interested members of Congress are informed that the intercepts are part of the war against drugs. It may also be that you can say publicly at some near point that the Serrano government is doing a great job in helping us to combat the drug traffic. This is a tough one for Serrano because he and his people have been trying doggedly to improve Guatemala's international image.

On another point, I have certainly not enjoyed some of what I have read and heard over the weekend and I think it adds to my suggestion that you should have a prime time press conference early in the week, before your statement on health costs, in order to keep the offensive.

Bob -

2/3/92

C.B.



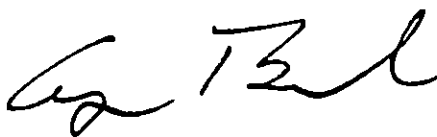
THE PRESIDENT

Dear John,

Thanks for this book.
I read the foreword
last night - a fascinating
preview of coming attractions.
As I told Doug, when

I finish Manchester's book
on Churchill, I'd quickly
go the Dragon route.

I'd very pleased if
you'd sign this copy for me.

Sincerely, 

Feb. 6, 1992

P.S. Historical note - Steve
Fitzgerald helped me learn
about the PRC

Mr. John Byron
5990 Richmond Highway
Apartment 907
Alexandria, Virginia 22303

bcc: Rose Zamaria
Doug PaaI - fyi

Vdailly



THE PRESIDENT

(POTUS
corrected)

2-~~26~~-92

Marilyn -

Sorry to report this
but 'internal security' has
fingered you and maybe
Linda. Keeping with

Remember last, you
are of course guilty
until proved innocent
More later

Ag Bush

SKS -

Tell the President that seeing
Ranger is, hands down, my
favorite part of the job -

(Marilyn Marsteller)



IMPORTANT ANNOUNCEMENT

February 6, 1992

THIS IS AN ALL POINTS BULLETIN FROM THE PRESIDENT

SUBJECT: MY DOG "RANGER"

GB/

Recently Ranger was put on a weight reduction program. Either that program succeeds or we enter Ranger in the Houston Fat Stock Show as a Prime Hereford.

All offices Should take a formal 'pledge' that reads as follows:

"WE AGREE NOT TO FEED RANGER.WE WILL NOT GIVE HIM BISCUITS.WE WILL NOT GIVE HIM FOOD OF ANY KIND"

In addition Ranger's "access" is hereby restricted. He has been told not to wander the corridors without an escort. This applies to the East and West Wings, to the Residence from the 3rd floor to the very, very bottom basement.

Although Ranger will still be permitted to roam at Camp David, the Camp David staff including Marines, Naval Personnel, All Civilians and Kids are specifically instructed to 'rat' on anyone seen feeding Ranger.

Ranger has been asked to wear a "Do not feed me" badge in addition to his ID.

I will, of course, report on Ranger's fight against obesity. Right now he looks like a blimp, a nice friendly appealing blimp, but a blimp.

We need Your Help- All hands, please, help.

FROM THE PRESIDENT

2/11/92 per Potus no ans. requires R2
THE PRESIDENT HAS SEEN

January 14, 1992

The President
The White House
Washington, DC 20500

Dear Mr. President,

The condition of the space program has been of concern to me for some time. I have attempted in various ways to make inputs which I believed would be helpful. I have talked with many of the leaders in NASA and the aerospace industry. I have written to the NASA administrator, others internal to NASA, and to the Advisory Committee on the Future of the U. S. Space Program under Norman Augustine. These statements have not only expressed my concern, but made specific recommendations as to what I believe would help rectify the various problems I have seen develop. Also, I have served on several committees appointed to provide NASA with recommendations for the present and a course for the future.

It is frustrating to see the organization I was a part of have so many problems. However, my major frustration is that NASA has had numerous opportunities to correct the mistakes they have made, without success. These faults continue and the NASA leadership has been unable to find solutions to these pressing issues and in many instances have refused sound advice and counsel.

In recent months, I have discussed these matters with a number of previous NASA and industry leaders including Dr. James Fletcher just before his untimely death and Mr. John Blerwirth, former chairman of the Grumman Corporation. Also, I have made my concerns known to the National Space Council. In every instance, I was encouraged to put my concerns in a position paper and communicate with you directly. The enclosed treatise is my effort to provide you with these thoughts.

I would be happy to discuss these thoughts with the Vice President or the National Space Council staff. Also, I would be pleased to provide further details on how I would proceed should that be desired.

Mr. President, I realize that there are many pressing issues facing the country that demand your time and attention. Therefore, I am sure you know that writing a letter to you is prompted only by deep concern. I believe the space program is in jeopardy and requires corrective action.

Sincerely,

Christopher C. Kraft

Mr. President

Here is some
Thanks

4

Per Potus, he
thought someone
was going to place
a reference. Hence
sent this. 1 of 7
FROM: RSOC/HOUSTON
TO: BP202P353P4135P25656350

THE WHITE HOUSE
WASHINGTON

DATE: February 11, 1992

02 FEB 12 A10:19

TO: PHIL BRADY

I don't know where the President got this copy. We'd prepared a response for him, and as you see from the attached, he signed it on January 6.

This brings up a matter I want to discuss with you on Thursday -- the problem of people sending FAXes to him, answering FAXes, etc. The FAX problem is going to wreck the whole White House correspondence system if we don't get a handle on it.

SHIRLEY M. GREEN
Special Assistant to the President
for Presidential Messages
and Correspondence
Room 94-OEOB, 456-7610

FEB 6 1992

Dear Chris:

Thank you for your letter sharing your concerns and your ideas regarding NASA and our space program. You have contributed so much to the success that we have had in advancing space exploration and technology, and I know that your letter was prompted by your devotion to the success of America's space efforts. I appreciate your sincere interest, and I will share your comments with the Vice President and with the staff here.

Best wishes.

Sincerely,

GEORGE BUSH 920206

Dr. Christopher C. Kraft
14919 Village Elm
Houston, Texas 77062-2914

GB/BW/SMG/jt (Corres. #: 619994)

cc: w/inc Vice President Quayle

CLEAR THRU PHILLIP D. BRADY

PRESIDENT TO SIGN

BW-
do nice,
sensitive resp.
He's been a friend
for long time - former
GSC head and
"voice of Houston
to Apollo astronauts"
DB sig ASAP

Ken,

Robin called

re a Chris Kraft

letter shell be studying

down that the (P)

2-11-92

SMG

doesn't think we

need to respond to.

Pl. Check Shirley's Office where
the original (unopened) stands.

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Admiral Daniel J. Murphy
Suite 725
2300 N Street, NW
Washington, DC 20037



THE PRESIDENT

February 6, 1992

Dear Dan,

Thanks for those warm words about the State of the Union speech. With friends like you behind me, I'm more determined than ever, and optimistic about the challenging year ahead.

Barbara and I are grateful for your friendship, and send warm wishes to you.

Sincerely,

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

sgj

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Reverend Claude E. Payne
St. Martin's Episcopal Church
717 Sage Road
Houston, Texas 77056



THE PRESIDENT

February 6, 1992

Dear Claude,

Thanks for those warm words about the State of the Union speech. With friends like you behind me, I'm more determined than ever, and optimistic about the challenging year ahead.

Barbara and I are grateful for your friendship, and send warm wishes to you.

Sincerely,

A stylized, handwritten signature of George H.W. Bush.

Handwritten initials, possibly "Sg".

JAN 8

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. FitzGerald Bemiss
1224 Rothesay Road
Richmond, Virginia 23221



THE PRESIDENT

February 6, 1992

Dear Gerry,

Thanks for those warm words about the State of the Union speech. With friends like you behind me, I'm more determined than ever, and optimistic about the challenging year ahead.

Barbara and I are grateful for your friendship, and send warm wishes to you and Margaret.

Sincerely,

*Yes, Good things
will start happening!*

A handwritten signature in dark ink, appearing to be "Bill Clinton", written over the word "Sincerely,".

Ag

JAN 1

recommend

THE WHITE HOUSE
WASHINGTON
February 6, 1992

Dear Sally:

Thanks for your letter regarding Judge Melloy. I've passed along your thoughts to Boyden Gray and Bill Barr, who advise me in these matters. All indications from them are that Judge Melloy lives up to your strong recommendation.

I trust all is well with you and that the weather is at least as good as when I was last in Malta.

Warm best wishes.

Sincerely,

GB /

The Honorable Sally J. Novetzke
American Ambassador
Valletta MALTA

DATE: February 6, 1992

DAILY NEWS CLIPS

The Washinton Post

The Washington Times

The Wall Street Journal

USA Today

The New York Times

Office of Media Affairs

THE DAILY NEWS CLIPS

FEBRUARY 6, 1992



The Office of Media Affairs

THURSDAY, FEBRUARY 6, 1992

Clinton Received a Vietnam Draft Deferment For an ROTC Program That He Never Joined

By JEFFREY H. BIRNBAUM
Staff Reporter of THE WALL STREET JOURNAL

HOT SPRINGS, Ark.—It was the summer of 1969. The Vietnam War was raging. And young Bill Clinton didn't want to be drafted.

Mr. Clinton was in a bind because although he was studying as a Rhodes scholar at England's Oxford University, graduate-school deferments had been ended in 1967. But he found an out: He said he would join a reserve-officers training program at the University of Arkansas while he attended law school there.

In fact, he never joined the program, or even attended the law school. But it exempted him from the draft during September and October of 1969, the critical two months when he expected to be called into service.

By October, he had a change of heart and subjected himself to possible induction. But by then the draft lottery was about to take effect and he drew a lottery number high enough that he never was called.

Dan Quayle

Many young men with Mr. Clinton's educational background found ways to avoid military service during the Vietnam War. But the issues raised by his conduct remain relevant for several reasons. The question of whether Vice President Dan Quayle used influence to get into the Indiana National Guard in 1969—and thus avoid Vietnam—stirred a debate in the last campaign, and Republicans no doubt will demand that Mr. Clinton's record receive equal scrutiny. Moreover, people directly involved with Mr. Clinton's draft status contradict his version of what happened.

Even back in 1969, Bill Clinton wasn't just any young man. Though he had been classified 1-A—available for military service—when he graduated from Georgetown University in the spring of 1968, as a Rhodes scholar he was the pride of his community. So instead of calling him right away, the local draft board gave him a reprieve to allow him to continue his studies at Oxford.

"As old as he was, he would have been at the top of the list" to be drafted, says 84-year-old Opal Ellis, the draft board's executive secretary. But, she explains, "we were proud to have a Hot Springs boy with a Rhodes scholarship," and so "the board was very lenient with him. . . . We gave him more than he was entitled to."

Mr. Clinton's own memory is even more precise. He says the board told him that he wouldn't be drafted until the fall of 1969, a year and a half after being designated 1-A. "The board said, 'You'll probably be called in the fall, September or October [of 1969].'" he says in an interview.

CAMPAIGN
★ 92



Bill Clinton

So when Mr. Clinton returned home after his first year at Oxford, he knew the draft was imminent. Mrs. Ellis, a Republican who held her civil-service position for 20 years, alleges that he "went in and told me he was too well educated to go." She says he told her that "he was going to fix my wagon [and] pull every string he could think of." But Mr. Clinton says he doesn't recall having any confrontation with Mrs. Ellis, and he strongly denies using strong-arm tactics to avoid the draft; anyone who says he did, he says, "has, at best, a faulty memory."

In any case, Mr. Clinton says he decided to, in his words, "look around" for another option. He opposed the war, but if he had to serve he preferred to be an officer rather than a draftee, so he sought an officer's training program to join. He took the Air Force officer's exam, he says, but failed because of a vision defect. He also took the naval officer's test, but failed because of a hearing problem. (He had already taken his draft physical, and neither problem prevented him from passing.)

Then, as his expected draft deadline loomed, Mr. Clinton met Col. Eugene Holmes, an Army ROTC recruiter at the University of Arkansas at Fayetteville. Both men say Mr. Clinton agreed orally to join the Army officer's program at the law school there.

And based on that consent, the Hot Springs draft board, on Aug. 7, 1969, reclassified Mr. Clinton from 1-A to 1-D—a draft deferment that a spokesman for the Selective Service System says was only for people who had joined a reserve unit, or who were students taking military training, such as the ROTC.

Yale Law School

But Mr. Clinton never joined the training program—and for that matter, never even enrolled at the university. He had one more year to go at Oxford, and intended to complete that work. And when he finally returned to the U.S. in 1970, he enrolled not at Arkansas, but at Yale Law School.

Mr. Clinton says he indeed planned to attend Arkansas, after he completed his studies in England. He says the university informally accepted him based on his academic record, though he never formally applied there. A Clinton aide says the governor believes that he applied to Yale during his second year at Oxford.

But even Virginia Kelley, Mr. Clinton's mother, says she doesn't remember him planning to attend Arkansas. "That's very strange," she says. "I was under the impression when he came home from Oxford that he was going to go to Yale."

Mr. Holmes, who counts himself as a political independent, says Mr. Clinton's true plans weren't ever made plain to him; he thought Mr. Clinton's arrival was imminent. "I thought he was going to finish a month or two in England and then come back to the University of Arkansas," he says, adding of the 1-D deferment: "I couldn't have done it for a year. That wouldn't have been ethical." He charges that "Bill Clinton was able to manipulate things so that he didn't have to go in."

Mr. Clinton disputes Mr. Holmes's version of what happened. He says Mr. Holmes offered him the ROTC deferment immediately and also encouraged him to return for his final year at Oxford. "I remember talking to Holmes one day, and he said: 'You know, you can't go to summer camp until next summer anyway. Why don't you just go back and do your second year in England?'" Mr. Clinton recalls.

In any event, Mr. Clinton had his deferment in time to cover the very period—September and October of 1969—that the draft board had earlier told him was when he would probably be conscripted.

Asked whether the deferment was proper, Mr. Clinton says: "I didn't know what the rules were. All I can tell you is what they told me." But he says he soon had doubts about the morality of it. "I had already had one year, I had high school classmates who were already dead," he says. "I decided it was an inappropriate thing to do."

So Mr. Clinton informed Col. Holmes that he wouldn't be joining the ROTC after all. Mr. Clinton recalls that he notified Col. Holmes that he wouldn't participate in ROTC in "September or early October." Col. Holmes has trouble remembering, though he thinks it might have been "a month or two months" from the time of their August conversation.

But Mr. Holmes says he was angered to learn of the change of plans, and moved to revoke Mr. Clinton's draft deferment. On Oct. 30, 1969, Mr. Clinton was reclassified 1-A. "Ethically I think he should have stayed in ROTC," Mr. Holmes says. "He'd given his word and was backing out."

Having averted the fall draft, Mr. Clinton says he was fully prepared to be conscripted. But he was never called. A new draft lottery system, based on dates of birth, was enacted into law on Nov. 26. And on Dec. 1, 1969, Mr. Clinton got number 311. No one with a number higher than 195 was called, according to the Selective Service System.

WOW!

Bush Is Likely To Urge Action On Ozone Data

Support Seen for Speeding Phase-Out of Chemicals That Hurt Ozone Layer

By ROSE GUTFELD

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Bush administration is likely to support a faster international phase-out of ozone-depleting chemicals in the wake of new data indicating the problem is worse than it believed.

"President Bush is very concerned about ozone depletion and takes seriously the recent scientific discovery that it is worse than we thought," said Environmental Protection Agency Administrator William Reilly. "I expect that the administration, which is currently reviewing the information, will support moving up the phase-out schedule for various ozone-depleting chemicals by three, four, or in some cases, five years."

Earlier this week, the National Aeronautics and Space Administration released scientific findings that showed record levels of such chemicals over northern New England and eastern Canada. The data suggested an increasing likelihood that an ozone hole will develop over densely populated areas in the Northern Hemisphere. In recent days, senior White House officials have been discussing what to do in response to the data.

The U.S. is already committed, under an international treaty, to a phase-out schedule for the production of chlorofluorocarbons, which are used as refrigerants and solvents, and other chemicals that destroy the stratospheric ozone layer. Under the 1990 amendments to the Clean Air Act, the EPA can speed up the phase-out if new data indicate a need to do so. The ozone layer is crucial for shielding the Earth from ultraviolet radiation, which leads to increased skin cancer and crop damage.

Officials cautioned that differences remain within the administration on whether to seek an accelerated phase-out and how fast any speed-up should be.

There is considerable support among European countries for an acceleration. In April, a group of countries that have signed the treaty will meet in Nairobi, Kenya, to work on revisions with the hope of completing the efforts before a November meeting in Copenhagen.

Moreover, bolstering the case for a speed-up is that producers of the chemicals support the idea. The U.S. is already ahead of the treaty's requirement that production be ended by 2000. Kevin Fay, executive director of the Alliance for Responsible CFC Policy, a coalition of users and producers of CFCs, said that most output of CFCs for new products could be ended by 1996. "The transition to substitute products for new equipment is going well," he said.

Sen. Albert Gore (D., Tenn.) is pushing an amendment to the Senate energy bill that would require a faster phase-out of CFCs and other chemicals.

Even before the release of the NASA data, environmental groups had been pressing the EPA to order an accelerated phase-out, and they are pushing for faster action than the industry supports. "The science clearly demands that we be finished with these chemicals as rapidly as possible," said David Doniger, senior attorney at the Natural Resources Defense Council. The council is calling for an end to CFC production by 1995.

In addition, the industry wants to be allowed to retain some CFC production to service existing equipment, while the council is pushing for a full phase-out.

THE WALL STREET JOURNAL

THURSDAY, FEBRUARY 6, 1992

Treasury's Capital Gains

If you're wondering why Dan Rostenkowski may be so eager for action on the President's tax package, the answer may be found amid the verbiage that the Treasury Department's tax-policy shop produced on the details. Under a paragraph titled "Additional Provisions," one finds this sentence:

"The excluded portion of capital gains would be added back when calculating income under the alternative minimum tax."

Whoops. The Moms and Pops getting ready to sell a small business or finally unload the stock they've been holding for a lifetime may not be up to speed on the AMT, but all of the venture capitalists who might have been expected to get the jobs-and-new-enterprises machine restarted certainly know what it is.

The alternative minimum tax is a fairly complicated provision in the tax code, but the bottom line is that the revenue-obsessed drones at Treasury have effectively raised George Bush's announced 15.4% capital-gains tax to a marginal rate of almost 24% under some circumstances and even 30% in others. Essentially, Treasury has decided that the 45% capital-gains exclusion that the President announced should be *added back* to income for AMT calculations. The details of how this will work are described in a paper prepared this week by the number crunchers at Bear Stearns, whose job it is to comb through anything Treasury proposes with an obviously necessary fine-toothed comb. The paper notes:

"If a capital gains realization represents a sizable portion of a person's income in any year, that person could be caught in the AMT net and

pay a marginal cap gains rate of 24%. What's more, ordinary income plus capital gains realizations which add up to between \$150,000 and \$310,000 generate a marginal cap gains rate of 30% as a result of the phaseout of the \$40,000 exclusion, almost twice the stated rate in the President's proposal."

Of course, the way you would avoid the AMT is by not realizing capital gains. So while the President's proposal may indeed generate some economic activity, it isn't likely to produce anything like the results seen from the famous Steiger rate cut of 1978. (In a piece nearby, Alan Reynolds discusses the effects of the proposal's insistence on creating several tiers of waiting periods to obtain different cap gains rates.)

Last Friday, the insurance industry discovered that the Treasury drones were proposing to strip tax benefits from most annuities starting the very next day, February 1. Share prices in insurance companies collapsed instantly. By close of business Friday, Treasury said that on second thought the tax provisions would commence when the bill was signed by the President, who in some sense is responsible for this Keystone Kops routine.

So it goes in Washington, where tax policy has no tangible relation to what actually goes on in the real economy. We assume that when the President stood in front of the nation to propose his 15.4% capital gains rate, he had not been told that the proposal would sic the alternative minimum tax on his audience. If that wasn't his intention, maybe he should tell someone across the street at Treasury to get with the program.

Clevelanders Bet Top Health Care Will Be Cheaper

THE WALL STREET JOURNAL

THURSDAY, FEBRUARY 6, 1992

By WALT BOGDANICH

Staff Reporter of THE WALL STREET JOURNAL

President Bush will travel to Cleveland today to unveil his vision of health care reform. But to the disappointment of many Clevelanders, he is expected to largely ignore the city's own pioneering experiment in controlling health care costs.

At a time when the profits of U.S. corporations are being bled by rising medical costs, Cleveland executives believe they have found an antidote: attack bad quality medical care as a way to lower costs.

Their strategy evolved from a 1990 study that showed they could load their sick employees on planes and fly them 750 miles to Minnesota's Mayo Clinic for treatment and still pay less than if the patients went to nearby Cleveland hospitals.

This discovery provided a wake-up call for Cleveland's corporations as well as a lesson that some health experts say has been lost in the intensifying national debate on health care—namely, that good quality care needn't cost more than bad care, and often costs less.

Energized by the study, Cleveland companies are using their economic leverage to persuade doctors and hospitals to help in attacking substandard medical care. "Quality is the way to cost containment, because quality costs less in the long run," says Dale Shaller, a Minneapolis-based health policy consultant who has helped guide the Cleveland project.

To be sure, the reasons for rising health care costs go beyond inattention to quality, and touch on everything from an aging population to expensive new drugs and diagnostic equipment.

But the human cost of bad quality care is staggering. In a 1991 study, Harvard Medical School researchers calculated that 7,000 people died in New York hospitals from medical negligence in a single year. That suggests that as many as 80,000 people nationwide may be dying annually from negligence. And bad care also costs a lot of money. Misdiagnosis, substandard surgery, improper drug therapies and hospital-acquired infections result in more and longer hospitalizations.

Forbes Regional Health Center near Pittsburgh discovered in a roundabout way how improved quality produces dividends beyond healed bodies. In 1989, Richard N. McGarvey, Forbes's medical director, took a disturbing call from a statistician who had been analyzing patient outcome data. The data, Dr. McGarvey was told, indicated that Forbes was less successful than certain nearby hospitals in treating standard pneumonia.

Concerned, Dr. McGarvey began pulling patient charts to learn if the problem could be traced to any specific doctors. His initial conclusion: No specific individual was responsible. Moreover, most of the deaths could be explained, either because patients were already critically ill from other diseases or because they had requested not to be resuscitated.

"At this point, Dr. McGarvey could have walked away," says Dr. John Harper, associate medical director at Forbes. "But instead of being defensive, and saying, 'I can explain my results to anybody,' he said, 'Let's look at how we can improve.'"

As the internal investigation progressed, one doctor's patients appeared to be faring better than others. The doctor turned out to be a young staff member who hadn't yet been fully indoctrinated in the ways of Forbes. Unlike his colleagues, he took part in certain diagnostic workups. As a result, his tests were more timely and accurate, permitting quicker, more appropriate treatment.

Dr. McGarvey turned up other clues, which he used to guide him in changing how Forbes treated its pneumonia patients. Soon, Forbes's patients were faring better. And, as an unexpected benefit, patients remained hospitalized fewer days, while Forbes consumed 15% fewer resources—personnel, medication, tests and so on—in treating them.

To encourage more institutions to be-
Please Turn to Page B2, Column 5

Continued From Page B1
have like Forbes, high quality care needs to be rewarded. But rewards are slow in coming because government, corporations and insurers—the biggest purchasers of medical care—often fail to recognize that quality differs greatly from hospital to hospital and even from department to department in a single institution.

"In most large metropolitan areas, you are 50% more likely to die in the worst hospital than the best," says Walt McClure, chairman of the Center for Policy Studies, a Minneapolis think tank. He contends that because society rewards bad medical care right along with good care, bad providers have little incentive to improve.

Medicare, for example, "doesn't care how poor the quality is—it just says, 'here's a fixed price that fits all, take it or leave it,'" says Dr. Alan Brewster, a Westborough, Mass., pioneer in using patient outcome data to measure how successfully hospitals treat certain ailments.

Because of the work of Dr. Brewster and others like him, Cleveland corporations were able to convince Cleveland hospitals and doctors that it was possible to identify, with a reasonable degree of certainty, the high-quality providers. The trick then became how to convince those with specific problems to improve.

While patients acting as individuals can rarely reform a hospital, patients acting in concert can. And that is the heart of the Cleveland plan. With some 350,000 individuals covered through various employee benefit plans, Cleveland corporations plan to direct their workers to the highest quality, low-cost providers by making anyone who chooses to go elsewhere pay extra.

Employees aren't scheduled to receive procedure-specific data until midsummer, but Cleveland-area hospitals, fearful of

looking bad, are already scrambling to improve. C. Wayne Rice, president of the Greater Cleveland Hospital Association, says, "I had one hospital administrator tell me, 'This project is doing more to upgrade the quality in my institution than anything I have seen in 30 years.'"

And like Forbes, not all hospitals need to be threatened with a loss of business. The quality management gurus who have been trying to sell America's corporations on such concepts as continuous quality improvement are beginning to find a receptive ear among hospital executives.

Dr. Howard Hiatt, who has studied medical negligence in America's hospitals, suggests that administrators begin looking at the thousands of medication errors that are harming patients. The savings could be considerable, he says.

Several important roadblocks to improvement remain. Many doctors and hospitals are reluctant to admit that their counterparts across town may be doing a better job. What's more, many patients still find it comforting to believe that their doctor or hospital is the best.

The solution, say some health-care activists, is to educate consumers about the differences and increase the research in patient outcome measurements. For too long, says John B. Hexter, president of Cleveland's Health Action Council, information about quality "has been kept out of the hands of the purchaser, be it the corporation or the consumer."

THURSDAY, FEBRUARY 6, 1992

February Surprise

As is well known by now, the famous "October Surprise" story has so far had the tangible result of producing \$500,000 for Gary Sick, the former Carter administration aide, who sold his speculations on the matter to a Hollywood studio. The way the story is unfolding, the producers will soon be calling Dan Ackroyd, Bill Murray and the rest of the Ghostbusters to fill out the cast. The latest real-life figure to enter the October Surprise picture is Spencer Oliver.

Around Capitol Hill and Washington, Mr. Oliver's influence is legendary. As chief counsel to the House Foreign Affairs Committee, he is part of the "shadow government" of Congressional staffers who wield enormous, yet unpublicized, power over the government. Mr. Oliver has now used his influence to spring a convicted South African arms dealer from prison, presumably because this criminal can help the Democrats' October Surprise probe into the fevered allegations that 1980 Reagan campaign officials delayed the release of American hostages in Iran.



R. Spencer Oliver

The wonderfully named Dirk Francois Stoffberg, a former South African intelligence agent turned arms dealer, was convicted last year of selling 1,000 handguns to a U.S. Customs agent posing as an arms broker. During his trial it was revealed that Mr. Stoffberg had threatened a federal agent with death. Along comes Spencer Oliver, who last month wrote to U.S. District Judge Jack Weinstein informing him that Mr. Stoffberg was assisting the Foreign Affairs Committee in its investigation of the "October Surprise." Mr. Oliver lobbied the judge to reduce Mr. Stoffberg's sentence.

Judge Weinstein agreed last month to release him immediately, noting, however, that "were it not for the intervention of Congress" he would have approved a sentence of not less than 13 months. "Comity between independent branches of government suggests the desirability of assisting Congress in its important work," the judge explained. Mr. Stoffberg may soon leave for South Africa, having provided Mr. Oliver with his version of alleged meetings he held in 1980 with—who else?—William Casey.

The problem is that Mr. Oliver was, to put it mildly, stretching the truth in claiming the House Foreign Affairs Committee was investigating the "October Surprise." There is a Senate probe of the allegations, but the only planned House inquiry is a special task force that has yet to be

authorized. A spokesman for Rep. Lee Hamilton, who will head the Democrats on the task force, told the Legal Times that Mr. Hamilton "was not familiar with the letter sent to the judge." Mr. Oliver says he had the approval of Foreign Affairs Chairman Dante Fascell. Hmmm. Sounds like a rogue operation to us.

But, then, Mr. Oliver has a colorful history. As a Democratic operative, it was his phone the Watergate burglars were trying to tap in 1972, a fact the authors of "Silent Coup," a revisionist look at Watergate, make much of. He is one of Washington's most assiduous junketeers, having taken more than 40 trips to the Soviet Union since the early 1970s.

His Stoffberg letter has infuriated House Republicans, who introduced a resolution demanding an investigation. "They deliberately kept Members uninformed of this special deal so they could spring this gunrunner," says Rep. Bob McEwen. Yesterday, House Democrats voted down the resolution.

The Justice Department is unhappy. It learned of Mr. Oliver's intention to request a lenient sentence from Thomas Dunn, Mr. Stoffberg's defense attorney. Justice contacted Mr. Oliver and asked that he not use language in his letter that would be appropriate only for federal law enforcement officials. Judge Weinstein was apparently left with the mistaken impression that Mr. Oliver's request was a formal request by Congress for leniency.

The release of Mr. Stoffberg is a feather in the cap of Mr. Dunn, a brash defense lawyer, who also represents Ari Ben-Menashe, a former Israeli intelligence agent accused of illegal arms trafficking with Iran. Mr. Menashe is another key source in the "October Surprise" conspiracy theory. Mr. Dunn says he played hardball to secure Mr. Stoffberg's release. "The committee needed my client," he said. "I told Oliver 'no letter to the judge, no cooperation from my client,' and he got the message."

The "October Surprise" investigation needs a reality check. Exhaustive reports in both Newsweek and the New Republic have demolished the credibility of the suspect sources on which the whole conspiracy rests. Some Democrats, desperate that they not be humiliated after investing millions in their fishing expedition, are willing to cooperate with almost anyone who steps forward with "new" information, even convicted gunrunners.

As for Dirk Francois Stoffberg, he has not only avoided several months of jail time, an only-in-America reward may be in the offing. Mr. Dunn, his defense lawyer, told Legal Times, "I'll be Stoffberg's lawyer for his book deal."

THURSDAY, FEBRUARY 6, 1992

The Flaw That Mars Bush's Tax Cut

By ALAN REYNOLDS

Many congressmen and journalists argue that capital gains are no different from salaries, so they ought to be taxed at the same rate. They might not feel the same way if their employers substituted their monthly pay checks for lump sums of unknown amounts at some uncertain future dates.

Back in 1973, I too made a similar argument. I argued that it would be acceptable to tax capital gains and other income at a flat 25% rate—but only if capital losses could be fully offset against any sort of income and capital gains were adjusted for past as well as future inflation. This proposal was youthful innocence. Congress will never define "fairness" in a way that leaves more revenue in the hands of those who earned it.

Triple Tax

Under the current tax system, a stockholder who receives a capital gain from reinvested profits is subject to a *triple tax*. Let's say an individual buys some stock. That investor has paid taxes on his salary before using whatever was left to purchase the stock. That's one tax. Then there are the corporate taxes. The corporation in which he has invested has paid taxes on profits before using whatever is left to pay dividends or to reinvest in expanding or modernizing the business. Any increased profits arising from that expansion or modernization will face a tax rate of about 48%, after subtracting the 34% corporate tax and applying a 28% capital-gains tax to the balance. But that is not the end of it. Since added business capital will also produce added dividends, those dividends will face another 31% tax.

By contrast, when a homeowner invests money improving his house, those costs are properly excluded from any capital gain when the house is sold. Not so when a company makes similar improvements, enhancing the firm's value. The stock rises because the improved plant and equipment is expected to increase future dividends. Yet investors understand that those increased future dividends will be taxed again when paid out. This keeps the before-tax capital gain (the stock price) lower than otherwise.

Since 1986, corporations have been able to avoid these layers of tax by substituting debt for equity, and then deducting their interest expenses from taxable profits. A recent study for the National Bureau of Economic Research by James Poterba observed that between 1986 and 1990 nonfinancial corporations retired \$476 billion of equities through leveraged buyouts and stock repurchases, and replaced it with \$758 billion of debt.

Why? Companies were responding to market signals, which indicated that those willing to take risks would rather do so with income today (risky debt) than face an additional tax on possible future capital gains tomorrow (risky stocks). Since commercial paper and junk bonds were held for income, rather than capital gains, individuals who switched from stocks to corporate IOUs avoided tax. Who was left to hold the stock? Foreigners from countries with little or no capital-gains tax.

At the federal level, corporate taxes by

1990 were a third lower than the Congressional Budget Office had forecast only three years earlier, adding \$42 billion to the budget deficit. The reason for the drop in corporate tax collections had been predicted by Randall Pozdena in a 1987 study for the San Francisco Fed: "An increase ... in the tax on capital gains increases the use of debt generally and low-grade (risky or 'junk') debt specifically." This do-it-yourself tax reform, though, left leveraged companies with high fixed debt payments, and therefore more vulnerable to recession. Unable to cut dividends, companies have cut employment instead.

The president's proposal to drop the capital-gains tax would do some repair. Savers would immediately experience a wealth gain amounting to hundreds of billions of dollars, since they would not have to put away 28% of their life savings for taxes. Investment and economic growth would increase since there would be less disincentive to move capital; debt strains

There is no reason whatsoever to induce people to hold an asset one moment longer than they think appropriate.

would diminish as companies issued equity to retire debt; and new firms, which have been regulated out of access to bank credit or commercial paper, would find it easier to sell new stock issues.

There is, however, an unnecessary flaw in the proposal: It stretches the holding period to qualify for the lowest tax rate to two years in 1993, three in 1994. Gains on assets held less than two years would thus face a higher tax rate in 1993 (19.6%) than in 1992 (15.4%), and a still higher rate in 1994. Such an increasing tax rate on medium-term gains would boost asset sales and tax receipts in the first few years, but have the opposite effect in later years, as investors became locked-in again for a three-year rate.

Indeed, the frequent assertion that a lower capital-gains tax loses revenue "in the long run" is not due to the lower rate, but rather to the three-year holding period, which the Treasury itself estimated would cut revenues by about \$7 billion annually in later years. Most revenue gains from the lower rate would continue indefinitely, from sources—such as higher asset prices and faster economic growth—not included in any revenue estimates.

There is no reason whatsoever to induce people to hold an asset one moment longer than they think appropriate. Forcing investors to wait three years for the 15% tax would greatly impair the mobility of capital, bribing people to hold onto shares in yesterday's winners. Far from supporting "patient capital" in new high-tech enterprises, the only stocks that rational investors would plan on holding for three years are those of soap companies, soft drink makers and utilities.

Professional critics reply that gains from the capital-gains tax itself would be

at the expense of other income taxes, as taxpayers "convert ordinary income" into capital gains. Former Congressional Budget Office economist Eric Toder thus worried that "total income tax revenues may still decline if taxable investors substitute tax-preferred capital-gains assets for assets yielding fully taxable income."

What would actually happen is quite different. Taxable investors would substitute more shares of stock at higher prices—all of which are eventually subject to taxes on both capital gains and dividends—for assets that are only subject to tax on current income (junk bonds and money market funds), or to no taxes at all (venture funds held by tax-exempt institutions, or tax-exempt notes), or consumer assets which easily evade capital gains (antiques, oriental rugs, stamps and coins). And since corporations would clearly use more equity and less debt, corporate tax receipts would unquestionably rise by tens of billions at both the federal and state level.

Many retired people with substantial assets to sell have modest incomes, while many young professionals with high salaries have not yet accumulated assets subject to this tax. It is a mystery why Congress would wish to punish either the education and effort required to earn a high salary, or those who forego current income for a stake in new products, new enterprises, new management and new ideas.

Those with large capital gains in any year must, by definition, have a high "income" in that year, if the capital gain is included with income. If such one-time gains are not counted as though they were regular income, though, it turns out that about 26% of the gains in 1985 went to those earning under \$20,000 in 1985, while another 26% went to those earning over \$200,000. More than 10 million taxpayers report some capital gain in any given year. Some 68% of those gains are from taxpayers earning less than \$50,000, and these gains typically average at least 10% to 20% of income.

Finance Retirement

Affluent individuals do not have to pay capital-gains taxes. They can simply avoid selling any assets they own, and thereafter put any new savings into assets that mainly pay off in current interest income, or in assets with consumption value on which capital-gains tax is rarely paid (such as art, antique cars or lavish homes). The only people who are forced to pay capital-gains tax are families that must tap their savings, or sell a farm or small business, in order to finance retirement, medical emergencies or college.

Any tax change that improves the profitability of increasing production, investment and employment is going to benefit those who invest in making those things happen. It is not possible to increase the nation's wealth without somebody becoming more wealthy. But what makes a lower capital-gains tax so marvelous is that it has an immediate and lasting benefit to the economy, greatly reduces the budget deficit forever and doesn't hurt a soul.

Mr. Reynolds is director of economic research at the Hudson Institute in Indianapolis.

THURSDAY, FEBRUARY 6, 1992

Bush's Capital Gains Tax Plan Favors The Rich, Congressional Study Finds

By JACKIE CALMES

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — A congressional analysis shows that President Bush's latest proposal to cut taxes on capital gains would favor the rich, though not quite so disproportionately as analysts said last year's version would.

The Joint Committee on Taxation found that nearly 70% of the tax break would go to those who make more than \$100,000 a year. Taxpayers with incomes of at least \$200,000 would get on average an \$8,478 tax break, while those making between \$30,000 and \$40,000 would pay \$297 less.

The committee concluded last year that more than 82% of the tax benefits of the plan Mr. Bush proposed then would go to those with income exceeding \$100,000, and that the average tax break for Americans earning more than \$200,000 would have been \$12,526. The average gain for those making between \$30,000 and \$40,000 would have been \$208.

In his State of the Union speech last month, Mr. Bush emphasized different statistics to pitch his idea. He asserted that "60% of the people who benefit from lower capital gains have incomes under \$50,000." The few taxpayers at the top of the income scale, however, would have much larger capital gains and therefore the lion's share of the tax break.

The Joint Committee's finding of a lesser tilt to the wealthiest Americans in this year's plan comes even though Mr. Bush's latest proposal would be more generous than last year's version. The president wants to lower the rate to 15.4% on assets held more than three years; last year, he proposed a 19.6% rate. The congressional analysts, as part of a routine economic review, attributed less capital gains to the highest-income taxpayers, thus accounting for the changed analysis.

The technical review also will have consequences for a tax plan from the House's top tax writer, Ways and Means Committee Chairman Dan Rostenkowski (D., Ill.). He now is expected to propose that a new 35% top income-tax rate, which is aimed at financing a middle-class tax break, apply to higher-income taxpayers than he had previously suggested.

Rep. Rostenkowski originally would have applied the new top rate to individuals with taxable income of at least \$85,000 and to couples filing jointly with income of at least \$145,000. New estimates from the joint committee found that he could raise enough revenue to pay for his middle-class tax cut—\$45 billion over six years—by applying the new tax to individuals with taxable incomes of \$150,000 and higher and to couples making at least \$250,000.

That could help Mr. Rostenkowski, who has been under pressure from some Democrats to raise the income threshold. They are afraid to vote for a tax increase unless it plainly hits only the rich.

The Treasury says that the Joint Committee's analysis of capital gains taxation is flawed because it ignores additional taxes that rich people would pay because a lower capital-gains tax encourages them to sell more assets than they would otherwise. The Treasury hasn't yet released its analysis of who would be the biggest winners under the president's proposal.

On another point of perennial controversy, the Treasury is acknowledging that cutting capital gains taxes eventually would widen the deficit. Last year, the Treasury said that the president's capital-gains tax cut actually would raise revenue in each of the following six years. In a little-noticed change, the Treasury says that Mr. Bush's new, deeper cut would raise money through 1996—primarily because so many people would sell assets to take advantage of the lower rate—but would lose \$200 million in 1997. That admission is bound to fuel criticism from Democrats who say cutting capital gains taxes would widen the deficit in the long run.

Meanwhile, in a calculated gamble, House Democrats tentatively are planning to put Mr. Bush's entire economic-stimulus package to a vote later this month, along with their own alternative. "You could find both bills going down," said Rep. Ed Jenkins of Georgia, a Democrat on the Ways and Means Committee.

Some Democrats fret that any Democratic bill could be in danger if Rep. Rostenkowski produces a tax-cut package that includes a tax increase for upper-income people, and if Republicans counter with one like Mr. Bush's that wouldn't raise anybody's taxes but would have only disputed or illusory spending reductions. Democrats say they would cast the choice as one between honest accounting and Republican deficit spending. But they grant that enough Democrats could join Republicans, rather than vote for a tax increase, to give the GOP the edge.

Ways and Means Democrats caucused privately yesterday, but apparently are far from deciding on their package. The panel will begin voting next Wednesday, and a House vote could occur in the final week of February. That same week, the Senate Finance Committee will begin work on a separate bill. Congress's Democratic leaders are hustling in the face of Mr. Bush's much-touted March 20 deadline.

The Democrats are likely to propose, besides a middle-class tax cut, variations on Mr. Bush's proposals for business-investment incentives, real-estate "passive loss" deductions, a capital gains tax cut and liberalized Individual Retirement Accounts.

Rep. Rostenkowski, who insists that no tax bill should add to the deficit, is considering some ideas from Mr. Bush's own package for raising an additional \$11 billion in new revenue over the next six years. Those provisions would affect tax treatment of securities, annuities and corporate-owned life insurance—all of which have drawn fire from the affected industries.

Rep. Jenkins, a longtime proponent of capital gains tax cuts, proposed at the Ways and Means caucus that Democrats adopt a plan similar to one espoused by Sen. John Breaux (D., La.). It would impose a 35% top rate on upper-income taxpayers if, after a few years, a capital-gains tax cut is proven to lose revenues over time. Given the partisan split over the question of whether the tax cut would raise or lose revenue, he said, "This gives a way out to both sides."

THURSDAY, FEBRUARY 6, 1992

Foreign-Bashing: Does Label Reveal Domestic Content?

By ROBERT L. BARTLEY

When a politician starts beating up on foreigners it's a sure sign he has big problems at home. Under this world-wide rule, the recent bout of America-bashing by Japanese politicians isn't likely to have much to do with what happens on, say, the Toyota production line in Kentucky.

America-bashing, instead, is more likely to rock with the waves of scandal that periodically wash Tokyo. Since 1989, an average of one Japanese prime minister a year has been lost to a tsunami.

Indeed, incumbent Prime Minister Kiichi Miyazawa himself got splashed by the Recruit tsunami; he had to resign as finance minister when Prime Minister Noboru Takeshita was swept under. Sousuke Uno fell before the geisha tsunami. Toshiki Kaifu rode out the pachinko-parlor surf, over pinball payoffs, and watched while the head of Nomura Securities got dunked. But then, Mr. Kaifu was appointed solely because of his balancing skills and had to stand aside when it seemed safe to go back to political principals. Yet with the arrest of the long-time Miyazawa aide and ally Fumio Abe for taking some \$633,000 in bribes from a now-bankrupt company, Tokyo hears a familiar roar building.

So when Prime Minister Miyazawa rises to speak in the Diet, what could be a more natural subject than the American work ethic? A good little row with the Americans will fight for the headlines, shoving aside not only Mr. Abe but the apologies for Korean women forced into prostitution during World War II. And what could better reassure Japan-san in the street that, despite the unending parade of embarrassments, their system is somehow superior?

To be fair, the Japanese politicians didn't invent the game of catering to folks who vote by bashing folks who don't. American politicians have been trying to garner votes in New Hampshire with things like a TV ad of a hockey goalie standing off the Japanese. Even the Asian trip by President Bush picked up an anti-Japanese spin thanks to the heads of the Detroit auto makers. Chrysler Chairman Lee Iacocca went ballistic after Mr. Miyazawa made the common-sense observation that the agreement to import auto parts constituted a goal rather than a quota. Why shouldn't the prime minister lay aside neighborliness and put his own needs first?

When they want to get under American skins, of course, the Japanese are clever at it. Mr. Miyazawa said that looking at America in recent years, "I have felt that the ethic of working by the sweat of one's brow has seemed to be lacking." And Yoshioka Sakurauchi, speaker of the lower house of the Diet, remarked more directly that Americans were lazy and illiterate. As these remarks cater to the Japanese need to feel superior, they cater to the American yen to feel inferior.

Now in fact, the charge that Americans are lazy looks pretty silly if you glance through statistics like the ones the editors of American Demographics rounded up for me: In 1990, the American output per capita came to \$21,449. At purchasing-power-parity rates designed to wash out passing exchange-rate fluctuations, Japan's GDP per capita was \$17,634. If Japan puts out only 82% as much per person as America, someone in the States must be working.

It's true that Japanese workers put in more hours—2,044 a year compared with 1,949 in the U.S. (and 1,642 in Germany). But more Americans work. Among the population over the age of 16, civilian labor force participation is 66.4% in the U.S. compared with 62.6% in Japan. Among women from 25 to 54, only 64.2% of Japanese are in the labor force, compared with 73.9% of Americans.

There's reason to suspect that Mr. Miyazawa and Mr. Sakurauchi have it exactly backward. From a Japanese viewpoint, the criticism ought to be that Americans would have a better society if they worked less; in particular, if women stayed home and tutored the children, education might improve and crime decline. Indeed, Juliet B. Schor, head tutor of women's studies at Harvard, has just published a book entitled "The Overworked American: The Unexpected Decline of Leisure," though so far Americans have not adopted her recommendation of more leisure at the expense of less consumption.

There's reason to suspect, too, that in understanding all of this the American and Japanese people are ahead of their politicians. Sen. Bob Kerrey's New Hampshire poll ratings fell to 8% from 16% after his hockey ad, continuing the tradition that protectionist cheap shots look tempting but fall flat. The Japanese scandals turn into tsunami because consumers and voters are increasingly restive. Especially after getting stuck a couple of years ago with a sales tax they didn't want, they're coming to understand that they get a small slice of the nation's bounty, that Japan's mercantilist bent exploits them, not Americans. Coping with this sentiment is likely to prove a much larger problem for Japan, particularly for its long-dominant Liberal Democratic Party, than will the work ethic across the Pacific.

It's true that in such measures as output and productivity, the Japanese have rapidly been closing the gap with America. This is not because they work harder, but because they save and invest more. Americans could produce more with less work, and maybe even afford to have women stay in the home, if their tax code did more to promote savings and investment. But alas, such changes would first benefit people who can afford to save and invest, or "the rich," in the "fairness" mantra so sacred to the inscrutable Americans, or at least their inscrutable Congress.

It would be nice, of course, if American pressure could help free the Japanese people from the mercantilist yoke. But every time America strikes back with microchip cartels or trade barriers or Japan-bashing, it hits itself in the toe. How about some retaliation with a little Yankee ingenuity, like a Super 301 green card? If the Japanese politicians want to score points branding American society decadent, let's see in which direction scientists and engineers would like to immigrate.

THURSDAY, FEBRUARY 6, 1992

Bush Advisers Link Fed Policy, Slow Economy

Rates Should Have Fallen 'Faster and Earlier,' Says Report by Economists

By DAVID WESSEL

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON — President Bush's Council of Economic Advisers said the Federal Reserve deserves some of the blame for the unexpectedly sluggish economy.

"In retrospect," the council said in its annual report, released yesterday, "it appears that monetary policy should have been geared to lowering interest rates faster and earlier," the report says.

The council stops short of calling for further rate cuts, but it notes that short-term interest rates, adjusted for inflation, "are higher than they have been during many comparable periods in the past."

Michael Boskin, the council's chairman, told reporters yesterday that the Fed shouldn't have to raise interest rates, even if the economy rebounds at a quicker pace than most forecasters expect. Because inflationary pressures are abating, he said, "we wouldn't be in a position when monetary policy would have to apply the brakes if we start doing better."

President Bush, in a three-page introduction to the report, said "recent economic problems are a reminder that even a well-functioning economy faces the risk of temporary setbacks." He added that the "conditions to generate economic growth are falling into place" and that congressional approval of his recent economic initiative would "speed, strengthen and sustain economic recovery and, simultaneously, ... provide a firmer basis for long-term growth."

Mr. Boskin said the administration anticipates a sluggish economy this year, with little, if any, growth in the current quarter and a pickup later in the year. Enactment of the president's proposals would make the recovery "quicker, stronger and more certain," he said.

The 278-page report includes, among other things, the administration's most comprehensive attempt so far to rebut charges from Democrats that the rich are getting richer and the poor are getting poorer—and that the Reagan and Bush administrations are partly to blame.

While the administration's critics concentrate on how the economic pie is sliced, the White House focuses more on the size of the pie. "Over the long term," the council says, "incomes for families and households in each part of the income distribution have increased substantially."

And while Democrats tend to look strictly at taxes, the administration would broaden the debate to take government benefit programs into account, too. The council acknowledges that the distribution of income has become more uneven in recent years, but the statistic-studded chapter demonstrates that—taken together—taxes and government benefit programs are a potent tool for reducing disparities between rich and poor.

"The amount of redistribution within the tax system hasn't changed significantly since the mid-1970s," it asserts. What's more, government benefit programs, which generally help the poor more than the rich, are far more significant. The richest 20% of American households paid an average of \$22,000 to state and federal governments, taking both taxes and benefits into account; the poorest 20% received an average of \$8,800.

The essay is carefully worded to avoid the word "inequality," stating at one point that "the distribution of income has gradually grown more dispersed since the mid-1960s."

FAA Nominee Is Asked To Withdraw as Candidate

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—Jerry Curry, whose nomination to head the Federal Aviation Administration was controversial almost from the moment it was announced in November, has been asked by Acting Transportation Secretary James Busey to withdraw his name from consideration.

But so far, Mr. Curry has refused, administration officials said.

The story first appeared in the Washington Post, which also said that Mr. Curry had been asked to resign from his current job as administrator of the National Highway Traffic Safety Administration.

Yesterday, administration officials disputed that Mr. Curry had been asked to leave his NHTSA job. Neither Mr. Curry nor Mr. Busey would comment.

Mr. Curry's nomination as FAA chief by President Bush on Nov. 22 immediately drew fire from auto-safety activists, who contended he hadn't done enough to promote auto safety and aviation groups, who argued that he didn't have enough experience for the job.

In late January, Mr. Curry met with Alan Maness, the top auto-safety aide to Sen. John Danforth (R., Mo.). Administration officials said they were later told that Mr. Curry criticized both Mr. Maness, for being too close to auto-safety groups, and Mr. Skinner, for not being conservative enough.

THURSDAY, FEBRUARY 6, 1992

Bush's Pro-Growth Spending Plan Shows Conflict With Budget-Cutting Record

By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—President Bush's plan to accelerate spending for select domestic programs is at odds with his record of cutting from many of the same accounts.

In his State of the Union address last week, Mr. Bush vowed to pump an extra \$10 billion into the economy in the next six months by speeding up "pro-growth expenditures" for an array of farm, housing and public works programs. "There are certain things that a president can do without Congress—and I am going to do them," he said.

In fact, many of the accounts covered by Mr. Bush's order have been targeted for cuts by his own administration in the past and again this year. And in some cases, even though Mr. Bush boasts that he is acting unilaterally, he actually is obliged to spend the funds quickly because of provisions written into law by Congress in October.

For example, documents distributed by the Office of Management and Budget suggest that the administration will make an extra \$1.9 billion available largely by allocating federal funds for farm ownership and operating loans in the first two quarters of the current fiscal year. Not mentioned is the fact that House and Senate Appropriations committees added a requirement to the Agriculture Department budget in the fall to require such a policy. The committees acted after receiving complaints by lawmakers of foot-dragging by the OMB.

"To say that he is going to spend money that he has been essentially ordered to do puts a false front on things," said House Budget Committee Chairman Leon Panetta (D., Calif.). "It's too cute by half and this shows it."

Moreover, Mr. Bush's description of the programs as "pro-growth expenditures" hardly fits his past budgets. For example, for fiscal 1992 the president proposed to cut

funds for direct farm operating loans from \$900 million to \$410 million. And for the fiscal year beginning Oct. 1 he is asking for \$314 million, which is \$536 million less than what Congress finally approved for this year. The smaller farm ownership loan program has fared somewhat better, but the administration's new budget proposes to cut the program to \$28 million next year, or half the current appropriation.

The president's "acceleration project" is dogged by similar discrepancies in other areas. For example, the White House now proposes to speed up the processing of single-family loans under a federal rural housing program, even though the administration has sought repeatedly to cut hundreds of millions of dollars from this account in recent years. Similarly, the administration says it can pump \$3 billion into the economy by accelerating the processing of grants to build waste-treatment facilities. But the OMB has sought regularly to pare the appropriations approved by Congress, and as vice president, Mr. Bush backed a Reagan administration proposal in fiscal 1987 to phase out the program entirely by 1990.

Such contradictions are viewed with wry amusement and irritation in Congress. Many lawmakers, including Mr. Panetta, detect the hand of OMB Director Richard Darman. The "acceleration project" is seen as a political effort to blunt demands for a jobs bill to pump up public-works spending further.

Moreover, the \$10 billion goal is elusive itself, according to an analysis by the Congressional Budget Office. "In most cases, this earlier availability is likely to have no significant effect on the timing of cash outlays," the CBO said in a report last month.

Democrats are wary of committing themselves to major new expenditures for the current fiscal year, and the greater fight will be over the distribution of what-

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Bush Spending Plan Appears to Conflict With Budget Record

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ever savings are achieved by cuts in the military budget next year. An informal alliance has developed between the leaders of the House Appropriations and Ways and Means committees on the issue, but Robert Byrd, chairman of the Senate Appropriations Committee, has been caught in a squeeze between his party leadership and the tax-writing Finance Committee.

Appearing before the Senate Budget Committee, the West Virginia Democrat argued strongly against using defense savings for a tax cut. He later signaled that his differences with party leaders was such that he had declined to serve on a task force appointed by Majority Leader George Mitchell.

THURSDAY, FEBRUARY 6, 1992

Bush Backs Off Plan to Propose Medicare Cuts

Formula to Save \$40 Billion Dropped From Speech On Health-Care Package

By HILARY STOUT

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Nervous about election-year fallout, the White House has backed off plans to propose more than \$40 billion in savings from the Medicare program over five years.

The cuts were to be included in the health-care plan President Bush is set to unveil today in a speech in Cleveland. They were intended to help finance billions of dollars in tax breaks the president will propose to help low-income and middle-income people afford health insurance.

But complaints from some Republicans in Congress and general political apprehension have led the White House to erase the specifics of the Medicare proposals. Instead, people familiar with the plan say, the White House plans to offer simply a long list of suggested savings from the federal health insurance program for the elderly.

Earlier, political worries forced the administration to scrap another controversial element of the health-care plan, a proposal to tax the employer-paid health benefits of some highly paid workers. That idea, which White House budget director Richard Darman insisted was essential to bringing price sensitivity and competition to the health-care market, was dropped after congressional Republicans argued the president would be committing political suicide by proposing it.

Administration officials still believe substantial savings must be made in Medicare to pay for the tax breaks, projected to cost \$100 billion over five years. They intend to present a variety of options, without attaching dollar amounts to any of them, ranging from finding administrative savings to scaling back payments to research hospitals. "You won't be able to pin down what the Medicare savings will be," said one high-ranking official.

By making suggestions rather than specific proposals, President Bush would say, "Here are the options. You make it all add up," another White House official said. The advantage of this approach, the official explained, is that "it spares us getting whacked" on the nettlesome issue of paying for the tax breaks while allowing Mr. Bush to receive credit for proposing them.

The president still intends to propose capping federal payments under Medicaid, the health program for low-income people. Medicaid is financed jointly by the U.S. government and the states.

Under the president's proposal, the federal government's Medicaid payments initially could grow no more than the increase in the Consumer Price Index plus six percentage points. The differential would fall to two percentage points in five years.

Currently, federal Medicaid payments are tied to what each state chooses to spend; federal outlays for the program are expected to jump more than 37% this year. Officials estimate the cap could save at least \$35 billion over five years. They hope the limits would encourage states to enroll Medicaid beneficiaries in health maintenance organizations and other fixed-price, prepaid health plans.

The plan that Mr. Bush will unveil was crafted under deep political pressure, and has wrought considerable consternation within the Republican party. It was only after Harris Wofford, campaigning for national health insurance, upset former Attorney General Dick Thornburgh in a fall Pennsylvania Senate election, that the administration began a full-court press to come up with a plan.

While Mr. Darman had long argued for addressing the nation's health-care problems, former White House Chief of Staff John Sununu repeatedly blocked efforts to do so, arguing that specific proposals on health care can only be political losers in an election year. Mr. Sununu was forced to resign in December, but some officials said he seems to be proving to be right.

Republican members of Congress have made just that point in meetings with White House officials over the past few weeks, where they have encouraged officials to remove specific proposed cuts. "Largely what we said is there's always such a strong urge on the part of Republicans to be responsible, but in this particular case the exercise of responsibility will kill your solution," said Sen. David Durenberger (R, Minn.), who has participated in a number of meetings and conversations with officials over the plan.

"We said put everything on the table that you've got, but don't do it dollar per dollar, except on the Medicaid side," he added.

Administration officials argue that their plan still will address the financing question in more detail than many Democratic proposals now in Congress.

Rather than expand government benefit programs, the administration would give poor people tax credits to help buy health insurance. Unlike normal tax credits, these credits would work as vouchers. They would be collected by states to pay for private health insurance on behalf of the beneficiaries. Anyone who didn't want the state benefit package could request the voucher and shop elsewhere for coverage.

To start, the full credits of \$3,750 for families, \$2,500 for couples and \$1,250 for individuals would be available only to people with incomes less than half of the government's official poverty line. For families, that means an income of less than \$7,000 a year. Smaller credits would be available for people whose incomes range from 50% of the poverty level up to the poverty line. By the fifth year of the program, the full credit would be available to everyone under the poverty line and a smaller credit would be available to people with incomes up to 50% above the poverty level.

Middle-income people could deduct some of the cost of health insurance, including costs their employers don't pick up. Families with annual incomes under \$80,000 could deduct up to \$3,750; individuals with incomes under \$50,000 could deduct up to \$1,250.

Despite the administration's strong free-market bent, the plan will contain a considerable amount of new regulation, officials say. For example, it will propose prohibiting insurance companies from refusing to cover people with pre-existing medical conditions, currently a common practice. And it will forbid them from denying coverage to anyone who has been previously insured; that is intended to address a growing concern among working people that they are in danger of losing health insurance if they switch jobs.

—John Harwood and David Wessel contributed to this article.

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Running as Outsider, Brown Tries to Tap Public's Alienation

Brown Relishes Outsider's Role

Reluctant Political Warrior Tries to Tap Voters' Alienation

By Lou Cannon
Washington Post Staff Writer

LONG BEACH, Calif.—It is five minutes to air time, and Edmund G. "Jerry" Brown Jr. is battling with a prospective interviewer over the ground rules of his appearance on a television talk show, insisting he be allowed to recite his 800 number to solicit contributions.

The interviewer gives in with a show of reluctance, saying, "I guess this is pandering."

"No," Brown tells him. "Pandering is when I tell you what you want to hear. This is fundraising."

The negotiation is a tiny triumph for the embattled Brown in his running, uphill fight with station managers, rival candidates and Democratic Party functionaries over his confrontational effort to fund what he calls an "insurgent

campaign to take back America" with contributions of \$100 or less.

Brown set the limit in his quest for the Democratic presidential nomination to dramatize his message that campaign spending by the rich

CAMPAIGN '92

THE CANDIDATES

and powerful has corrupted the American democratic system.

The issue has been brushed aside by Brown's critics as a secondary matter at a time when people are scraping for jobs and even food. But for Brown it is the latest manifestation of a long obsession with political reform and of a struggle

See BROWN, A17, Col. 1

BROWN, From A1

to define himself within a system in which he has never been fully comfortable.

Throughout his career, Brown has often been a trailblazer. He was among the first to embrace the cause of exploited farm workers who were fighting for recognition under the leadership of Cesar Chavez. As governor of California from 1975-1983, he was an environmental visionary who took bold stands that are widely embraced now. He may again be ahead of his time in his current assertion that both parties and all politicians have been corrupted by campaign contributions.

"Jerry is an important person in the American political process," says his younger sister and more traditional politician, California Treasurer Kathleen Brown. "He's always beyond where the rest of us are at the moment. . . . When people catch up with him he runs ahead because he doesn't want to be where everyone else is. He always wants to be in the lead."

But Brown has been unable so far to demonstrate convincingly that campaign spending reform would bring relief to Americans afflicted by economic suffering. And even those who accept such linkage insist that Brown is the wrong messenger to deliver this message. Critics often portray Brown as a hypocrite who advocates a path of political purity that he did not follow during his two terms as California governor or, more recently, as chair of the California Democratic Party.

Friends see something else. Besides being a gadfly, a loner, an iconoclast and an original thinker, they describe a reluctant and unhappy political warrior, deeply ambivalent about a process inextricably linked to his father, the legendary Edmund G. "Pat" Brown, who was governor of California from 1959-1967.

"Jerry has never been happy in politics, really," says Peter Finnegan, Brown's high school debate partner and later a fellow Jesuit seminarian who has contributed the maximum \$100 to Brown's campaign and promised to support him as long as he is in the race. "He had to run for political office to prove himself to his old man, with whom he had a terrible relationship. I like Jerry. He can be a cynical SOB and a cuckoo, but there is a real sweetness about him. I feel for him. Here he's running around New Hampshire at 53, still trying to prove himself to his father."

Brown acknowledges his motives for running are complex—"I think we have a multiple layer, if we're going to talk psychology"—and that "there is truth" in some of what his friends say. "I'm probably much more cynical than I should be. But I'm also romantic and have a certain idealism that is also inherent. And I'm trying to emphasize one and minimize the other, and the kind of campaign I'm running now is emphasizing as much of the idealistic part of my being as I possibly can."

In a 1988 autobiographical account in the Sacramento Bee, Brown recalled that politics and government "was the grammar of our family life together" and said he was "both attracted and repelled by it." He said that "as a child, I probably wanted more attention than my father could provide."

Brown was not yet 2 years old when his father ran for district attorney of San Francisco in 1939. Though Pat Brown lost this first bid for political office, he ran again in 1943 and was elected. He never lost again until Ronald Reagan defeated him in his try for a third gubernatorial term in 1966.

Pat Brown was a back-slapping politician with a shaky memory for names but a winning manner who kissed babies and campaigned constantly. He and his wife, Bernice, had four children, three of them girls.

Kathleen, as outgoing as her father, says her brother took after their mother, who was in those days quiet and reserved. She remembers Jerry as "shy." Tom Quinn, a longtime adviser, says that Jerry Brown told him that he was dragged to political parades against his will and once refused to wear a funny hat. "He thought he was a prop," Quinn said.

Another friend says that the lobbyists and campaign donors who paraded in and out of the Brown home and later the governor's mansion became surrogates for Jerry Brown's feelings about his father. "Jerry wanted to get back at the people who took his father away from him when he was a kid," this friend said.

Finnegan, other early friends, and Brown's sister Kathleen say that Brown's obsession with the influence of campaign contributions reflects a lifelong disdain for money and materialism.

Brown and Finnegan were 18 in 1956 when they threw their money into the streets and entered the Sacred Heart Novitiate in Los Gatos. "Money means nothing to him to this day," says Finnegan.

When Brown ran for governor in 1974, his principal campaign theme was that state government had been corrupted by excessive campaign contributions and the influence of powerful lobbyists. Although his campaigns were financed by major corporations, labor unions and well-heeled entrepreneurs, many of them longtime contributors to his father, contributors who expected a return on their investment in Jerry Brown were usually disappointed. Quinn recalls that Brown kept contributors at far more than arm's length once he became governor.

"Jerry was cleansing himself by not giving access to his contributors," said Quinn. "He believed with a passion that people who gave him money were dirty. I used to argue with him about that. There was this one businessman who had helped us a lot and simply wanted Jerry to come to his wife's birthday. Jerry wouldn't even return his phone call."

"Jerry is truly offended by the large sums of money that it takes to gain political office," says Gray Davis, chief of staff during the Brown governorship and now California state controller. "Here's a guy who drove an old Plymouth, made his staff take a 7

percent pay cut and slept on a mattress on the floor. Fund-raising offends his lifestyle."

Kathleen Brown says it was the fund-raising demands that most offended her brother when he was chair of the California Democratic Party from 1989-1991. "He was very uncomfortable having to raise large sums of money," she said. "He's much more comfortable in the role of an outsider than he ever was as an insider."

More than just being comfortable, Brown seems to relish the role. Asked recently why he did not run for a Senate seat, which he would have been favored to win, and work for change from within, he said: "You have to understand. I don't want to be a member of the club. The club doesn't want me to be a member, and that's just the way it is."

Brown spent 3½ years in prayer, meditation, hard work and silence at the seminary. After two years in Los Gatos—the beginning of a spiritual search Finnegan believes he has never abandoned—he took vows of poverty, obedience and chastity as a Jesuit, from which he later was released. Looking back on his time in the seminary a decade later, Brown said he found it too difficult to conform.

Brown said he thought of becoming a psychologist but followed his father's footsteps in the law instead. He attended the University of California's Boalt Hall, graduated from Yale Law School, passed the California bar exam on his second try and clerked for a California Supreme Court justice who was one of his father's closest friends.

His political baptism occurred in 1968, when he was inspired by the crusade of Sen. Eugene McCarthy (D-Minn.) against President Lyndon B. Johnson, whom his father supported, and the Vietnam War. Brown became a McCarthy delegate in the California primary, narrowly won by Sen. Robert F. Kennedy (D-N.Y.) on the day he was fatally wounded by an assassin.

Although Brown had become a member of a Los Angeles law firm, he had no interest in practicing law. He called himself "Jerry" and lived in an apartment so shabby that his parents would not visit him. But in 1969, using the ballot name of Edmund G. Brown Jr., Brown finished first among 133 candidates competing for seven seats on the newly created Los Angeles Community College Board of Trustees. Finnegan knew that Brown detested politics and asked him why he was running. Brown replied laconically that Quinn's polls showed he could win.

Brown was barely on the board before he and Quinn were using it as a stepping stone to statewide office. Their target was the office of secretary of state, which oversees state electoral procedures and was then regarded as politically unimportant. But Brown's campaign attracted wide media attention and inevitable speculation that he would succeed his father. He was elected in

1970, when Reagan was reelected governor, and quickly made the office a platform for criticizing lobbyist influence and campaign practices.

"Jerry's facile and a scavenger," said Richard Maullin, an adviser when Brown was governor. "He scavenges through words and ideas and integrates them, weaving a new cloth. The campaign reform issue was a natural for him. He really resents the wheeler-dealers who tried to manipulate his father. He resents the type."

Brown's promise to limit lobbyists to "two hamburgers and a Coke" won him the governorship in 1974, when he was only 36 and looked younger. Even then, however, voters were beginning to have doubts. Brown had a substantial lead in the polls but wound up winning only 50.2 percent of the vote against a lackluster Republican candidate in a year of heavy GOP losses induced by President Richard M. Nixon's resignation. Most legislators won by bigger margins, and many of them disliked the young governor.

But even those who agreed with Brown resented his lack of social graces. He often made people wait, rarely thanked anyone and would leave meetings or social functions abruptly without saying goodbye. "In my judgment he did not understand the need for courtesies or amenities," said Davis. "He had lived a very sheltered life. . . . People concluded he was a rude SOB who didn't understand how poorly he was treating people."

Brown served as governor for eight years, leaving a conflicted legacy. To the surprise of supporters, he continued many of the governmental economies begun during Reagan's years in Sacramento. For different reasons, he was often as uninterested in government as Reagan had been.

While Brown promoted minorities and women in record numbers, he tended to leave vacancies on key boards and commissions unfilled while he pursued such oddball interests as a state space program that, quite literally, never got off the ground. Department heads complained they found it impossible to get Brown's attention. California's once-vaunted mental health facilities, already starved by Reagan, declined steadily under Brown.

But Brown, who had become a disciple of the "era-of-limits" theories of British economist E.F. Schumacher, proved responsive to unfashionable environmental concerns. Unbridled population growth worried him,

This is one of a series of profiles of presidential candidates that will appear in The Washington Post before the New Hampshire primary on Feb. 18.

THURSDAY, FEBRUARY 6, 1992

The Washington Post

and he became convinced of the need to restrict the use of hazardous pesticides and other toxic chemicals. "The flaky laws he proposed and signed in the '70s were in fact visionary," says San Francisco Supervisor Angela Alioto. "Companies are now imposing toxic restrictions on themselves."

Eventually, however, Brown's concern for the environment led him to underrate the crop-destroying Mediterranean fruit fly, which cut a wide swath through California's fertile agricultural valleys before Brown belatedly ordered the use of pesticides to stop it. The medfly became a symbol of what critics said was Brown's irresponsibility and a major factor in his 1982 defeat for a U.S. Senate seat at the hands of Republican Pete Wilson, now governor of California.

Brown dropped out of politics after his defeat. At 44, he had run twice for president, winning seven primaries in 1976 when little was expected of him and none in 1980, when expectations were higher. His unfavorable ratings with voters were among the highest ever recorded by a California politician. Many thought he was finished with politics and it with him.

Brown spent his next six years in exile on what a friend describes as "part of his lifelong quest in search of himself."

He spent a summer in the Mexican village of Ocotepc, learning Spanish. Then he studied Buddhism in Japan. His quest took him next to India, where he helped Mother Teresa bathe and feed the dying and destitute at the refuge called the House of the Pure Heart. "You see the gratitude or pain on faces," he wrote in his autobiographical account. "Nothing is filtered by a need to impress you."

By the time Brown wrote these words in 1988 he had returned to California to offer himself to the Democratic Party "as a person chastened by experience and fully understanding that the opportunity—the greatest opportunity imaginable—is to serve and serve completely."

He was not chastened for long. As party chair, Brown quickly threw himself into the nuts-and-bolts work of building a grassroots organization: raising money, registering voters, getting out the vote. "He did a terrific job in the early stages," said Reilly. But the honeymoon between Brown and orthodox Democrats ended early in 1990 when he dismantled the party's get-out-the-vote effort on grounds it was not financially sustainable.

Marshall Ganz, a veteran organizer who headed the get-out-the-vote drive, blames Brown for failing to "do battle with the special interests" to sustain what he had created.

Brown tells a different story. "There was no money!" Brown recalled in a recent interview. "I stopped a hemorrhage of a budget that was going to be a million dollars a month. I mean, Charley [savings and loan executive Charles H.] Keating was on trial.

...we couldn't go to [Sen.] Alan Cranston. Where was the money going to come from?"

Brown announced his resignation as chairman last February, all but saying that he wanted to run for the Senate. But Brown, despite leading other prospective Democrats in the polls, decided late in the year that he preferred taking a long-shot fling at the presidency rather than seeking a Senate seat he might have won.

After deciding to seek the presidency, Brown largely dropped his old-time advisers Quinn and Maullin and turned instead to Pat Caddell, an iconoclastic Democratic consultant whose harsh views about the political process are similar to Brown's.

Caddell argues that political alienation has reached "cataclysmic potential" because Americans see their country in decline and no longer believe that life will be better for their children.

But Caddell acknowledges that Brown has not fully succeeded in linking his message to the economic issues that have dominated the Democratic presidential debate. "Part of the problem is that Jerry's been a politician," said Caddell. "The fact that America has reached this point because of its betrayal by the political class is very hard for the political class to acknowledge. It's not human nature to do that."

Brown recognizes the inherent limitations of his campaign. While still focused on the Senate race last April, he said in an interview that he was "a flawed vessel" to carry his anti-money, anti-politics message. He did not help himself in his first televised debate last December, when he insisted on reciting his 800 number, and in Quinn's view, came across as "shrill and unlikable."

Brown has been trying ever since to lighten his approach. Sometimes he even asks audiences if they still think of him as "Governor Moonbeam."

By now he has had to answer so many questions about being a flake that he has a ready answer. He thinks people call him that "because I am trying to change the system instead of just ratifying its failure. And that then creates tension. And I may have done a few things people can laugh at and I hopefully can laugh at myself. But I think it's a bogus issue."

Despite Brown's difficulties, he is considered a clear and present danger by Democratic leaders who view him, in the words of a recent Los Angeles Times article, as "the political equivalent of a drive-by shooting."

Their worry is not unfounded. "What I'm doing now is trying to fight for the soul of the Democratic Party," he says. "I want to change it."

"My \$100 campaign, my movement, my assault on the incumbent party is aiming not at some Common Cause financial, I mean campaign reform, but building a movement, a real insurgency within the country that will offer a real choice and a choice to both Bush and to [Senate Majority Leader George J.] Mitchell, [Speaker of the House Thomas S.] Foley, and the whole complacent get-along-go-along, because I think the suffering in this country has reached a point of complete intolerability, and I don't want to just be another bouncing ball on a gong show—which I think contemporary politics happens to be."

Such a wholesale attack does not go down well with party professionals. "Jerry does a disservice to the larger [Democratic] cause with his approach, which takes the focus away from economic and personal security issues like education and health care," says Phil Angelides, Brown's successor as state Democratic Party chair. "He is saying the process is the problem. Good people can correct the process. Jerry comes on as an outsider but what he is pushing is the ultimate insider issue."

In fact, what remains unresolved in Brown's own life is the question of whether he is outsider or insider. It is a question closely related to the conflict with his father, with whom he still competes.

Pat Brown's admirers recall the various times during the days that Jerry was governor that he snubbed his father. Older Democratic activists picture Jerry as an ingrate who fails to understand that he would not have had a political career at all except for his dad.

Finnegan vividly remembers Jerry Brown's 50th birthday party. When it was Pat Brown's turn to speak, he said he was putting his energies into the campaign of Kathleen, "the real politician in the family."

"It was like a knife through the heart," Finnegan said.

Pat Brown is in his mid-eighties now, and he and his son are trying to repair old wounds. Jerry Brown tries not to put down his father anymore. Kathleen Brown recalls that at their parents' 60th wedding anniversary last year, her brother gave a rare party for them at his San Francisco home. Linda Ronstadt, with whom Jerry Brown had a celebrated relationship when he was governor, came and sang a capella.

Brown says that he and Ronstadt, who lives nearby, remain friends. Always guarded about his private life, Brown says he is dating another woman "but I'm not ready to announce it."

For all his shrillness on the campaign trail, many who have known Brown for a long time find him easier to take than in the past. "He's more human, observes the amenities and finally believes that the whole world is not on hold for him," says Davis. Finnegan was touched when Brown attended his mother's funeral, and Angela Alioto says Brown was "a good friend" after her husband died.

Many think that Jerry Brown is still trying to find himself. "He seeks a revealed truth that will bring moral order to our mundane lives," says Maullin. "He is still on a kind of quest, still searching for the way," says Reilly, who was himself once a seminarian.

"He wants to do good, he has this zeal about leaving the system better than he found it," says Kathleen Brown. "Maybe he should have finished the seminary and saved souls."

Researcher Mark Stencil contributed to this report.

Loss of a Pawn

ONE OF the better ideas in the president's budget was unfortunately never more than a pawn in the tax cut game and has already

been taken off the board. The proposal is, or was, to make the better-off pay higher premiums than other recipients for the second part of Medicare

that pays not hospital but doctor bills.

were contradictory. The first was that the great entitlements such as Medicare are growing fast-

er than the government can afford; the budget

warned they need to be cut back. That's true, but it implies that the proceeds from the cutbacks

will be used to improve the government's fiscal

health, and that's not really what the president had in mind: he proposed to use the money to

...finance his tax cuts.

The Democrats also want to give tax cuts this election year and aren't sure how they want to

finance them—whether through defense cuts or

offsetting tax increases. But they know they don't want to use Medicare as the bank. Nor do they think

most congressional Republicans would vote to do so

of that the president is really putting the president of the United States in a kind of

trap in which the president finances the tax cuts only

on paper and leaves to them the responsibility of financing the cuts in fact.

House Ways and Means Committee Chairman

one of his own the other day. He dismissed "sug-

tions to cut Medicare or other entitlements to pay

for tax cuts" on grounds that they "will be rejected on a bipartisan basis as they have been in the past," then he laid down some other procedural guidelines for the committee, the implication of which is that any tax cuts will almost surely have to be paid for by offsetting increases. It's hardly an accident that Mr. Rostenkowski on behalf of the Democratic leadership is the author of just such a proposal, to finance middle-class tax credits with a higher top rate on the

rich.

The president (or his budget) and Mr. Kostelníkowski both are right. The government does need to

curb the growth of entitlements. The fairest way to

do so would be to reduce the value and cost of the benefits of the better-off. The problem is not that the

do so would be to reduce the value and cost of the benefits of the better-off. The problem is not that the president makes such proposals with regard to Medicaid.

president makes such proposals with regard to Medicare but that he doesn't go on to Social Security and the great tax entitlements such as the mortgage

care but that he doesn't go on to social security and the great tax entitlements such as the mortgage interest deduction. The better way of dealing with

interest deduction. The better way of dealing with Medicare might be to subject some share of the value of the benefit to the income tax (and a greater share

Medicare might be to subject some share of the value of the benefit to the income tax (and a greater share of Social Security benefits as well), but a graduated rate would be okay, too. The Democrats are

of Social Security benefits as well), but a graduated premium would be okay too. The Democrats are wrong not to take him up on this.

premium would be okay too. The Democrats were wrong not to take him up on this.

But they're right that the proceeds shouldn't go to tax cuts. In a year with a \$400 billion deficit in prospect, there shouldn't be any tax cuts. If the

go to tax cuts. In a year with a \$500 billion deficit in prospect, there shouldn't be any tax cuts. If the bidding war is too far gone for that, there at least should be a not cut; if some taxes are reduced

bidding war is too far gone for that, there at least shouldn't be a net cut; if some taxes are reduced, others should be increased to compensate. The

others should be increased to compensate. The last thing the country needs at the other end of the election year is a smaller tax base.

last thing the country needs at the other end of this election year is a smaller tax base.

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An American Paradox

Reforming the Health Care System:

By Malcolm Gladwell
Washington Post Staff Writer

Ask Americans their opinion of the U.S. health care system, as poll after poll has done, and the majority say it is in need of major reform. But ask them how they like the quality of the care they receive personally and they say just the opposite: They are well satisfied.

This is the paradox faced by President Bush today as he unveils his administration's long-awaited health care reform package, a paradox that has bedeviled all those debating how to fix the U.S. health care system. How it is that a problem of such apparent gravity remains an abstraction for so many Americans? How can a system be so bad if it leaves so many so happy?

The answer, according to health care experts, is that the three distinct problems at the heart of the health care crisis—that health care dollars are spent unwisely; that the nation's health care bill is rising too rapidly; and that the burden of paying that bill is shared unequally—are largely invisible to the Americans passing through hospitals and doctors' offices.

This is, in the words of many pushing for reform, a crisis of the hidden infrastructure of the health care system. It involves the way that dollars flowing from employers and government agencies to medical providers and insurers often go to the wrong places, the wrong procedures and the wrong people, burdening some too much and others too little.

"To understand the American health care system you have to follow the money," said Leonard Schaffer,

a former federal health policy official who now heads Blue Cross of California. "Not a lot of people ever do that."

The money amounted to \$665 billion in 1990, or \$2,600 for every man, woman and child in the country. This is more than any other nation spends on health care, and a far larger share of gross national product—12.2 percent—than in any other country of the developed world.

However, such simple comparisons may be misleading, some experts contend. A recent study in the journal *Health Affairs*, for example, analyzed the difference between spending in the United States and the much-envied 8 percent of GNP spent on health care by Canada. The United States, the researchers pointed out, has 1.2 times as many people over 65 relative to its population as Canada does, and because about half of any typical country's health budget is spent on the elderly, that little difference in age distribution amounts to a lot of money. Second, the United States has social problems that result in much greater health care needs. U.S. teenage girls, for example, have a pregnancy rate almost 2½ times that of Canadian teens, a birthrate twice as high, an abortion rate three times as high and a miscarriage rate that is twice as high.

The United States also spends more on research and development, and calculates capital costs and health benefits much differently. The study's conclusion: Once these differences are accounted for, the huge gap between the United States and Canada narrows considerably.

In addition, some analysts argue that the \$665 billion makes a valuable contribution to the health of the U.S. economy. It pays the salaries of about 8 million Americans. Virtually every high-tech American corporation sells something to the health care industry, from \$3 billion in sales last year by General Electric to the nearly \$4 billion by Eastman Kodak. Indeed, the willingness of the U.S. health care industry to pay handsomely for innovation and to adopt new technologies has helped to create one of America's most internationally competitive industries—pharmaceuticals. U.S. drug firms employ 200,000 Americans, racked up \$22 billion last year in exports, and dominate the international race for new medicines.

"People wring their hands and say the amount we spend on health care is too much," said John Hoff, a health care specialist and lawyer in Washington. "But a dollar spent on health care is just as good as a dollar spent on automobiles. . . . Yet somehow people have gotten it into their heads that we are better off spending money on cars than on medical care."

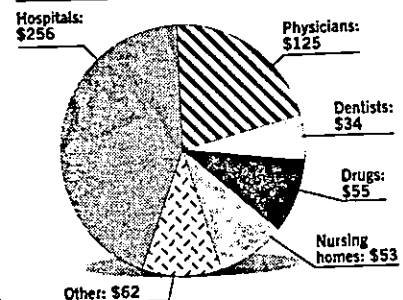
What, then, is all the fuss about?

Unwise Choices

In a recent speech, Secretary of Health and Human Services Louis W. Sullivan said that \$665 billion "ought to be enough" to pay for the nation's total health care bill. But, he added, it clearly isn't. For all

PERSONAL HEALTH EXPENDITURES

BY TYPE, IN BILLIONS OF DOLLARS



SOURCE: National Health Accounts

that money, Sullivan said, the United States hasn't managed to find a way to deliver an adequate level of care to the millions of people who don't have health insurance.

The uninsured see a doctor two-thirds as often as the insured. They are less likely to receive simple and inexpensive preventive care measures—such as blood pressure checks, routine breast exams or pap smears—which means they are more likely to come down with life-threatening diseases such as diabetes or cervical cancer.

At the same time as the system cannot provide adequately for some people, it clearly wastes money in other areas. The hundreds of different insurance companies involved in the system create a blizzard of forms and layers of bureaucracy not found in other Western countries. Driven by fears of malpractice lawsuits and pushed by the conviction of many Americans that more medicine is better than less, physicians give some patients more care than they need.

But figuring out where this waste is and how to cut it is very difficult. For example, a government study of gastrointestinal endoscopies showed about one-quarter to be medically unnecessary. Public interest groups assert that one-half of all Caesarean sections are unnecessary. A recent study suggested that cardiac bypass operations—one of the most expensive and common of cardiac procedures—may not be any more effective in prolonging life than medication.

But these are retrospective judgments. Deciding what procedure is necessary and what isn't when the patient is on the operating table, some experts argue, is a different matter. Defining what is necessary is also highly subjective. "One man's over-utilization is another man's comfort zone," said Randy Bojberg, a health economist at the Urban Institute.

Paperwork

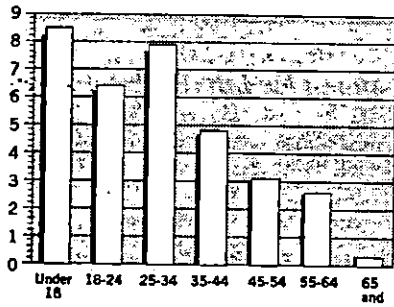
According to Washington health economist John Sheils, just the requirement of U.S. insurance companies that patients pay a share of every bill they receive from a physician generates about \$18 billion a year in extra paperwork expenditures.

But, he points out, that co-payment system serves a purpose. It is a good way of encouraging people to show some discipline in their use of the system. Getting rid of co-payments and replacing them with a single payer system, in which every dollar of health care was covered, would eliminate the \$18 billion in paperwork, he says, but also would result in about \$50 billion in increased use of the system by people without any financial restraint.

"You've got to spend money to save money," Sheils says.

PERSONS WITHOUT HEALTH INSURANCE

BY AGE, IN MILLIONS



SOURCE: Department of Health and Human Services

"People wring their hands and say the amount we spend on health care is too much. But a dollar spent on health care is just as good as a dollar spent on automobiles."

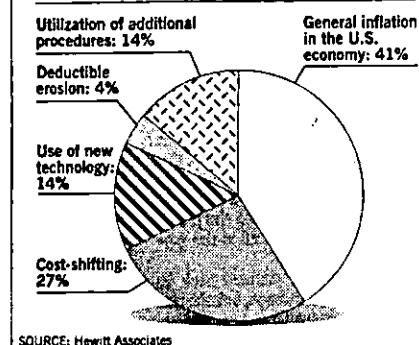
— John Hoff, health care specialist and lawyer

Inflation

Since 1970, total health care expenditures in the United States have risen 60 percent faster than general inflation. This year they will rise by between 10 and 11 percent, and if present trends continue national spending on health will hit \$1.6 trillion by the year 2000.

Controlling this inflation, however, is no easier than cutting out waste. Consider the period 1980-90, when according to government figures medical inflation averaged 10.3 percent a year. One percent is attributable to the increasing aging of the U.S. population during the 1980s. Five percent is due to the general economic inflation of the period. There is little that can be done about either factor.

HOW INSURANCE COSTS GO UP



Reining in rising costs means controlling the basics: minimizing the amount of time people spend in hospitals and aggressively limiting their contact with doctors. That may mean rationing the time and resources that can be devoted to certain types of patients.

"To understand the American health care system you have to follow the money. Not a lot of people ever do that."

— Leonard Schaffer, head of Blue Cross of California

"One man's over-utilization is another man's comfort zone."

— Randy Bojberg, health economist at the Urban Institute

The remaining 4 percent is split equally between the effect of an increase in the number of procedures done by doctors and the extent to which the prices of products and labor in the health care field outstripped the general economy. Theoretically these costs are controllable. In practice, economists say, it is trickier.

Drugs, for example, have increased in price faster than general inflation. But overall, drugs make up less than 10 percent of total expenditures, meaning there is little money to be saved by cutting pharmaceutical inflation. Certain kinds of technology and procedures increased in volume during the 1980s, but many of these substantially improved quality. Expensive new diagnostic technologies were introduced that made head and spine treatments much easier. Techniques for doing knee and hip replacements improved substantially and so doctors did far more of them.

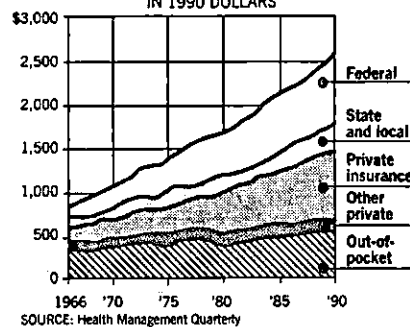
The biggest share of the 4 percent, however, comes from increases in labor costs. Medicine is a labor-intensive business. In 1990, personal health expenditures for physicians totaled \$125 billion, and of the \$256 billion that went to hospitals, a significant chunk ended up in salaries for the large staffs needed to run a modern hospital.

Health care spending rises faster than the rate of inflation in part because inflation in any labor-intensive field generally outstrips the overall rate. In 1989, when the overall national inflation rate was 4.6 percent, the median net income of U.S. physicians rose by 12.5 percent. They, like everyone else, like their incomes to rise faster than the cost of living.

Reining in rising costs, according to health care economists, means controlling the basics: minimizing the amount of time people spend in hospitals and aggressively limiting their contact with doctors. That may mean rationing the time and resources that can be devoted to certain types of patients. It may also mean more technology, more drugs and more paperwork.

PER CAPITA SPENDING ON HEALTH CARE

WHO PAYS AND HOW MUCH, PER PERSON, IN 1990 DOLLARS



Fairness

Imagine two pizza companies: one a small family business; the other a large corporation that supplies frozen pizzas to supermarkets. The people who make the frozen pizzas probably are provided with health insurance. The corner store's crew of part timers, teenagers and minimum-wage workers—like the overwhelming majority of bar and restaurant employees nationwide—probably don't get health insurance with their job.

The resulting inequity means the frozen-pizza maker has higher labor costs and has to charge more. And when the pizza-parlor employee goes to a hospital and cannot pay his bills, that hospital will attempt to recoup its losses by charging the insured employees of the frozen-pizza maker even more—a phenomenon called "cost-shifting."

The U.S. health care system is riddled with such anomalies. Neither Medicare or Medicaid pays hospitals enough money to cover their costs. So whom do hospitals charge extra to make up the difference? The frozen-pizza maker. If the pizza maker has an older work force it might pay as much as \$3,600 a year per worker for insurance. If its employees are younger, the bill could be half that.

If the pizza maker competes only inside the United States, it can pass on some of those costs to its customers in the form of higher prices. If the company competes internationally, it can't without losing business to overseas firms that don't have those kinds of costs.

What the fairness issue means is that the political constituency for reform of the health care system is limited. When President Bush or any of the Democratic contenders talk of reform, the frozen-pizza maker cheers. For the pizza parlor owner, who has someone else pay the cost of employee health care, reform is a threat.

U.S. May Seek to Hasten Action to Protect Ozone

Signs of Atmospheric Damage Alarm Officials

By Michael Weisskopf
Washington Post Staff Writer

The Bush administration, alarmed by new forecasts of a growing ozone "hole" over the Northern Hemisphere, is likely to push for a speedier phaseout of the most ozone-damaging chemicals at a diplomatic meeting in April, officials said yesterday.

Under terms of an international treaty called the Montreal Protocol, the United States and other industrialized nations have agreed to halt production of ozone-destroying chlorofluorocarbons (CFCs) by 2000. The goal is to patch up the vaporous veil of molecules high above the Earth's surface that screens out much ultraviolet radiation, which can cause skin cancer.

But Environmental Protection Agency Administrator William K. Reilly said yesterday that in view of new data projecting greater ozone loss than anticipated, U.S. officials are nearing agreement on a plan to accelerate the CFC phaseout deadline by three or four years.

If U.S. representatives offer such a plan at the April meeting of treaty signatories in Nairobi, it would sig-

nal a more aggressive U.S. stance on global environmental issues. After taking the lead in negotiating the 1987 pact on CFCs, the federal government under President Bush has agreed to stronger measures only after initial resistance. The European Community has pledged unilaterally to stop CFC production in July 1997.

But any new U.S. initiatives will be made easier by industry's unexpected alacrity in finding CFC substitutes, which have been in development for years. Cheaply and easily produced, they are used in countless consumer goods—coolants for air conditioners, gases for shaping foam products and solvents for computer chips.

Major users of CFCs are in the process of converting to less ozone-depleting substitutes, a process they expect to complete as early as January 1996 for new products, according to industry spokesmen. Substitutes are three to five times as costly, but they account for only a fraction of the price of finished goods.

"There are encouraging signs in industry that allow us to end CFCs more quickly," said a senior official.

Plans for a faster timetable are under review by an interagency group headed by presidential science adviser D. Allan Bromley. A meeting was held Monday after NASA researchers reported that satellite and airborne measurements taken over North America recorded the highest level of ozone-depleting chemicals ever detected worldwide.

"The NASA data are worrisome and create an added urgency to phase out these chemicals," said Reilly in an interview. "The president feels strongly about phasing them out earlier than the year 2000."

Speeding up the phaseout by four years would have a marked impact, according to a new analysis by the United Nations Environmental Program. Total atmospheric levels of chlorine, released by CFCs as they rise into the stratosphere and come under intense bombardment by solar rays, have increased from 2 parts per billion (ppb) in the late 1970s to 3.5 ppb today, the EPA estimates.

Chlorine levels are expected to reach 4.1 ppb under the current timetable, then gradually fall to 2 ppb by the year 2060. Eliminating CFCs four years earlier, however, would cut the peak to 3.87 ppb, according to the U.N. analysis.

Administration officials said a faster phaseout by industrialized nations is necessary to set an example for the Third World. The Montreal treaty permits a 10-year grace period for less-developed countries, which are eager to ex-

ploit the chemicals to provide more consumer goods. Those nations now account for 15 percent of world CFC production, but that percentage is expected to rise as richer nations phase out. India and South Korea, among developing nations, have not signed the treaty.

With U.S. industry fast converting to less depleting substitutes, the nation has cut its CFC production to 58 percent of the 1986 baseline used in the treaty, according to Kevin Fay of the CFC Alliance of industrial users and producers.

Fay said the industry supports a faster phaseout of CFCs for new products, but remains concerned that the chemical be available to service the 160 million home refrigerators and air conditioners, 80,000 office building chillers and 130 million auto air conditioning units that now run on CFCs.

Existing equipment using CFCs is valued at \$135 billion, Fay said.

"Industry is doing everything it can to minimize emissions of the compound," said Fay. "Some speed-up is possible. The real issue is the impact on consumers and small-business owners with existing equipment."

ART BUCHWALD

The Chill in the Earmuff Economy

I watched the president's speech last week and appreciated the upbeat content. Like most people I tuned in on my Sony TV set, or its moral equivalent. Since I had time to kill I started to examine the labels on my clothes.

My shirt was made in Malaysia, my sweater in China, my belt came from South Korea, my shoes from Hong Kong and my earmuffs from Sri Lanka. The leather potato couch I was sitting on came from Peru.

I don't go out of my way to buy foreign goods, but despite all the pleas to buy American, it's very difficult these days to find anything in the stores that's made in the U.S.A.

What makes this all the more confusing is that our recession is now the world's recession, and the people in Sri Lanka are just as concerned about how President Bush is going to "jump-start" the American economy as we are.

Mr. Donking, the foreman of the factory, came up to Tikka the morning after President Bush's State of the Union speech, which everyone in Sri Lanka watched on CNN, and said: "Tikka, we're

going to have to pink-slip you. Macy's is closing down its earmuff department to satisfy its creditors."

"But why, Mr. Donking? We make wonderful muffs."

"There is a recession in the United States, and until President Bush can lick the hard times the people of America cannot afford earmuffs."

Tikka said, "I don't understand how a superpower with enough nuclear weapons to kill everyone 200 times over can have a recession."

"We must blame it on the crazy '80s when Reagan got the country drunk and wound up with a trillion-dollar deficit. Everyone in America went skiing and bought one pair of earmuffs after another without any thought about who was going to eventually pay the bill."

Tikka responded: "No wonder Bush's popularity in Sri Lanka has sunk to a new low. I watched him on TV last night and, if you ask me, he doesn't give a damn about what happens to us. I'll tell you this, he's not going to get my support. I wouldn't be surprised if he loses the middle-class vote

in Hong Kong, Taiwan and Laos as well."

"You can't vote in the United States," Mr. Donking reminded him.

"My cousin voted in the Chicago elections for 15 years, and he had been dead for most of them. What's going to happen to us if we close down the factory?"

"We might go into the mail-order business selling Korean Martha Washington dessert plates and American flags made in Hong Kong."

"That's fine for the company, but it doesn't help the Sri Lankan factory worker make a living wage."

"Tikka, there is more to life than making a living wage."

"Such as?"

"The U.S. election year, political survival, the polls and a large campaign fund to win the big one for the president."

"I don't know why the Sri Lankan earmuff industry is the first to go during an American recession," Tikka said.

"It isn't the first to go during a recession."

"What is?"

"George Bush's lips."

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Focusing More on Cost Than Compassion

In Health Care Debate, Democratic Rivals Generally See Link Between Greater Access, Control

By Kenneth J. Cooper
Washington Post Staff Writer

Since President Harry S. Truman proposed national health insurance in 1949, Democratic presidential candidates often have argued that expanding medical coverage to the uninsured was the right thing to do.

Their successors in the 1992 campaign would agree, but that is not what they have defined as the biggest problem with the nation's health care system. They have shifted their focus from compassion to cost.

Like some members of Congress, the Democratic candidates have generally argued it is the high cost of the nation's health care—more than \$665 billion a year and growing rapidly—that most needs fixing. They say for the nation to afford medical coverage for the 36 million Americans who lack it, rising health costs must be brought under control.

"The problem of access is dictated by cost. If the costs were lowered, many more people could be covered," said Steve Cohen, issues director for former Massachusetts senator Paul E. Tsongas, one of five leading candidates for this year's Democratic presidential nomination.

Last July, when Nebraska Sen. Bob Kerrey introduced the health legislation that has since become a foundation of his campaign, he spoke of "a train wreck in progress. Instead of excessive speed, the culprit here is excessive cost." He has made the same point in frequent campaign discussions about health care.

Behind the Democratic talk of cost controls are political and economic realities. Last year, the potency of health care as a campaign issue became apparent to Democrats and Republicans alike when it helped underdog Harris Wofford (D) defeat former attorney general Dick Thornburgh in a Senate race in Pennsylvania.

Nationwide, Democratic pollster Geoffrey Garin said, a survey of likely voters last month found the cost of health care was second only to employment as the top economic concern. He said 28 percent identified health expenses; 31 percent listed jobs. "It really has exploded on the political consciousness of the country," Garin said of health care.

Health care specialists said the widespread anxiety about the affordability of medical coverage reflects the increase in unemployment, which affected one in four workers last year, and the crunch of higher health costs on family budgets. As employers have sought to hold down their health insurance expenses, they have required workers to pay bigger premiums or larger shares of medical fees. Some businesses have dropped health plans as too expensive.

The new focus on health costs—not the lack of medical coverage among the poor and young workers—is in keeping with the effort by the Democratic candidates to gear their appeals to middle-class voters in 1992.

WHAT THE DEMOCRATS WOULD DO

Here are highlights from the health care proposals of the major Democratic presidential candidates:



Former California governor Edmund G. "Jerry" Brown Jr.

■ Create national health insurance system like Canada's.

- Encourage wellness and alternative healing programs, such as acupuncture and chiropractic.
- Eliminate the role of private insurers and use savings to cover uninsured.



Arkansas Gov. Bill Clinton

■ Mandate that employers cover their workers or pay an unspecified amount into a public fund.

- Establish a federal board to standardize public and private benefits, regulate the spread of medical technology and set spending caps for the nation and each state.

- Require private insurers to base their premiums on the health experience of entire communities, not smaller groups such as employees.
- Provide nursing home care for the elderly and disabled under Medicare.
- Replace Medicaid for the poor with a publicly funded program that would cover some workers, the poor and the unemployed.



Nebraska Sen. Bob Kerrey

■ Create national health insurance providing basic coverage to all Americans.

- Abolish Medicare, Medicaid and federal health plans for military and civil service personnel.
- Terminate premiums for basic private insurance and substitute a 5 percent payroll tax—1 percent paid by workers, 4 percent by employers—and increases in income, corporate, excise and Social Security taxes. They would generate \$234 billion a year.
- Establish a federal board to set national spending caps and distribute funds to states based on population factors.
- Require states to pay 13 percent of health costs.



Former Massachusetts senator Paul E. Tsongas

■ Require employers to cover full-time workers and pay 6 percent to 8

- percent of wages into a fund to pay for part-time and seasonal workers.
- Assign states to broker private coverage for part-time workers, some small-business employees and others who lack insurance.
- Standardize benefits of insurance plans and ban limits based on pre-existing health problems.
- Offer tax incentives for businesses to hold down insurance costs.
- Retain Medicare but only nursing home benefits of Medicaid.



Iowa Sen. Tom Harkin

■ Guarantee every American affordable, quality health care.

Compiled by Kenneth J. Cooper
—The Washington Post

"It's kind of giving it a middle-class spin," said John Holahan, director of health policy research at the Urban Institute. The candidates are saying "We're all vulnerable. We're all at risk of losing our insurance."

Ron Pollack, executive director of Families USA, which advocates better health care, said that Kerrey and Arkansas Gov. Bill Clinton in particular had moved away from the health position of the 1988 Democratic nominee, former Massachusetts governor Michael S. Dukakis.

"When Mike Dukakis focused on health care, he talked about health care for the poor, for the uninsured," Pollack said. "The message from Clinton and Kerrey is a broader message, a much more inclusive message."

Of the five major Democratic candidates, Kerrey has the most extensive and most radical proposal for health care. It would establish a national system of basic health insurance, limiting the role of private insurers to supplemental coverage. His plan would abolish Medicare for the elderly and disabled, Medicaid for the poor and federal health plans for military and civil service employees.

To finance the new coverage, Kerrey would raise \$234 billion a year in taxes, primarily from a 5 percent payroll tax. Employers would pay 4 percent while workers would pay the remaining 1 percent. There would be other increases in corporate, income and Social Security taxes and on excise taxes on cigarettes and alcohol.

Iowa Sen. Tom Harkin, who has advocated universal health cover-

age but decided not to offer a specific plan, has criticized as excessive the tax hikes required under Kerrey's proposal.

Because his plan would basically replace private insurance premiums with tax dollars, Kerrey has insisted that more than half of families

"When Mike Dukakis focused on health care, he talked about health care for the poor, for the uninsured. The message from Clinton and Kerrey is a broader message."

—Ron Pollack, Families USA

would pay less and that the nation as a whole would save \$11 billion in the first year.

Clinton's proposal, which resembles an outline more than a plan, shares one element with Kerrey's: Both would establish a federal board that would set a national spending cap for health expenditures each year.

The basic thrust of Clinton's proposal, released last month after other candidates criticized his lack of a health care plan, is to require em-

ployers to provide coverage for their workers or pay an unspecified amount into a government fund. Some Democratic leaders of Congress also favor a version of what is called a "play or pay" plan. An aide said Harkin has voted for similar legislation as a member of the Senate Labor and Human Resources Committee but has reservations about the impact on small businesses.

Clinton, who has offered no cost estimates, would expand public health clinics in rural and inner-city areas, including school-based clinics. In Arkansas, he has supported dispensing contraceptives from school health clinics, according to George Stephanopoulos, a deputy campaign manager.

The Tsongas plan is a modified version of "play or pay." It would require employers to insure full-time workers and contribute 6 percent to 8 percent of wages for part-time workers into a government fund, which also would cover the uninsured. Tsongas has emphasized tax incentives that would encourage employers to hold down health costs and increase price competition among private insurers.

Both Tsongas and Clinton would retain the link between employment and health coverage, which is the way most Americans are insured. Kerrey and former California governor Edmund G. "Jerry" Brown Jr. would end that practice.

Brown has endorsed national health insurance and encouraged alternative therapies such as acupuncture and chiropractic, but he has not committed himself to a specific plan.

THURSDAY, FEBRUARY 6, 1992

The Washington Post

Michael Kinsley

Conflict? No, Common Sense

Richard Cohen [op-ed, Jan. 27] objects to what he thinks are my views about Pat Buchanan and antisemitism on the grounds that I have a "conflict of interest": For 2½ years Buchanan was my co-host on the CNN program "Crossfire." It's not clear what Cohen thinks I should do about this alleged conflict of interest. I have not forced my views about Buchanan and antisemitism on anyone. Until now, I have not even volunteered them. When fellow journalists call up to ask my opinion, I answer as best I can. My "Crossfire" connection with Buchanan is the only reason anyone cares about my opinion in the first place. Should I refuse to discuss it? Or would my "conflict of interest" disappear if I happened to agree with Cohen?

I confess, if that's the word, that I have allowed my opinion of Buchanan to be influenced by the experience of working closely with him. Is that a "conflict of interest" or common sense? I was surprised to discover that, despite Buchanan's snarly reputation, he was genuinely

Taking Exception

friendly and gracious. As a Jew, I never felt any hostility from Buchanan on that score, never heard him make a disparaging remark about Jews, never noticed any difference in the way he treats Jews and non-Jews. All this is not proof that he isn't, at heart, an antisemite. But it surely is relevant evidence, not a "conflict of interest."

Or am I blinded by careerism? Cohen notes that I am "paid well to sit opposite Buchanan on 'Crossfire,'" which he argues I could not do if I accepted that the man was an antisemite. I certainly do not claim exemption from the universal human temptations to make money and/or appear on television. But Richard Cohen himself is proof that indulging such failings need not deter you from concluding that Pat Buchanan is an antisemite. Cohen has appeared often with Buchanan on "Crossfire" (though not, he says, since Buchanan's alleged antisemitism became a public issue). The producers assure me that Cohen is not one of the more reluctant guests. Cohen was not paid for these appearances. I'm uncertain whether, by the Cohen morality, appearing on TV with an antisemite for free is better or

Cohen also mischaracterizes my views. I have not been engaged in a whitewash of Buchanan. When he appeared recently as a guest on "Crossfire," I worked him over harder on the antisemitism issue than any other TV interviewer has done so far. Transcripts are available. In a recent column [op-ed, Jan. 9], I offered up a couple of arguably racist Buchananisms that the American media had missed. (They have since been widely repeated.) Unlike, perhaps, Mark Shields and Al Hunt, I do not think the antisemitism charge is outrageous or patently false. Buchanan has said many things that legitimately raise the question.

Antisemitism is not a disease you can give a blood test for and get a definitive yes or no. Three factors make me hesitate to apply the label to Buchanan. First, he does have warm personal relations with many Jews. Despite the old saw about "some of my best friends," that surely counts for something. Second, I believe Buchanan sincerely thinks the accusations are unfair; in his heart, he doesn't think he is an antisemite. Of course it's possible to be an antisemite without knowing it—but surely it's harder. Third, Buchanan's controversial remarks about the Israel lobby, Nazis and so on do not, I think, hide coarser views. Buchanan is—or at least he was until he started campaigning for president—a frank man. He says what he thinks. Make what you wish of his public statements—in my view, none of them is the "smoking sound bite"—but I believe they are not a case of the mask slipping.

In all this Buchanan is different from, say, David Duke. Duke surely does not work and socialize comfortably with Jews. He surely does not deny in his own heart that he is a Jew hater. And Duke gives you every reason to assume that what he says is the palest dilution of what he really thinks.

My real answer to the question, "Is Buchanan an antisemite?" is: Give me a definition, and I'll tell you. If your definition is someone who viscerally hates Jews as individuals and as a race, the answer is no. If you have a more sophisticated and nuanced definition, my answer might be different. But the trouble with more sophisticated definitions is that they tar someone like Buchanan with the same brush as David Duke and Adolph Hitler and other antisemites by any definition. And the proper response to a Pat Buchanan is surely not the same as the proper response to a David Duke.

I hesitate to apply the label "antisemite" for one more reason. Some of those most eager to brand Buchanan are also among those who deplore (as part of the deplorable "political correctness" epidemic) the facile overuse of terms like "racist" and "sexist." And they're right: Words like that work as censors of debate and ultimately lose their power when used promiscuously. The same is true, in spades, of a term like antisemite. There are times, of course, when all these labels are appropriate. But in today's political culture there is no particular courage in being the first to use them, and no special shame in hanging back.

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THE REAL BILL CLINTON

Candidate: Bill Clinton

Contest: New Hampshire primary

Producer: Greer, Margolis, Mitchell, Grunwald & Associates

Time: 60 seconds

Audio: *This is the story of a young man born in a small town called Hope, Hope, Arkansas. The son of a widow... This is the real story of Bill Clinton...*

First he tackled the schools. Standards, accountability, smaller class sizes, and now the highest graduation rate in the region. Built the economy. One of the highest growth rates in new jobs of any state in the nation. Manufacturing jobs created at 10 times the national rate. It isn't a miracle. It's just progress—and, a bit of hope.

Background: By calling this the "real" Clinton story—and including a shot of the candidate hugging his wife, Hillary—the ad seeks to erase the tabloid images about Clinton's personal life. Black-and-white stills of young Clinton—one shows him shaking hands with President Kennedy—give way to color footage of Clinton playing teacher in a classroom and chatting with hard-hatted workers. As uplifting music builds, Clinton moves in slow motion at a flag-waving rally. The cheering grows louder as Clinton, who has stressed his electability, shouts the words "we-can-win-again!"

THE PROTEST CANDIDATE

Candidate: Patrick Buchanan

Contest: New Hampshire primary

Producer: Ian and Betsy Weinschel

Time: 30 seconds

Audio: *Bush promised. (Bush on camera: "Read my lips—no new taxes!") Bush promised to cut spending, but our national debt has gone up \$1.1 trillion. Bush promised us jobs, but our unemployment has tripled. Now Bush is promising to fix the recession. Can we afford four more years of broken promises?*

Background: Buchanan underscores his "send a message" theme by making President Bush the star of the ad. Key points flash on the screen in red letters: National Debt Increased 1.1 Trillion. Unemployment TRIPLED TRIPLED TRIPLED. "Read our lips," a group of voters says. Buchanan, whose picture appears only briefly at the end, presents himself as the classic protest candidate without making any proposals of his own.

KERREY DISMISSES 'COUNTERFEIT' HEALTH PLANS

Candidate: Bob Kerrey

Contest: New Hampshire primary

Producer: Doak, Shrum, Harris, Sherman, Donilon

Time: 30 seconds

Audio: *The other candidates in this race have figured out that national health insurance is popular so they're talking as if they support it—but they don't. My proposal is national health insurance and it solves every significant problem that people are having... I hope the people of New Hampshire in this campaign will not accept a counterfeit proposal but accept only the real thing—national health insurance.*

Background: Kerrey achieves an intimate tone by chatting with voters over coffee at a kitchen table. He is somewhat misleading in saying the other candidates don't support national health insurance; what they don't support is his bill. Kerrey wants viewers to believe that his measure is the only "real" chance for health insurance, although it has no Senate cosponsors. Kerrey never mentions that his government-run program would increase payroll taxes, or his more complicated argument about how it will cut costs for average families.

HARKIN SHIFTS HIS FOCUS

Candidate: Tom Harkin

Contest: New Hampshire primary

Producer: Squier/Eskew/Knapp/Ochs Communications

Time: 60 seconds

Audio: *Danette Crawford knows the discriminations faced by persons with disabilities. So does Denny Thiesfield. They said he'd never farm again after he was paralyzed in Vietnam. But with Tom Harkin's help, he got back on his tractor and went to work.*

Tom Harkin understands, too. His brother Frank is deaf... Tom Harkin took on their cause, fought the special interests and wrote the most important civil rights legislation in 25 years... Now it's the law of the land.

Background: This ad, recycled from Harkin's 1990 Senate race, is the first in which he isn't seen giving his "only real Democrat in the race" pitch. By showing Harkin working with a wheelchair-bound woman and speaking sign language with his brother, it dramatizes his sympathy for the less fortunate and highlights an achievement, the Americans with Disabilities Act, rooted in Harkin's liberal philosophy. But the spot doesn't mention that President Bush supported the measure.

—Howard Kurtz

THE WASHINGTON POST

THURSDAY, FEBRUARY 6, 1992

The Washington Post

Democratic Candidates Return to the Classroom

By David S. Broder
Washington Post Staff Writer

MANCHESTER, N.H., Feb. 5—It was back-to-school day today for the Democratic presidential candidates—a day of tapes, taxes and “The Tempest,” with mixed results at best. The search for audiences and media exposure took Sens. Tom Harkin of Iowa and Bob Kerrey of Nebraska, Arkansas Gov. Bill Clinton and former California governor Edmund G. “Jerry” Brown Jr., here and in Concord and Derry—with a few exchanges of blows and some embarrassments.

Before flying to Berlin to meet with local labor leaders and other supporters, Harkin addressed a student assembly at Manchester West High School and then spent a “work day” playing substitute teacher in American history, science and English classes.

Harkin, who calculated that it was his 109th work day since he entered politics in 1974, breezed through an exposition on Jeffersonian democracy and a discussion of U.S. energy reserves, but then got tripped up in the English class.

Told that the students were studying “The Tempest,” Harkin strained to remember a line or two from the play without success. “I see Shakespeare left his mark on you,” one student remarked to the candidate.

At Concord High School, Clinton was asked about the “America First” slogan television commentator Patrick J. Buchanan is using in his challenge to President Bush in the Republican primary. Clinton replied that “America has to take care of its own problems . . . but America cannot withdraw from the world. Protectionism is not an option. Isolationism is not an option. We have to organize ourselves and develop our people so we can compete and be successful in the world. . . . We can’t withdraw from it.”

While the students quizzed Clinton about issues, reporters in Concord asked more ques-

tions about the feud with New York Gov. Mario M. Cuomo (D) created by the Mafia comments Clinton made on tapes released by the tabloid Star newspaper. Clinton has apologized for the comments and today he sought to quote Cuomo in his own defense.

“I just go back to what Governor Cuomo said when Senator Kerrey got into a little hot water in the early part of the election,” Clinton said, referring to a controversy over a joke about lesbians Kerrey once told him. “That when something like this happens, you’ve got to go back and look at a person’s whole public life and not overreact—and that’s what I urge everyone to do.”

Kerrey had a tranquil day, making only two stops here before leaving for New York to raise more money for his campaign. Along the way he dismissed suggestions that he is struggling.

“There’s two weeks left in the campaign,” Kerrey said. “There’s a lot of undecideds out there.”

In response to questions, Kerrey took issue with Harkin’s claim that he is the only “real Democrat” in the race. “That isn’t the case,” Kerrey said. “The banner cry of Democrats ought in 1992 to be national health insurance. And all Tom can do is criticize me for being specific about taxes.”

Kerrey said national health insurance would provide \$10 billion in resources to poor Americans without health care. “No proposal by Tsongas or Clinton or Harkin will get that job done,” he said.

A fifth Democrat, former Massachusetts senator Paul E. Tsongas, spent the day raising funds and filming commercials. Buchanan took the day off to recover from flu and tonight Clinton canceled a date at Dartmouth College because he, too, has the flu bug.

Staff writers Dan Balz, E. J. Dionne and Lloyd Grove contributed to this report.

By John Carmody
Washington Post Staff Writer

Ricki Green, vice president for news and public affairs at Channel 26 since 1984, is resigning to start her own communications consulting firm. She leaves the station Feb. 14.

Her first customer at the new firm will be WETA. Meanwhile, she will continue as a freelance executive producer for two WETA projects—a fall election special and a documentary on surviving cancer.

Green has been at WETA for 14 years, since 1980 as producer, executive producer and then executive in charge of "Washington Week in Review," among many top assignments at the public broadcasting station.

This fall she was executive producer for the PBS/National Public Radio live coverage of the Clarence Thomas confirmation hearings. "Making Sense of the Sixties," a series she created, aired on PBS last year. During her time at WETA she has won some 40 awards, including a Dupont-Columbia for "Arab and Jew," a national news Emmy and a Peabody for "The Skin Horse."

In 1990, Green spent the academic year at Stanford University on a Knight Journalism Fellowship. She said yesterday that time spent at the business school there fueled her interest in starting her own firm.

Green also said that "I've always believed you have to kind of reinvent yourself once in a while. I went to Stanford to re-energize. I've been thinking about it for some time."

Richard Hutton, WETA's senior vice president, said yesterday Green's announcement was something of a surprise. "We haven't even begun thinking of a successor as yet. It won't be easy; we'll have to initiate a major search but it won't be easy to find somebody with Ricki's sensitivity to events in Washington and overall news judgment; she's been very important to us."

WETA president Sharon Rockefeller said in a statement yesterday, "We are truly sorry to see Ricki go. Her contributions over the past 14 years have been immeasurable."

In New York, NBC announced that Susan Greene, vice president, business development and pay-per-view, is leaving the network to form her own production-and-consulting company, effective Feb. 15.

Greene was director of the Children's Television Task Force for the FCC here from 1978 to 1980 and was with Time Inc. in 1980-86, holding top executive jobs at Manhattan Cable TV and then Home Box Office. She joined NBC in 1989. She was the executive in charge of last year's Metropolitan Opera Gala, for the partnership of NBC and Cablevision.

Her Prestige Production Ventures (PPV) will specialize in "niche pay-per-view events."

In Other News

ABC Entertainment said yesterday that, come March, two of its few dramas, "Homefront" and "Civil Wars," will trade nights and time periods.

Starting March 4, "Homefront," the portrait of a promising late-1940s America, will move to 10 on Wednesdays from its current Tuesday at 10 timeslot.

On March 17, "Civil Wars," the Steve ("L.A. Law") Bochco drama about divorce lawyers, will move from 10 on Wednesdays to 10 on Tuesdays.

Entertainment president Bob Iger says "this move will strengthen our performance on both nights."

"Civil Wars," which stars Mariel Hemingway, got a Tuesday Test on Jan. 21, producing a series-best 11.2 Nielsen rating and a 19 percent audience share, which is considerably better than its 8.5/15 after 10 episodes so far this season (not counting last night's outing). The network has ordered 18 episodes this season (each rating point represents 921,000 TV homes). "Homefront" had averaged a 10.2/16 through last week.

"Civil Wars" is also getting a slight face lift, with one of the partners due to expand the practice beyond divorces.

Drama-short ABC—not that long ago the home of "China Beach" and "thirtysomething"—also announced yesterday that it's moved the two-hour premiere of "The Young Indiana Jones Chronicles" (a movie called "Young Indiana Jones and the Curse of the Jackal") from Sunday, March 1, to Wednesday, March 4.

The George Lucas series premieres in its 9 p.m. Wednesday slot on March 11. More important, ABC doesn't want to take the edge off the "Indiana Jones" debut by throwing it into a

Sunday—the most competitive night of the week.

Oh and one more ABC Entertainment note. Wilt (I never met a woman I didn't like) Chamberlain will appear on the Feb. 22 episode of "Commish," playing himself.

NBC Entertainment says it will air the 1992 Daytime Emmy Awards in primetime on June 23. Last year CBS put the show on at night for the first time; it got a 13.5/25 and finished second in the week's rankings. 'Nuff said.

"NBC Nightly News" anchor Tom Brokaw flies to Moscow over the weekend to interview former Soviet leader Mikhail Gorbachev. Portions of the interview will be seen on the Monday editions of both "Today" and "Nightly News." Brokaw will anchor the latter that night from Moscow. Then he'll turn right around and head home.

GOP presidential candidate Pat Buchanan will be in the Washington studios of C-SPAN tomorrow night between 6 and 7 for a live interview and viewer call-in. It's part of C-SPAN's "Road to the White House" series.

Now This

Five technicians from the Broadcast Operations & Engineering division at the ABC News bureau here and one in Atlanta were laid off last week. Among those dismissed in BO&E were two editors and three in electronic news gathering (ENG). Meanwhile, ABC News management said yesterday that rumors that as many as 10 producers in the bureau were due to be pink-slipped were untrue and that no producers currently face dismissal.

The News division last week dropped three correspondents at the Washington bureau—Jeanne Meserve, Steve Shephard and Kyle Gibson. Gibson has been offered a new job as a producer. As budget cuts continue at the network (which on Monday revealed a 45 percent drop in profits, to about \$135 million, in 1991), management has also cracked down hard on overtime.

In New York, but still at ABC News, David Tabacoff, who has been a senior producer of "Nightline," becomes a senior producer of ABC's election coverage.

Jamie McIntyre, former host of WUSA's "Capitol Edition" and a longtime (1976-89) reporter/anchor at WTOP radio, has joined the Washington bureau of CNN as a general assignment correspondent.

The death last weekend of the daughter of talk show host Sally Jessy Raphael has been ruled accidental by the Bucks County, Pa., coroner.

Thomas Rosco said Allison Vladimir, 33, died from respiratory arrest caused by "the combined adverse effects of a number of medications that Miss Vladimir was taking at the time of her death. As far as the manner of death is concerned, that's been ruled to be accidental."

A friend found Vladimir unresponsive in bed early Sunday at a house owned by her mother in Erwinna, Pa., about 40 miles north of Philadelphia. Efforts to revive her failed. Services for Vladimir were held Tuesday at the Riverside Memorial Chapel in Manhattan.

The talk show host, whose 19-year-old son, Jason Soderlund, was critically injured on Jan. 11 in a car crash in New York state, has temporarily halted taping of her syndicated program because of her daughter's death.

Washington's very own Fox Broadcasting series, "America's Most Wanted," celebrates its fourth season on the air tomorrow night. Host John Walsh interviews 25 people in Killeen, Tex., who were either in Luby's restaurant on Oct. 16, 1991, when a madman killed 24, or who lost loved ones in the slaughter (the broadcast, which includes some re-creations, has caused some controversy in the Texas town). In its four years, AMW has helped capture 189 fugitives around the world.

ABC won Tuesday night with a strong 16.5/26 performance in the national Nielsens. Top performer, of course, was "Roseanne," at 22.9/30. The previously mentioned "Homefront" did an 11.0/19.

CBS was second at 14.1/22, as the movie "Fugitive Among Us"—an ABC Production, no less—averaged a 14.0/23.

NBC, despite an all-original night, was third, at 12.5/20. "In the Heat of the Night" started well with 14.5/22, but the excellent "Law & Order" slid a bit to 12.0/18, while "Reasonable Doubts," in its new timeslot, did an 11.0/19.

Barbra Streisand does a live interview in Los Angeles tonight with Larry King for his "Larry King Live" (CNN at 9) and will even be taking phone calls from viewers! Show producers insist it's a first for the superstar (Barbra, not Larry, silly!)

Message for Rip Van Bush

THURSDAY, FEBRUARY 6, 1992
The Washington Post

A Primer on the Technology Thing

Memo To: George Bush
From: Joel Achenbach
Re: Technology

Yes, Modern Living is amazing. The gadgets! As you discovered to your astonishment Tuesday at the National Grocers Association convention in Orlando, Fla., grocery stores now use electronic scanners to register the price of almost any item. You passed a light bulb, a quart of milk and a bag of candy across the little window and—lo!—the prices flashed on the cash register. We will always remember your timeless words:

"This is for *checking out*?"

No fair-minded American could fault you, a very important person, for being unfamiliar with this now-mundane technology, since the scanners weren't introduced

ASSOCIATED PRESS
President Bush pushes the buttons of a high-tech register at the National Grocers Association trade show as Leo Hardy, left, and Bob Graham watch.

until after 1980, your big year for attaining high office. Many of us have always wondered what a president carries in his pockets, and now we know that whatever it is, it's not discount coupons for 40 cents off on Tide.

The fair thing to do is to help you out even further. To help you get in touch with all this newfangled stuff. To help you *check in*, so to speak.

Here, then, is a quick pocket-

size guide to the Amazing World of Modern Consumer Technology:

1. Microwave ovens. These are like regular ovens except the flames are invisible. It's the damndest thing you've ever seen.

2. Remote-control TV. As you recline in your favorite chair, you hold a small, quadrangular panel studded with buttons, some for switching stations, some for alter-

See MEMO, C6, Col. 3

Wide World of Technology

MEMO, From C1

ing volume, and some of unknown and indecipherable purpose. Let's say you're watching pro wrestling and the Missing Link comes on. You hate him. ZAP! You're watching a talk show about people who think they are dogs.

3. Intermittent wipers. Yes, there's a new setting on the windshield wipers that makes them work periodically in light drizzle. Wipe, long pause, wipe, long pause, wipe. The strange thing is that this technology was invented *after* the subatomic particle accelerator.

4. Cable TV. You know that new station called CNN? The one from the war? That's cable. Regular people have to pay extra for it.

If there's nothing good on TV, you can always watch a movie. Incredibly, you don't need to leave home for this because of a new invention:

5. The VCR. This stands for "videocassette something." You can recreate the entire movie-going experience—make popcorn, get someone to sit behind you and talk loudly, pay a teenager to stand in a red polyester uniform at the door and look stoned. Why go out? You know the scene in "The Godfather" where the evil producer finds the horse head in his bed? You can watch it, stop the movie, back it up and see it again. And again. Eventually you can tell the horse head is fake.

Now, let's say you're watching TV and you suddenly get a severe case of the munchies. The problem is, you don't have any money to buy food. It's a jive situation. And you know the banks are closed, since it's not between 10:30 a.m. and 2:30 p.m. on a weekday that doesn't also happen to be one of 37 recognized bank holidays, such as the Feast of the Epiphany. What do you do?

In the old days, you would have run out to the grocery—you know, where they got those dang scanners now—and bought a small, undesirable \$2 item, written a check for \$12 and pocketed the 10 bucks cash difference. Supermarket banking! It was stupid but necessary. Now, however, there is something new:

6. The ATM. This stands for "All Terrain Machine," and is open 24 hours. Now, any time you want, you can have free money. This gadget alone probably explains everything that happened in the 1980s. We suddenly had all-day, all-night purchasing power, the bills were so wonderfully crisp, you couldn't help but spend, spend, spend. Entrepreneurs would go to their ATM on a whim, pull out a giant wad and build, say, a strip shopping center.

So you get back to the Lincoln Bedroom and you feel a sudden jolt of inspiration. Do you jot down a few notes on paper? Of course not. We don't write manually anymore, we use:

7. The PC. Remember in the old science fiction movies how computers were huge and often malevolent? Now, computers are very small, and often malevolent. This memo, for example, was composed on a personal computer, which only cost about 20 times as much as a typewriter but works just as well.

Now let's say your creative reverie is interrupted by a phone call. It's the secretary of commerce! What's his name. You chat amiably, but suddenly you hear a beep on the line. A few seconds later, you hear the beep again. What the hell? Don't panic, that's just:

8. Call-waiting. This allows you to have no uninterrupted phone conversations and to be gratuitously rude to friends. In this case, you merely depress the toggle on the phone, briefly, and you can talk to the secondary caller. Let's say it's Jim Baker. You then hit the toggle again and say, "I'm sorry, someone more important than you has just phoned. Give my best to whoever your wife is."

That's a quick sketch of a few innovations. Next week, we'll talk about cultural changes that you might have missed while you were gadding about the planet having important meetings with unusually small foreign leaders. You should know, for starters, that there is now a type of music called "rap." You won't like it.

Administration's Annual Economic Report Presents Lower Expectations

By John M. Berry
Washington Post Staff Writer

The Bush administration is counting on its election-year package of tax cuts to stimulate the lagging U.S. economy as much by improving consumer and business confidence as by putting more money in their pockets, administration economists said yesterday in presenting the annual Economic Report of the President.

Without passage of the plan—"business as usual," the report calls it—the administration predicted economic growth in 1992 would be only 1.6 percent after adjustment for inflation, but 2.2 percent if the plan were passed.

"By 1993, business-as-usual growth picks up some, but remains more than a half percentage point below" growth with the plan, with that half-point difference persisting for years, the report said.

Michael J. Boskin, chairman of the Council of Economic Advisers, said that the proposed cut in capital gains taxes, for example, would immediately increase the value of assets such as homes, buildings and stocks and that

would "translate into increased confidence and more spending."

Sen. Paul Sarbanes (D-Md.), chairman of the Joint Economic Committee, criticized the report, declaring, "The administration admits the most they can muster is about 2 percent growth [this year] and that unemployment will average 6.9 percent in '92. It will be 1997 before the unemployment rate will get back to 5.3 percent, where it was just before this recession began.

"The administration is forecasting a very weak, anemic recovery that will leave us with all of the serious economic problems we have now," Sarbanes said.

Boskin, however, said that reaching an agreement with Congress on details of the stimulus package would itself give confidence a boost. Reaching agreement could be difficult, though, since Democrats on the House Ways and Means Committee, which initiates tax legislation, said this week they plan to push a very different set of tax cuts focusing on relief for middle-income taxpayers.

If an election-year "bidding war" to increase the size of the proposed tax cuts were to break out, Boskin warned that financial

markets could be spooked, causing a rise in long-term interest rates and undermining the positive impact of the cuts.

Many economists expressed doubts that the new Bush tax plan would be nearly as potent as the administration claims, although they also said the tax cuts may not be necessary for a resumption of growth.

"Optimistic, that is the polite way to put it," said Robert Reischauer, director of the Congressional Budget Office.

"By and large, the proposal is within the confinement of the budget enforcement act," which basically requires that revenue lost through tax cuts be offset by tax increases or certain types of spending reductions.

The claimed impact on the economy "is not coming about from old-fashioned Keynesian stimulus but from rearranging incentives," Reischauer explained. "And most economists think that affects the economy slowly over a long period of time."

But other economists' forecasts are still just about as strong or stronger than those of the administration. In other words, many of the analysts—like Federal Reserve Chairman Alan Greenspan—do not believe the stimulus package is needed.

For instance, the CBO itself forecast last month that the economy would grow 5.2 percent over the course of 1992 and 1993 with no fiscal policy changes at all this year or next.

Even assuming adoption of the president's plan, the administration has scaled back its projection of how fast the American economy is likely to expand in coming years.

For instance, a year ago, when the economy was already in the midst of a recession, administration economists said that national income was likely to grow more than 16 percent between 1991 and 1996. That projection was lowered this year to about 13.5 percent.

The slower pace of growth would leave the nation's projected 1996 gross national product at \$7.6 trillion rather than the \$7.9 trillion projected last year. This lower level of national output and the lingering impact of the recession are the major reasons that this year's budget shows a deficit in 1996 of \$180 billion compared with the surplus of \$20 billion projected when the fiscal 1992 budget was published a year ago.

Boskin said the lower long-term growth projection was primarily the result of recent

revisions in national income figures by the Commerce Department that showed that the economy has not expanded in recent years quite as fast as earlier estimates indicated.

Yesterday the CEA chairman acknowledged the long-term budget problem, saying, "There is still a huge, gaping hole in the budget."

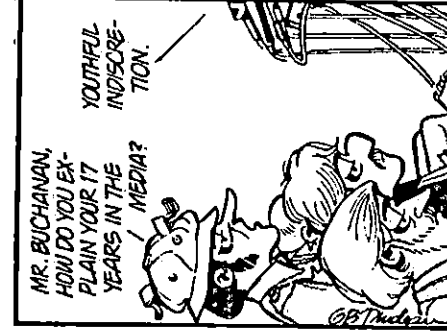
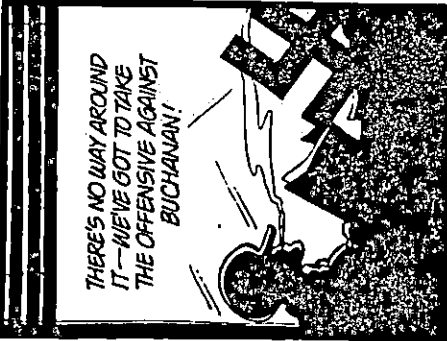
For this year, Boskin said, the administration expects "very slight growth in the first quarter, more in the second" and still faster growth in the second half of the year. That will add up to a "quite modest" recovery, he said.

Asked about cautionary words in previous Bush economic reports about the dangers of using fiscal policy to try to ameliorate the effects of a slump, Boskin said that does not apply if the downturn drags on too long. "I believe discretionary fiscal policy is desirable under some circumstances," including those that face the country now, he said.

The economic report said a number of factors tipped the economy into recession in the third quarter of 1990, including soaring oil prices and uncertainties associated with the war with Iraq that hit an economy that was already only barely growing.

By G.B. Trudeau

DOONESBURY



Whoops . . .

■ Poor Randall Wells, of Epping, N.H. He got an 800 number for his lead-paint removal company, and ended up paying for 600 calls from people interested in New York Gov. Mario Cuomo's write-in campaign. The Cuomo campaign number is 1-800-92-CUOMO, and Wells's number is the numerical equivalent of C-O-U-M-O. (Most disheartening for Mario: Supporters can't even spell his name.)

"Of all the messages I got today,

only one pertained to my business," Wells said yesterday. "I had nothing against Cuomo until I realized that I was being charged even for the hang-ups."

Wells would like the organizers of the write-in campaign to pay his bill. After all, says the entrepreneur, he's a George Bush supporter. "Perhaps if he puts a few Cuomo signs up in his window," says Barry Newman, executive director of the National Draft Cuomo for President Committee, "we can discuss what would be fair and equitable."



The TV Column

HIGHLIGHTS

- David Letterman's 10th "Late Night" anniversary on WRC.
- The conclusion of "Mystery!: Prime Suspect" on WETA.
- A preview of the Winter Olympic Games on WUSA.

Olympic Special

Share a Moment With the World: Preview of the Winter Olympic Games. Paula Zahn and Tim McCarver host this look at the 1992 winter games featuring men's and women's figure skating, alpine skiing, bobsled, luge and ice hockey. Two hours (Channel 9 at 8 p.m.).

Public Broadcasting

Mystery!: Prime Suspect (CC) (DVS). In the conclusion, when Tennison is taken off the case, her investigative team continues to support her (Channel 26 at 9).

Special

Late Night With David Letterman 10th Anniversary. With Bill Murray, Bob Dylan, Emmylou Harris, Doc Severinsen, Chrissie Hynde; plus Stupid Pet Tricks and scenes from the past 10 years. 90 minutes (Channel 4, 9:30 p.m.).

Primetime Movie

Rest in Peace, Mrs. Columbo (CC) (1990). A deranged woman (Helen Shaver) seeks vengeance for her husband's death in prison by killing Columbo's wife (Channel 7 at 8).

Series

The Cosby Show (CC). "V&V Movers" (guest stars Dick Vitale and Jim Valvano)

help Sondra and Elvin move out of the house, to the joy of Clair and Cliff (Channel 4 at 8).

The Simpsons (CC). Marge heads for a spa, leaving Homer to watch Maggie (Channel 5 at 8).

The Cosby Show (CC). Replacing "A Different World" on this night only, Sondra and Elvin's housewarming is a failure as is Vanessa and Dabnis's engagement party (Channel 4, 8:30).

Drexell's Class (CC). After the death of an old friend, Otis videotapes his will and tries bungee jumping (Channel 5, 8:30).

Cheers (CC). Rebecca hires Woody's piano-playing cousin (Harry Connick Jr.), who develops a severe crush on her (Channel 4 at 9).

Beverly Hills, 90210 (CC). Andrea starts a campaign for condom distribution at school (Channel 5 at 9).

PrimeTime Live (CC). With reports on the failing health care system, the process of jury selection, and the 1932 Tuskegee syphilis experiments (Channel 7 at 10).

Knots Landing (CC). A frustrated Pierce goes after Sumner with a rifle (Channel 9 at 10).

Friday Morning

Today (CC). Singer Julia Fordham performs (Channel 4 at 7 a.m.).

Good Morning America (CC). With Stephan Solzhenitsyn, the youngest son of Russian writer and dissident Alexander Solzhenitsyn, and Sean Connery and Dudley Moore (Channel 7 at 7).

CBS This Morning (CC). With Kim Basinger and director Phil Joanou (Channel 9 at 7).

Kemp Apologizes to Bush for Remark

HUD Chief Regrets Context, Not Content, of 'Gimmicks' Statement

By Ann Devroy
Washington Post Staff Writer

The Washington Post

THURSDAY, FEBRUARY 6, 1992

Jack Kemp wants it understood that he is sorry. He is very sorry. It was "not artful" for a member of the president's Cabinet and a key link to the party's conservative base to refer publicly to some White House economic proposals as "gimmicks." It was a "mistake" to hand critics of the president a potent weapon with which to pummel him politically. It was "wrong" to "wear my feelings if not on my sleeve, then tattooed on my forehead."

Kemp's act of contrition, in a

written statement Saturday and in an interview yesterday, however, is only in the most narrow sense an act of retraction. He would not withdraw the economic theory behind what he said, he explained yesterday, adding that he just should not have said it out loud, and certainly not the way he said it. "In this environment, you just can't make that kind of a comment," he lamented.

Kemp, the Housing and Urban Development secretary who rejects the label "conservative" in favor of "radical reformer," should be happy this political season, his associates said.

After three dispiriting years of being ignored if not outright banned from President Bush's inner circle, Kemp recently has been courted by the new team of White House and campaign advisers.

The reasoning, one of Bush's team said this week, was that if Kemp could be satisfied so could his soulmates in Congress, who had fought a guerrilla war against the White House on economic policy for three years. The president's sometimes angry base of conservative supporters, particularly in the key state of New Hampshire, might also be, if not

See KEMP, A8, Col. 1

KEMP, From A1

satisfied, at least appeased enough to stick with Bush in the Feb. 18 Republican primary contest against conservative commentator Patrick J. Buchanan.

Despite original opposition from Budget Director Richard G. Darman and Treasury Secretary Nicholas F. Brady, the White House gave Kemp and his allies his most coveted prize, a capital gains tax rate almost four points lower than the 19.6 percent Bush had settled on and a series of other growth incentives.

He got a ringing endorsement of a growth package from Bush in his State of the Union address, a speech Kemp yesterday praised as "very good" and a program he said that "overall, is a very good one."

Yet, four days later, Kemp, in an appearance on CNN's "Newsmaker Saturday," said, "It's no secret that I've never liked tax credits. Basically, those are gimmicks."

And he added, "Clearly, the withholding idea is a gimmick . . . Frankly, I can't sit here on your show and retain my credibility and say that allowing people another \$30 a month is going to spur economic recovery."

Bush's package contains a proposal to allow taxpayers to have less withheld in taxes rather than get a bigger refund and to give various tax credits. Kemp's words were instantly seized by Buchanan and the Democrats as proof Bush's program was not substantive, but a series of gimmicks.

Kemp's sin in the eyes of the White House was not only that he made clear, as he has before, that had he been in charge, the program would have been more radical, but also that he used what White House Chief of Staff Samuel K. Skinner this week called the "G-word." In a meeting with key government political officials just before the Jan. 28 State of the Union speech, the instruction was to label Democratic proposals "gimmicks" and Bush's proposal "real."

Instead, Kemp had turned the rhetorical tables upside down. Skinner quickly called Kemp and told him he had blown it. Kemp issued an instant apology and called Bush. "I told the president I made a mistake," he said yesterday.

"I was sorry. I was a loyal soldier and I would not do it again. He was very gracious. I mean, I have done my *mea culpa* . . . I am not going to leave the administration because of this," Kemp said.

In the White House and in some Republican circles, the immediate verdict was political treachery and the immediate explanation for why Bush accepted Kemp's apology was New Hampshire.

Kemp, several Republicans said, had deliberately sandbagged the president to reinforce his base and pave the way for a 1996 presidential run.

The president is unwilling to fire him because he needs him to shore up and energize conservative support, they speculated, particularly until Feb. 19, the day after the New Hampshire primary.

"They ought to have fired him on the spot," one disgusted administration official said. "They ought to have shown up bright and early Monday morning at the HUD building and changed the locks and then invited the media over to film Kemp heading for the unemployment line."

Kemp, and some who know him best, scoff at the idea that he deliberately planned the remarks with 1996 in mind.

"Jack has no grand plan on what he's going to do next week, much less four years from now," one friend said. Another argued that most of Kemp's political advisers had recommended he get out of the Cabinet if he wants to run in 1996, but he could not bring himself to do it.

"Is he trying to get fired?" one adviser asked. "That is a logical question. But then the next question is, 'To do what?' He doesn't know what to do next or where to go."

"The fact is, without this forum, he would disappear into oblivion."

Kemp rejects charges of political calculation. "In Washington, if you want to drop poison on someone, you challenge their motives, you say they are positioning themselves to run for president."

His ill-timed language, he said, "was not politically calculated" but a result of being led into talking about ideas in which he has long had an intellectual stake and forgetting, momentarily, the effect of his words.

Bush to Omit Financing Mechanism in Health Care Plan He Offers Today

By Ann Devroy
Washington Post Staff Writer

President Bush, seeking to avoid what an aide called "a lot of slings and arrows," will omit a specific financing plan for the health care proposal he unveils today.

Instead he will suggest some "examples" of how the program can be paid for and call on Congress to choose among them or offer its own ideas.

According to a senior administration official, earlier drafts of the Bush proposal that relied on specific funding mechanisms, such as taxing insurance benefits above a certain level for the employed, or cutting Medicare and Medicaid payments or curbing their growth, have been replaced with "illustrations instead of financing proposals."

Bush is to unveil his health care proposal in a speech today in Cleveland. It is described by the administration as a method of helping the 90 million Americans who have no health insurance or who have difficulty paying for it.

Its main purpose is to expand coverage by providing tax credits and deductions to assist in the purchase of health care. Democratic

proposals range from national health insurance to "pay or play" plans that would tax employers that do not offer health insurance in order to cover the uninsured.

The administration proposal was estimated to cost \$100 billion over five years. But virtually all of the administration's proposals to pay that cost are controversial, or have been rejected by Democrats. "We think because there are so many different ideas on how to pay for this, that we want to concentrate on the proposal and not get involved in the financing side that will require quite a lot of debate," a senior official said yesterday.

The official pointed out that many of the competing Democratic plans "don't say how they would pay

for themselves either, so why should we," and added, "The important thing is there is a fundamental difference between us and the Democrats on what kind of health reform we should have. The debate should be over the fundamental differences of approaches, not the other."

One Republican source said the lack of specific funding mechanism "amounts to an almost automatic admission that nothing will be passed in Congress this year" because Bush is politically unwilling to put himself behind controversial efforts to pay for a plan.

The Bush plan relies heavily on tax incentives to address the problem of the 36 million Americans without health insurance. Low-in-

come persons could obtain vouchers worth up to \$1,250 a year for individuals, \$2,500 for couples and \$3,750 for families of three or more, officials said when Bush briefly sketched his proposal in his State of the Union address last week.

The vouchers would be used to defray the cost of purchasing health insurance. Households at or below the poverty level—\$14,040 for a family of four—would qualify for the full benefit. Families making up to 150 percent of the poverty level would receive a lesser amount.

In addition, many middle-income persons could claim tax deductions for health insurance premiums. Deductions would be available to individuals with annual incomes up to

\$50,000, couples with incomes up to \$65,000 and families of three or more with incomes up to \$80,000.

Until recent days, administration officials had said one of the main funding mechanisms would be mandated reduction in the growth of the cost of Medicaid, a cap on the payments the federal government makes to states.

Two officials said last night that the cap "is part of the series of illustrations" on how Bush's proposals can be paid for, and is no longer a "line item." A third official said that questions over funding "really" are not relevant because over five years, it really will pay for itself. With all the cost controls the administration would like to institute.

MARY McGRORY

Closing the Golden Door

Not so long ago, the United States was "unalterably opposed" to forcible repatriation of migrants. In 1989, when Britain was trying to cope with thousands of Vietnamese boat people in Hong Kong, we let them know that by our high moral standards, deporting refugees was "unacceptable."

But times change. Now the lamp of the Statue of Liberty is burning dim as we prepare to send home some 10,000 Haitians, who, we say, do not qualify under our laws to be treated as "political refugees."

We are saying they are "economic refugees" even though they have come in numbers only since the bloody coup that toppled the country's first democratically elected president, Jean-Bertrand Aristide, a left-wing priest whom the Haitians like better than we do. The British, at least, made sure that some protection was given the unwilling returnees. U.N. monitors watched over them. They had their own ambassador visit the returnees in their villages. Our ambassador to Haiti is in Washington. The country is too dangerous for him.

The administration is embarrassed to be sending people back to a regime that President Bush heatedly condemned. But how could he accept large numbers of poor, hungry black people at a delicate moment in the New Hampshire primary campaign, where he is being challenged by anti-immigrant commentator Patrick J. Buchanan?

Straying from his new and rigid rule of totally domestic preoccupation obviously strikes him as risky—particularly in Florida, where an ill-timed exodus of Cubans caused then-incumbent President Jimmy Carter to lose the state in 1980.

Callousness is not quite so totally in vogue as might be suspected. Floridians who would be most affected and possibly inconvenienced by an influx show more mercy than their government. A New York Times poll shows a majority think the Haitians should be allowed to stay. Conservative Sen. Connie Mack (R-Fla.), called Bush's policy "discriminatory" and "morally wrong."

But the Democrats have shown no inclination to point it out. Although the Haitians are obviously a natural constituency, this is not the season for compassion for foreigners. Senate Majority Leader George J. Mitchell (D-Maine) coolly indicated in a speech this week that the Immigration and Naturalization Service had followed the

law and had granted asylum to a third of the boat people. When Secretary of State James A. Baker III appeared before the Senate Foreign Relations Committee, not a single Democrat asked him to defend an indefensible policy.

"They have been Willie Hortonized," says Rep. Joseph P. Kennedy II (D-Mass.) of his fellow Democrats. "They are afraid of a Republican campaign commercial that will say they helped black people from another country while neglecting the needs of Americans."

The champion of the Haitian boat people is Rep. Charles B. Rangel (D-N.Y.), an exuberant congressman from Harlem. He regards the policy as "racism" pure and simple. "You can be sure if they were Europeans . . . we could find some way to give them protection until democracy could be restored to their country," he says.

The Bush administration's move to relax the economic embargo seems to him a way to ease their consciences for the unconscionable thing they are about to do. Sending the boat people back to one of the poorest countries in the world, which is being made poorer by our embargo, would have been howling hypocrisy. Rangel sees it as a break for the thugs who run the country. If we must send them back, we should have a U.S. helicopter hovering overhead. "I would ride on that damn helicopter as long as it had an American flag painted pretty clearly on the side. That damn army never shot at anything but their own people. They wouldn't shoot it down."

Rangel rails at the assurance of State Department spokesman Margaret Tutwiler that the Haitians do not face death at home. "What does she know about it? Two thousand people have been killed since the coup."

He has been rallying human rights and religious groups to his cause. Cardinal John J. O'Connor, New York's archbishop, has called on Catholics to take action, black Baptist ministers have promised to take at least one refugee in each of their churches, and Jewish organizations have called Rangel and said, "Whatever you do, include us."

Sen. Edward M. Kennedy (D-Mass.) addressed the Democratic Caucus luncheon on Tuesday about the boat people and our shameful treatment of them. He later introduced a bill providing for increased monitoring by the Organization of American States and other international organizations. It would also stay involuntary deportations until Congress gets back from vacation.

American Children Trail in Math and Science

Special to The New York Times

WASHINGTON, Feb. 5 — Schoolchildren in America, on average, score lower in mathematics and science than children in several other industrial countries, according to a study made public by the Educational Testing Service.

In a study that tested 9- and 13-year olds in math and science in 20 countries, Americans fared poorly for the most part. The American 9-year-olds ranked third in science, but they were outranked by eight other countries in math, and the American 13-year-olds were outranked by 12 countries in science and 13 countries in math.

Gregory R. Anrig, president of the Educational Testing Service, warned at a news conference here today that the study should not be taken as evidence that the United States was losing some international educational step. He said it indicated that American schools could do better, but noted that the rankings were suspect because of differences in the student populations tested.

Population Samplings

In Israel, for example, only Hebrew-speaking schools participated; in Switzerland, 15 out of 26 cantons were tested; and in China, the test necessarily

excluded the 50 percent of the school-age population that does not attend school.

Furthermore, the top 10 percent of American students tested well compared with the top 10 percent of children in other countries, which means the other 90 percent are dragging down the scores and are learning below the international average.

"These findings demonstrate what is possible for 9- and 13-year-old boys and girls to achieve," Mr. Anrig said. "They also keep the public spotlight on how far we have to go from what is achieved in American schools and what can be achieved."

In the science test, Korean 13-year-olds ranked first with an average 78 percent correct answers, followed by Taiwan with 76 percent, Switzerland with 74 percent, Hungary with 73 percent and the former Soviet Union with 71 percent. The United States posted an average 67 percent correct. In last place was Jordan with 57 percent.

Koreans Top Lists

Jordan's 13-year-old students also ranked last in mathematics, with an average of 40 percent correct answers. American students averaged 55 percent correct in math. The Korean and Taiwanese topped the list with 73 percent each, followed by the Swiss with 71 percent and students from the former Soviet Union with 70 percent.

For 9-year-olds, Korean students placed first with an average of 75 per-

cent of math answers correct, followed by Hungary with 68 percent, Taiwan with 68 percent and the former Soviet Union with 68 percent. The United States placed ninth with 58 percent, while Slovenia had 56 percent.

In science, Korean 9-year-olds again ranked first with an average 68 percent correct, followed by Taiwan's 67 percent and the United States' 65 percent. Canada ranked fourth, followed by Hungary, Spain, the former Soviet Union, Israel, Slovenia and Ireland.

Conspicuously absent from the study were Japan and Germany, which were invited to participate but chose not to.

The study found no clear relationship between educational results and many of the approaches being advocated for school reform.

For example, the top-scoring Korean students averaged among the most

days of instruction per year — 222 days — but also tolerated the highest class size, 49 students per class in the eighth grade. Despite having among the lowest average number of school days, at 177, Hungary placed in the top half of both age groups. Money, by itself, also does not appear to be the key to educational success. And the United States, according to the study, spends a much higher percentage of its gross national product on education than do the Koreans.

Disparities in Curriculum

The study links the performance of the students to such factors as disparities in curriculum, how much is demanded of the children and how much interest parents take in what the students are learning.

Republicans

Duke's Candidacy Raises Legal Questions About State Ballot Laws

By PETER APPLEBOME
Special to The New York Times

ATLANTA, Feb. 5 — The question being debated in states from Florida to Oregon is whether David Duke, the former Ku Klux Klan leader and Nazi sympathizer, has a right to be on the Republican ballot in this year's Presidential primaries.

But in court cases and intrastate squabbling around the country, the underlying issue is far broader: Who should run in party primaries, and who should decide?

A Federal judge in Rhode Island ruled last week that Mr. Duke had a right to be on the ballot in Rhode Island's Republican primary on March 10. Another Federal judge in Florida ruled last week that Mr. Duke could not be on that state's ballot in the Republican primary, also scheduled for March 10. Mr. Duke lost a similar court case in Georgia the week before. He is on the ballot in 11 states and has been ruled off in three others.

Mr. Duke, a former Louisiana State Representative, won 44 percent of the vote in 1990 in a losing effort to unseat Senator J. Bennett Johnston, a Democrat, and about 40 percent of the vote last year, when he ran for governor of Louisiana and was defeated by Edwin Edwards, the Democratic candidate.

Candidacy Called a Joke

In both campaigns Mr. Duke ran as a Republican, but he has been criticized by Republican officials, who have tried to keep him off the ballot in almost half

Who should run in the primaries, and who should decide?

the states where he has chosen to run. "To say this man is a serious candidate for President is a joke; it's pathetic," said Craig Berkman, chairman of the Oregon Republican Party, which is considering a lawsuit challenging a decision by Phil Keisling, the Oregon Secretary of State, to put Mr. Duke on the party's ballot. "Most people in any business wouldn't hire this guy for a middle-management position, let alone consider him for President of the United States."

But even some of Mr. Duke's harshest critics say that he should be allowed to campaign, and contend that Republicans may be playing a dangerous game in trying to force him off the ballot.

Tim Wise, assistant director of the Louisiana Coalition Against Racism and Nazism, a group that was formed as part of an effort to oppose Mr. Duke, said the efforts to keep him off the ballot were unfair and could provide fodder for Mr. Duke's campaign as a persecuted outsider.

"The guy has raised \$5.5 million in three years and he's gotten approximately 700,000 votes in the race for governor and also 600,000 in the race for the Senate," Mr. Wise said. "Whether we like it or not, the guy has a following and that is something we have to face up to."

Unresolved Legal Issues

The battles over Mr. Duke's candidacy reflect unresolved legal issues about the roles that parties play in elections.

Republican officials say the Supreme Court has ruled that political parties are essentially private entities able to govern themselves as long as they operate within the Constitution. As such, they say, they have a right to pick the candidates they feel are representatives of the party — a status few Republican officials afford Mr. Duke even when he is compared with the insurgent candidate Patrick J. Buchanan.

"We have the right to associate constitutionally, and the freedom to associate means nothing if it doesn't include choosing who you don't want to associate with," said Stan Smith, a spokesman for the Florida Republican Party. "We don't want Duke. In 1979, Buchanan was trying to get Ronald Reagan elected President, and Duke was burning crosses in people's yards."

The legal issues are complicated because each state has its own criteria for inclusion on the ballot. Some let parties pick candidates. Others let

state officials do it. Still others use a combination of the two.

Officials with the American Civil Liberties Union, which represented Mr. Duke in his court challenges in Rhode Island, Florida and Georgia, contend that because primaries are public events, with decisions made by public officials and costs borne by the taxpayers, it is unfair for candidates to be kept off the ballot if party officials find them objectionable.

Process Called Arbitrary

"In Florida the process is wholly arbitrary," said Robyn Plummer, executive director of the American Civil Liberties Union of Florida. "The powers that be decide the powers that will be."

But Republican officials say no one is denying Mr. Duke his First Amendment rights or his right to run for office. The party only wants to insist that he cannot run as a Republican.

It is not clear what effect the dispute is having on Mr. Duke's candidacy. Marc Ellis, a spokesman for Mr. Duke, said the efforts to keep him off the ballot had helped generate support for the candidate. "Once again, it's David taking on Goliath, and we know who wins in the end," Mr. Ellis said.

But Mr. Berkman, the Oregon Republican chairman, says the best way to show disapproval of Mr. Duke is for the party to say he is not a member. "I think it's important to say we're not going to just ignore this guy and hope he goes away," Mr. Berkman said.

The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

Orphans of the Ballot Box

By Frank Levy
and Richard J. Murnane

Several Presidential candidates have stressed programs for children. President Bush, in his State of the Union Message, proposed expanding Project Head Start and increasing the income tax exemption for families with children. Democratic

candidates promise a bigger Federal role in education and child health care. Are children's issues good political strategy? For the nation's sake, we hope so. But demographic trends leave the question open.

Relatively speaking, there are not many children anymore. When Dwight Eisenhower was President, over half of all households had children under 18. Today, only 37 percent have children. The nation's birthrate is down, the elderly are living longer, people are marrying later and are not likely to live with extended families.

The demographic result is 34 million households with children, 60 million without them. The political result is that an expanded tax exemption for children won't be a great lure to middle-class voters because 60 percent of middle-income households are childless.

Still, 34 million households with children is a lot, many more than the 20 million households made up of elderly people that make Congressmen quake. But families with children, a potential special-interest group, have not organized themselves

politically as the elderly have.

With the elderly, most aid programs are federally sponsored and universal. All decisions on Social Security and Medicare are made in Washington and cover the middle class as well as the rich and poor. So the elderly can pressure Congress as a unified voting bloc.

But most children's programs, especially public education, are state and local. And over time, the geographic differences among children have become sharper. Last year, 19.3 million children lived in inner cities, about one-third of them poor and half black or Hispanic. In addition, 45.6 million lived outside inner cities, where one-eighth were poor and about five-sixths were white. These distinctions have made it hard to sell children's policies in a Presidential campaign.

Also, the nature of children's programs — investments with payoffs in the future — usually makes them unattractive to the public. But today's candidates are aware of a growing unease over the nation's long-term economic future, and recognize that its future depends on human capital. Seen in these terms, the health and education of children in Syracuse, Baton Rouge and Seattle affect us all. The nation's long-term interests require national children's policies like the successful programs in Germany and Japan.

Will such policies appeal to voters? Polls show that a large majority of households, with and without children, want more money for educa-

U.S. to Counter Iran in Central Asia

By THOMAS L. FRIEDMAN
Special to The New York Times

WASHINGTON, Feb. 5 — Secretary of State James A. Baker 3d said today that Washington planned to move quickly to open embassies in the Central Asian republics of the former Soviet Union to counter expanding Iranian influence in these newly independent Muslim states.

The Bush Administration has already begun consulting with Turkey and Egypt on how they can all cooperate in order to help draw Azerbaijan, Uzbekistan, Turkmenistan, Tajikistan and Kazakhstan into the Western sphere of influence — to prevent them from falling under the political sway of Iran, which has been sending preachers, money and trade missions into all five Central Asian states, officials say. American officials want to use Turkey in particular as the role model for these new states, because it is a Muslim country, yet secular and integrally tied into the Western alliance.

Recognition of 12 Republics

Last December, the United States formally recognized the independence of all 12 Soviet republics, but established diplomatic relations and embassies in only six of them: Russia, Ukraine, Kazakhstan, Belarus, Kyrgyzstan and Armenia. It said the others, Azerbaijan and Georgia in the Caucasus, and Turkmenistan, Tajikistan, Uzbekistan in Central Asia, and Moldova, would get embassies only after they made commitments on human rights, arms control and free markets.

Mr. Baker leaves Sunday to visit Turkmenistan, Tajikistan and Uzbekistan, in order to secure at least their pro forma promises to meet these conditions, and then will likely return to Washington and announce the establishment of American embassies in all three places. Officials say there simply is not time now to wait for ironclad commitments from these new nations because, as one senior official put it: "They are up for grabs, and we need to make sure they look north and west and not south and east."

Speaking of Iran, Mr. Baker said today in testimony before the Senate Foreign Relations Committee: "They are active in some of the former Central Asian republics. It's one of the reasons we think it's important that we, ourselves, have contact and dialogue with these former republics. It's one of the reasons, frankly, that Tuesday, Wednesday, and Thursday of next week, that's where I'll be — because those republics, as now sovereign, inde-

Baker plans to move quickly on diplomatic ties.

pendent nations, will be important."

Iran is not the only country Washington is concerned about making inroads in Central Asia. A recent issue of the weekly Moscow News, published in the Russian capital, began: "It has been a long-standing dream of the Islamic world to have its own nuclear arsenal. After the defeat of Saddam Hussein, Rakhman Nabiyev may be the leader who could help them meet their atomic ambitions."

Mr. Nabiyev is the President of Tajikistan, which is rich in uranium mines, strapped for cash, and was recently visited by a high-ranking Libyan delegation.

"There is now a struggle for the soul of Central Asia — and Turkey, Iran, Saudi Arabia, Pakistan and the United States will all play a part," argued Graham E. Fuller, former top-ranking C.I.A. analyst for the Middle East. "These Central Asian states are now asking themselves, Are they Turks? Are they Muslims? Are they just individual Uzbeks and Tajiks? Or are they Westerners because they were part of the Soviet Union? We are present at the creation again and we can't just sit back and say that until they have a better human rights record we are not going to deal with them."

Approach Through Turkey

At the recent Washington conference on aid to the former Soviet Union, Turkey's representative, Minister of State Gokberk Ergenekon, told Mr. Baker that the Central Asian republics had asked Turkey to ask Washington to open diplomatic ties with them in order to prevent Iran from taking advantage of the Western absence.

American officials say they are discovering that the elites in these Central Asian republics tend to be either Russians or Russian-speakers, who feel much more in common with Moscow, and even the West, than with Iran and their Islamic roots.

Children aren't good politics.

tion. But in the current recession, educational spending has taken a beating. President Bush's proposed tax exemption increase helps parents who pay taxes but does not affect the one-fifth of all families with children who have incomes of less than \$15,000 a year.

The answer will come down to perspective. An electorate focused on the present will find children's issues boring. One focused on the future will find children's issues unavoidable.

Frank Levy and Richard J. Murnane, both economists, are, respectively, professors at the University of Maryland School of Public Affairs and Harvard Graduate School of Education.

The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

from
Wednesday 2/5

Free Speech and the Right to Hate

By WALTER GOODMAN

Most of tonight's two-and-a-half-hour offering from Bill Moyers consists of testimony from a trial that raised novel questions about legal responsibility for violence and older ones about the First Amendment's protection of obnoxious ideas. Mr. Moyers asks, "Can we afford free speech anymore?"

The defendants in "Hate on Trial," at 8 P.M. on Channels 13 and 49, are Tom Metzger and his clean-cut looking son John, the leaders, or proprietors, of the White Aryan Resistance. They call themselves white racial separatists. The organization seems to be a pop-son operation that appeals to a ragtag bunch of haters of blacks, Jews and others who do not meet the group's specifications for Americanism.

In 1990, the Metzgers were taken to civil court in Portland, Ore., by the Anti-Defamation League of B'nai B'rith and the Southern Poverty Law Center in Atlanta on behalf of the family of a 27-year-old Ethiopian student who had been beaten to death with baseball bats. What made the suit unusual was that the Metzgers were nowhere near the killing ground.

The civil rights lawyer Morris Dees is seen arguing that they were nevertheless culpable for sending an

'Moyers Hate on Trial'

A documentary produced and directed by Dominique Lasseur and Catherine Tatge; written by Andie Tucher and Bill Moyers; edited by Lisa Palattella and Girish Bhargava; Amy Schatz, coordinating producer; Alicia Sams, associate producer; a production of International Cultural Programming and Public Affairs Television; presented by WNET/New York and WTTW/Chicago; Judith Davidson Moyers, executive producer. At 8 P.M. on Channels 13 and 49.

underling, David Mazzella, to Portland to incite the local skinheads who committed the murder. As evidence, he produces anti-black effusions in their publications. Mr. Dees tells the jury, "We have the right to hate; we don't have the right to hurt." His avowed purpose, he explains to Mr. Moyers, was to obtain a big enough financial judgment against the Metzgers to put them out of business.

The Metzgers, who served as their own lawyers, do not try very hard to conceal their distaste for what one calls the nonwhite hordes, but they do deny ordering Mr. Mazzella, who testified against them, to go to Portland to cause trouble. Aside from the issues involved, their performances are revealing. You can sense the appeal of their shallow eloquence to the resentments and fears of those the elder Metzger describes as throw-

away kids. (Now and then, as if to show whom he is talking about, the camera settles on his bodyguards.) The smirk on his face as he reads some viciously anti-black verses from one of his publications speaks volumes.

The trial excerpts are interwoven with portions of a panel discussion. Mr. Moyers tries to get the panelists, who seem to have been chosen with multi-cultural considerations in mind, to say something fresh about the line between ideas and actions and the responsibility of television programs like "The Oprah Winfrey Show" and "Geraldo," for allowing hate peddlers to promote their wares to millions, but the conversation only sporadically rises above the obvious.

Richard Brookhiser, an editor of National Review and the evening's token conservative, draws attention to the long history of racial and religious intolerance in the United States, which he suggests is not as bad these days as it was, for example, in the 1920's. But the other panelists find the recent reports of bias crimes worrisome enough to require urgent action.

Norman Siegel, the executive director of the New York Civil Liberties Union, goes on for a while with standard remarks about the overlappings of speech and conduct. Thus incited, Prof. Catharine MacKinnon of the University of Michigan Law School, who made her reputation with the thesis that pornography is a crime against women, explodes against "civil liberties deep breathing" and the "legal fiction" that there is a difference between speech and action. At one moment she seems to be trying for a hostile takeover of the panel. Mild Mr. Siegel does not rise to the bait; he calms things down by coming out forthrightly for education. Nobody objects.

Never mind. The case is the thing. The evidence that the Metzgers preached violence is incontestable. "I'll print what I choose to print," proclaims the elder Metzger, playing John Peter Zenger in a peculiar cross-examination of himself. The question for the jury is whether the Metzgers' connection to the Portland murder can be considered intentional incitement to imminent action.

If you stay with the program — worth doing for the summations of both Mr. Dees and Tom Metzger — you will learn the jury's decision, in case you did not read about it at the time. You may find it at once satisfying and troubling.

The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

"It's very difficult to discourage people who are saying nice things about you." GOV. MARIO M. CUOMO

Campaign Trail

From Nixon, Predictions on the Presidential Race

By MAUREEN DOWD

Special to The New York Times

WASHINGTON, Feb. 5 — In a political season of character issues and secret tapes, Richard M. Nixon offers some predictions.

The former President, passing through town to talk some politics, forecast the 1992 election this way:

If Bill Clinton wins New Hampshire, he will roll into the nomination, unless there are new revelations. But Mr. Nixon suggested that the Clinton campaign would have to be careful about how it uses Hillary Clinton, because in general, "If the wife comes through as being too strong and too intelligent, it makes the husband look like a wimp."

Mr. Nixon praised Barbara Bush as a model of a wife who has her own opinions without upstaging her husband, and suggested that many Americans are still put off by a male politician who does not seem to be as strong as his wife. The former President allowed that, unfortunately, some voters agree with Cardinal de Richelieu, who said, "Intellect in a woman is unbecoming."

If Governor Clinton comes in second to Paul Tsongas, there will be agitation for a new candidate because, as Mr. Nixon notes drily, "Tsongas is too responsible to be nominated by the Democrats."

Just as a write-in campaign in New Hampshire may have helped to save his Vice Presidency in 1956, when some Republicans were talking about dropping him from the Eisenhower ticket, Mr. Nixon mused about the write-in campaign for Gov. Mario M. Cuomo, noting that his name is easily spelled.

He has privately told friends he would relish seeing a race between the President and the New York Governor, whom he describes as "a heavy-weight."

He said that his former speechwriter, Patrick J. Buchanan, will get 28 percent of the vote in New Hampshire.

Mr. Nixon suggested that the Democrats might win the Electoral College and still lose the popular vote, titillating political science professors. He said the President will win the general, although he could lose California, which would make him dependent on having a solid South, plus Ohio and Illinois, which he said would be the battlegrounds of the election.

He said that the Republicans will gain 25 seats in the House, putting them up to 190, and will stay even, or lose two seats, in the Senate.

For anyone who doubts the accuracy of Mr. Nixon's predictions, remember that in 1966, a crucial year in his political comeback, he predicted that the Republicans would gain 47 House seats. They did.

Cuomo Treasure

For those still fascinated with the thinking of Governor Cuomo, here is a bit of buried treasure.

In 1987, The New York Times columnist William Safire sent Mr. Cuomo a copy of his "Political Dictionary," marking the segment on "Presidential Draft," which begins: "A demand by a party that a man not seeking the nomination accept it; upon rare occasion, applies to one who did not encourage his own candidacy."

The Governor sent back a note with the line, "Re 'draft,' see the last paragraph of your 'Brokered Convention.'"

That paragraph reads: "By 1972, the proliferation of primaries and erosion of the 'unit rule' made brokerage more difficult, though not impossible."

Editing Bush

The most important member of President Bush's campaign team may not be pollster, speechwriter or spin doctor. It just may be the editor who cuts and snips the footage for his campaign commercials.

In his first commercial, President Bush is presented as caring and crisp. "This state has gone through hell," he tells a group of insurance workers in Dover, N.H. "It's gone through an extraordinarily difficult time."



Paul Rosoff/The New York Times

"I wonder if they'll vote for a dead man," said Gov. Bill Clinton, who has been fighting off a cold and allergies for a week. He perspired profusely during an appearance at Concord (N.H.) High School.

Bush says more than enough for a good TV commercial.

Mr. Bush's actual answer, cut off mid-sentence, was not quite so polished.

"This state has gone through hell," he said, according to the official transcript. "It's gone through an extraordinarily difficult time, coming off of a pinnacle, you might say, of low unemployment. Now, you're at about the national level. And yes, people are hurting. And I am determined to turn it around."

"I told some of them over there — there's a big difference, you know. People say to me — difference between domestic and foreign policy. How could you lead the world — and they gave me some credit for that in Desert Storm, that the American people still feel very, very strongly about — and — how can you do that and then have such difficulties with this economy?"

Clinton Humor

Mr. Clinton has been fighting off a cold and allergies for a week now. "I wonder if they'll vote for a dead man," he muttered today, as he wandered about New Hampshire tearing and wheezing.

But he has tried to keep a sense of

humor throughout his trial by tabloid.

At Portland High School in Maine last weekend, Alyssa O'Brien asked the Arkansas Governor what he thought of a newspaper advertisement placed by a Maine Citizens' Group asserting that President Bush falls to pay state income taxes there. The President owns a home in Kennebunkport but claims a hotel suite in Houston as his principal residence.

"I guess when he said no new taxes, he meant himself," Ms. O'Brien said.

Mr. Clinton grinned and said that such behavior was "not right." Then, flashing a pointed glance at the assembled press corps, he added: "If I did that, they'd write it up in one of those tabloids."

Man In Demand

John Doggett, the man who taught the Senate about ego and erotomania, has moved from defending Clarence Thomas to defending Bill Clinton.

"God, this is my year, right?" said Mr. Doggett, a business consultant from Austin who went to Yale Law School with Mr. Thomas and the Clintons. "I'm checking through my book to see what my other classmates might do."

As a witness on behalf of Mr. Thomas during the Senate hearings about Anita Hill's accusation of sexual harassment last fall, Mr. Doggett gave a performance so loquacious and boastful that Senator Joseph Biden was moved to comment on his "enormous ego."

He said that Anita Hill had found him so attractive that she had developed a romantic fixation on him, a story meant to back up the Republican sug-

gestion that Ms. Hill was an erotomaniac.

Now it's déjà vu all over again, as Yogi Berra said, for Mr. Doggett. He said that, at the request of a Clinton aide, he showed up at a rally in Austin last week to act as a character witness for the Arkansas Governor, who had just been hit by tabloid mania.

"The irony is that Clarence and Bill were both at Yale Law School, and both of them had their chance at very important positions questioned by women who made accusations with sexual overtones and both of them came forward with very clear, straightforward, believable answers that were complete denials," said Mr. Doggett, who said he has been deluged with calls, letters and speaking offers because he had "the strength to tell those guys in the Senate where to get off."

Mr. Doggett said he was a Democrat until 1990 when he switched to the Republican Party. But he left a different impression with Mr. Clinton. Mr. Clinton said he was surprised when Mr. Doggett showed up at a rally in Austin last fall and said, "I'm a Democrat. My wife's a Democrat. We really want to be for you," and then appeared at last week's rally in Austin as well.

Mr. Doggett, however, tells it differently. "I absolutely support Bill as a Democrat. I feel very comfortable saying that. But if I had to vote today I would vote for President Bush because I registered as a Republican. I don't feel that's a contradiction even though my political friends say, 'You can't do that, John.' My bottom line is that I'm not a politician. I'm a human being and American citizen."

White House Race Is Recast: No Kremlin to Run Against

After the Cold War
Fifth of six articles

All that and more probably lies ahead, even though for all but the oldest Americans it is hard to imagine American politics without the cold war.

The Issue Defined an Age

"It was the defining issue in our political discourse and public policy from 1947 until last year," said Richard Holbrooke, a former Assistant Secretary of State. "It made 'national security' the justification for everything — the interstate highway system, the National Defense Education Act, the Vietnam War, the foreign aid program.

"J. William Fulbright used it to sell his scholarships and J. Edgar Hoover used it to sell his wiretaps."

As the nation turned virulently anti-Communist, socialism in all its forms was shunned like the plague. Programs such as national health care and broader trade-union rights nearly vanished from the screen of American politics. With rare exceptions, such as in 1968, almost every successful national politician stood in the center or the right.

Every President from Harry Truman to George Bush — Democrats like Lyndon B. Johnson and Jimmy Carter as well as Republicans like Richard M. Nixon and Ronald Reagan — sought to toe the hard line. The hard anti-Communist stance became as institutionalized at the White House as "Hail to the Chief" and the officer carrying the

Continued on Page A8, Column 1

White House Race Transformed: No Kremlin to Run Against

Continued From Page A1

briefcase holding the nuclear-weapons codes. But now all that has changed, and there could be no better evidence than the opening weeks of the 1992 Presidential campaign. Except for President Bush, none of the candidates have any significant foreign-policy credentials, and the rest of them are attacking the President for his. A governor, a former governor, two senators, a former senator and a newspaper columnist constitute the field of challengers. For the first time in decades, knowledge of the rest of the world seems to count for very little. In some ways provincialism may even be an asset.

In other years, hopefuls like Michael S. Dukakis or Jimmy Carter who had spent their careers on domestic questions surrounded themselves with prominent foreign-policy advisers and called foreign-policy conferences to show they cared. But this time, no one is even bothering. Indeed, the President's challengers are trying, with varying degrees of emphasis, to turn Mr. Bush's lifelong fascination with foreign affairs into a liability, a sign of his indifference to America's everyday concerns.

Stephen Hess of the Brookings Institution, an experienced analyst of campaigns, sees Mr. Bush, a man whose attitudes were formed in the cold war years, as "the only candidate who is really trying to hold back the tide from the left and the right that is turning the country rapidly inward."

Foreign Policy Credentials: Six Candidates' Resumes

The New York Times asked each of the Presidential challengers to cite the experience he believes qualifies him to handle the nation's foreign policy. Here are summaries of their responses.

 Former Governor Edmund G. Brown Jr. Two terms as California Governor, handling one of the world's largest economies. Has traveled to Mexico, China, the Soviet Union. Spent six weeks in India and six months in Japan and met with those nations' leaders. Continuous study of foreign policy.	 Governor Bill Clinton Graduated from Georgetown University School of Foreign Service. Studied at Oxford University in England and received a law degree from Yale. Staff member, Senate Foreign Relations Committee. As Governor led numerous trade missions to foreign countries.	 Senator Tom Harkin Former Navy Pilot. Member of Senate Foreign Operations Subcommittee responsible for some aspects of foreign aid and Senate defense subcommittee on appropriations. Met with foreign leaders on official travels abroad. Led a Congressional delegation to Moscow in 1990 and met with President Mikhail S. Gorbachev. Author or sponsor of several bills on foreign policy matters.	 Senator Bob Kerrey Served in Vietnam and sent troops into combat. Has discussed economic and security matters with many world leaders. Served on the Senate Intelligence Committee.	 Former Senator Paul E. Tsongas Served as a Peace Corps volunteer in Ethiopia in 1962 and a training coordinator in 1967 and 1968. Was a member of the Senate Foreign Relations Committee for four years. Headed the committee that drafted the foreign relations platform for the Democrats' mid-term convention in 1982. Author or sponsor of several bills on foreign policy matters. Co-founded the South Africa Political Prisoner Adoption Project. Served as a mediator in Salvadoran peace talks in 1984.	 Patrick J. Buchanan Senior adviser to three Presidents. Attended three summit meetings. Accompanied Richard M. Nixon to China. Believes the best qualification is the determination to keep America's interests first in foreign affairs.
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The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

U.S. Productivity Rose 1.1% in the 4th Quarter

WASHINGTON, Feb. 5 (AP) — The productivity of American workers increased moderately in the last three months of 1991 but barely rose for the year, the Government said today.

Productivity — output per hour of work — grew 1.1 percent for non-farm workers in the fourth quarter but just two-tenths of 1 percent for the year after falling one-tenth of 1 percent in 1990 and nine-tenths of 1 percent in 1989.

The Labor Department's regular productivity figures generally follow fluctuations in the business cycle and the inability of debt-laden corporations to invest in modern equipment, economists say.

They say the statistics will not shed much light on the recent debate over the efficiency and energy of American workers. Several Japanese officials have criticized the United States for a failure to maintain a work ethic. Productivity nearly always slacks off as the economy enters a recession, as it did in July 1990, because sales and factory production fall faster than businesses can trim payrolls.

The reverse occurs when recovery begins. Businesses are reluctant to begin hiring again until they are sure sales and production gains will be sustained.

Examined by quarter, productivity

was weakest in the last half of 1990, falling in both the third and fourth quarters. The last nine months of 1991 have seen moderate gains, with the fourth-quarter rise following increases of 1.8 percent in the second quarter and nine-tenths of 1 percent in the third.

"The fact that the economy was able to crank out productivity when we were struggling to get out of recession, I find promising," said Maury N. Harris, an economist with Paine Webber Inc.

Other analysts, however, said that even after discounting the effects of the business cycle, productivity gains were still too slight to sustain robust, noninflationary economic growth.

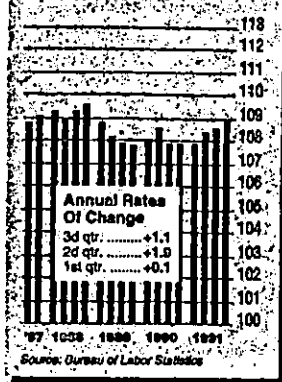
"I wouldn't go overboard and say it's getting worse, but the fundamental problem we've had for a long time is probably still in place," said Lawrence Chimerine, senior adviser to DRI-McGraw Hill, a forecasting firm in Lexington, Mass.

Annual productivity growth averaged 2.4 percent in the 1960's, 1.3 percent in the 1970's and eight-tenths of 1 percent in the 1980's.

Today's report showed that productivity of factory employees increased faster than among non-farm workers generally. Factory productivity rose 1.4 percent in 1991 after an advance of 2.5 percent in 1990.

U.S. Productivity

Index of hourly output of all people in non-farm businesses, 1982 = 100, seasonally adjusted.



Fourth-quarter manufacturing productivity rose 1.5 percent after a strong 4 percent gain in the third quarter.

Since most international trade is in manufactured goods, rather than in services, factory productivity is an important gauge of competitiveness.

Total business productivity, including farming, rose two-tenths of 1 percent for the year, the same rate as in 1990, and 1.6 percent in the fourth quarter.

Later in '92

Economic Advisers Defend G.O.P. Policy

By STEVEN GREENHOUSE

Special to The New York Times

WASHINGTON, Feb. 5 — President Bush's economic advisers said today that the nation's sagging economy would probably rebound in a few months, and they rebutted arguments that living standards have dropped under the Reagan and Bush Administrations.

In the President's Annual Economic Report, the White House said the nation's economy would grow by a sluggish 1.6 percent this year if Congress did not pass the President's package of tax cuts and other measures meant to stimulate growth. If Congress enacted the program, the report said, growth would climb to 2.2 percent.

Some economists said that forecast exaggerated the stimulus the package would give the economy.

The report, more partisan than usual, said conditions were ripe for a recovery because interest rates, inflation and inventories were all low. "The economy is expected to be sluggish in the early months of 1992, but growth is expected to pick up in the middle part of the year," the report said.

Last Year's Expectations

Last year's report also said that the recovery was around the corner, that the downturn would be mild and brief, and that it would end by the middle of 1991. Instead, a small upturn that began last spring stalled badly in the fall.

The report, which was signed by the President and the Council of Economic Advisers, said the recession was not the fault of the Bush Administration, blaming instead the invasion of Kuwait, the Federal Reserve and banks that drove themselves to ruin.

The report said that if the President's proposals are adopted, the nation's economy "is then expected to return to solid" economic growth of about 3 percent a year through the mid-1990's and unemployment is expected to fall to less than 5.5 percent from its current 7.1 percent rate.

In his State of the Union address last week, Mr. Bush called for cutting capital gains taxes, giving a \$3,000 credit to first-time home buyers and increasing income tax deductions for families with children.

Speaking today to a group of small business executives, Mr. Bush urged them to back his program, calling it "a rifle shot approach" to spurring the economy. The description appeared to leave left some listeners puzzled.

The report said unemployment

Continued From First Business Page

would reach a plateau or head slightly upward over the next few months but would drift down in the second half of the year.

Michael J. Boskin, chairman of the President's Council of Economic Advisers, acknowledged that the White House's forecast might be wrong again. If consumer confidence turns up or the credit crunch ends sooner than expected, he said, the report may prove too pessimistic; if, for example, Europe's and Japan's economies remain sluggish, and as a result they import fewer American goods, the report may prove to be overly optimistic.

"You can't rule out the possibility that there will be some surprises," Mr. Boskin said in a news briefing.

In his introduction to the report, Mr. Bush said 1991 was a "challenging year for the American economy." He added, "Output was stagnant and unemployment rose."

Senator Paul Sarbanes, the Maryland Democrat who heads Congress's Joint Economic Committee, said: "The Administration is forecasting a

very weak, anemic recovery that will leave us with all of the serious economic problems we have now. The important point is that we will be coming out of the longest recession in the postwar period with the weakest growth the nation has ever experienced after a recession."

Gap Between Rich and Poor

The report acknowledged that income disparities between the rich and poor increased during the Reagan and Bush years, but it said that the poorest fifth of Americans, the middle fifth and the richest fifth have all enjoyed income gains over the last dozen years. The figures included earned and unearned income, like welfare payments. People in the remaining fifths are not included in the study.

Mr. Bush's potential Democratic opponents often assert that income has gone down or stagnated for everyone but the rich since 1973.

According to today's report, the median income of the highest fifth rose by 35 percent between 1967 and 1990, while income for the lowest fifth rose by 25 percent and for the middle fifth by 17 percent.

Bush's Economic Advisers See Gains in '92

The report also rebutted Democratic criticisms that the real wages of American manufacturing workers have declined since 1980. According to the Bureau of Labor Statistics, weekly wages for the typical American manufacturing worker, adjusted for inflation, declined by 7 percent between 1980 and 1991, which generally means that a 35-year-old worker in 1991 earned less than a 35-year-old worker in 1980.

The President's economists approached the problem differently, citing studies showing that workers who were 25 years old in 1980 saw their wages rise by 1990 when they were 35 years old. According to the White House report, the earnings of high school dropouts 25 to 34 years old rose by 6 percent, while people with four years of high school rose by 5 percent, while people with four years of college rose 42 percent.

The report noted that productivity growth slowed in the 1980's and 1970's compared with previous decades and that this has slowed income growth. "A key factor contributing to the low productivity growth has been low capital formation," the report said.

The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

Political Memo

Cuomo on the Sidelines, Watchful and Wistful

By KEVIN SACK
Special to The New York Times

ALBANY, Feb. 5 — The question that Gov. Mario M. Cuomo was asked at a news conference on Tuesday was about poor Randall Wells, the New Hampshire man who has received hundreds of misdialed telephone calls because his business's 1-800 number is similar to that of a Cuomo write-in campaign committee.

But the answer the New York Governor gave had nothing to do with the travails of Mr. Wells. It had to do with all the mail he continues to get encouraging him to run for President.

"We're getting letters — I just asked them," he said, glancing toward the staff members slumping against his conference room wall. "Did you hear about the letters we got? How many letters did we get? Anybody know? Ten thousand?"

"What do the letters say?" a reporter asked Mr. Cuomo.

"I don't read them," he said.

"You just count them?" came the reply.

"I just read some of them," conceded Mr. Cuomo, who then explained with a chuckle that one of his aides had recruited a small platoon of volunteers to respond to the letters. "I asked Al Gordon," he said. "He brought in eight people today to look at them. Am I hearing things or is that the story?"

A Hint of Disappointment
By that time, Mr. Cuomo may have realized that what seemed to him an intriguing anecdote seemed to others an unusually candid bit of conceit. He dislodged himself by joking that the letters had urged him to pass a state budget on time.

That, of course, is the mission that Mr. Cuomo says commands all of his energy these days. But the incident at the news conference provided a view of the wistfulness the Governor is reportedly feeling as the Presidential campaign begins to pass him by.

There is no sign in Albany that Mr. Cuomo has any interest in making a late entry into race, even though Gov. Bill Clinton's troubles have created a boomlet of speculation that another new Democrat will take the plunge. And yet the Governor cannot quite restrain himself from occasionally parachuting onto the Presidential landscape.

His aides say it is an expression of Mr. Cuomo's disappointment.

"I think he's expressed himself pretty clearly that he wanted to run for President and if he had a budget he would have run," said Alfred Gordon, a Cuomo adviser whose duties, among others, include monitoring the Governor's mail.

Sizing Up the Candidates

A few of Mr. Cuomo's political advisers admit to spending some of their spare time war-gaming a last-

minute candidacy. Most agree with Mr. Cuomo that the Democratic nominee will almost certainly be one of the five announced candidates, although it would still be possible for a party-crasher to pull off a miracle.

Ginny Terzano, a spokeswoman for the Democratic National Committee, said a new candidate could still win the nomination, even on a first-convention ballot, by winning the last few primaries, earning the support of elected officials and other so-called superdelegates, and picking off the support of delegates committed to candidates who drop out of the race.

Mr. Cuomo has said he does not believe in such scenarios. After watching last Friday's televised Democratic debate, he praised the candidates as "a very strong field."

That opinion was something of an upgrade from last Wednesday, when Mr. Cuomo said on CNN's "Larry King Live" that "this field is adequate to produce the next President of the United States."

In the Balance

Last month, Mr. Cuomo put an end to the favorite-son campaign being discussed by some of his supporters in his home state. But he has made no effort to kill the write-in campaigns being waged on his behalf in New Hampshire and Illinois.

"It's very difficult to discourage people who are saying nice things about you," he said last week. "You try not to be ungracious. But the record is in modern times with this primary process, it comes out of the primaries. That's the way it is and that's the way it will be."

When he announced on Dec. 20 that he would not run for President, he said he wanted to be "a constructive force" for the Democrats.

In inimitable fashion, he showed the way for the Democrats in his appearance on "Larry King Live," when he used a scaring metaphor for the economic proposals unveiled by President Bush in his State of the Union address. "What he did," Mr. Cuomo said, "was throw a few bonbons to a badly undernourished country."

But on the same show, Mr. Cuomo continued his attack on Mr. Clinton, the man once considered the Democrat with the best chance of unseating Mr. Bush. Responding to Mr. Clinton's comment that Mr. Cuomo "acts like" a member of the Mafia, Mr. Cuomo said the comment raised questions about the Arkansas Governor's attitudes toward minority groups.

A caller to the show questioned Mr. Cuomo's intent: "I can't understand if you're a real true Democrat and you really want to get rid of the worst President we've had in years, why you're painting one of our leading candidates in a corner."

Cleveland Health Plan Helps the City

By FELICITY BARRINGER
Special to The New York Times

CLEVELAND, Feb. 5 — As the recession took hold of the construction industry here last year, Don Rodemann, a roofer, was working less and paying more for health insurance. Finding it harder to manage the \$424 a month contribution to his union insurance policy, Mr. Rodemann, his wife, Sharon, and their three sons were about to join the ranks of 35 million uninsured Americans last year.

Then the Rodemanns turned to Mrs. Rodemann's employer, Malley's Chocolates, which had joined an 18-year-old Cleveland project that helps small businesses offer cheaper, less comprehensive policies to their workers. The Rodemanns now pay \$194 a month. Malley's picks up the other \$194.

When President Bush unveils his long-awaited health care proposals on Thursday he will do it in Cleveland, in large part to bring a Presidential pat on the back to the insurance project here.

That success provides the Republican Party with a kind of Horatio Alger story it badly needs for the current national health insurance debate. The Cleveland project, established by the local Chamber of Commerce, can be offered as an example of market forces at work to alleviate the health care crisis — a crisis that could be a potent Democratic weapon in the November elections.

Coverage Importance Grows

But the project's failure to reach out to help hundreds of other workers, some self-employed, others in industries like construction, is also a graphic example of the limitations of the market when it comes to providing health care coverage. Such coverage can mean the difference between health and illness or solvency and bankruptcy in this era when health care costs consume 12.1 percent of the gross national product.

Some employees of small businesses, like those at Kronheim's Furniture and Interiors, have the option of getting insurance through the Chamber of Commerce group but must pay all the premiums themselves. Two Kronheim employees said they could not afford to pay premiums of about \$400 a month for their families, and so they remain uninsured.

A company spokesman confirmed that employees have coverage available through the Chamber of Commerce group, but refused to discuss company policy on contributing toward premium payments.

In Cleveland, the Chamber of Com-

merce group offers access to a wide variety of plans through several insurance carriers, although a vast majority of their coverage is handled by Blue Cross and Blue Shield of Ohio.

The premium costs range from \$58.94 a month for a young single person able to pay an annual deductible of \$250 and \$1,000 in additional costs a year, to \$498 a month for more complete coverage for a family headed by a worker in his 40's.

The Rodemanns' new plan has a deductible of \$400 — twice as high as the deductible for their union coverage — but offers complete coverage of hospital care and reduced coverage of such items as private duty nurses, or long-term therapy.

Blue Cross and Blue Shield of Ohio does refuse coverage to some members of the Chamber of Commerce group, like William Wendling, a 47-year-old public relations consultant who runs his own business, Wendling Communications.

For three years in the mid-1980's, Mr. Wendling suffered from "cluster headaches," a rare disorder that required \$30,000 worth of care and surgery to cure. Mr. Wendling said this condition led the insurer to exclude him from coverage, and he had to seek it elsewhere.

Blue Cross and Blue Shield of Ohio now covers about 1.3 million people in the state — fewer than in the past, said its president, John Burry Jr., in part because commercial companies have skimmed off the young, healthy, desirable risks, leaving his firm with a more problematic risk pool.

High-risk applicants can be excluded, Mr. Burry said, because at some point "taking a little company with an individual with awful problems is not insurance." He added, "We know we're going to have to pay."

In his proposal, Mr. Bush will offer tax credits for poor people and tax deductions for middle-income people, to help them buy health insurance.

Administration officials in Washington said Mr. Bush's plan would cost \$100 billion over five years. It would be financed mainly by limiting the growth of Medicaid and Medicare.

Speaking today to small-business executives in Washington, Mr. Bush said:

"There are two fundamental health-care choices. We can adopt a system; that's been a proven failure all over the world — nationalized health care — or we can reform our present system, which has its faults, certainly, but which also provides the highest quality care on earth."

Democracy Offer Program

One insurance plan on the table in Congress was proposed in separate forms by two Democrats, Senator Lloyd Benson of Texas and Representative Dan Rostenkowski of Illinois, chairman of the Ways and Means Committee.

Under these proposals, insurers would be required to provide coverage to all small businesses that sought it,

Bush is unveiling an insurance plan while singing the praises of one.

and the insurers would have virtually no leeway to exclude employees who might have a chronic health problem or had experienced a serious illness in the past. Insurers would have no leeway to drop employees who developed health problems after they were enrolled in the plans.

But as Mr. Polk and others point out, forcing high-risk individuals into the coverage pool is likely to raise insurance premium costs for everyone.

To which a democratic staffer on the House Ways and Means Committee, speaking on condition of anonymity, responded: "If you're going to take care of sick people, does that mean you're going to have to raise the rates for well people? The answer is, to some extent, yes. Obviously keeping sick people out is one way that insurers keep premium costs down."

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In Cleveland, the Chamber of Com-

Don't Censor Public Broadcasting

It's not surprising that the Republican Party's right wing finds public broadcasting "too liberal." Public television and radio reach out to diverse audiences; they challenge convention and authority in ways that couldn't possibly please everyone. That's what Congress intended when it created the system.

What's alarming is that Senate Republicans are holding up funds for the Corporation for Public Broadcasting. They seem bent on pressuring the C.P.B. into restricting certain broadcasts.

The C.P.B. is a private, not-for-profit organization that was authorized through the Public Broadcasting Act of 1967. The money it receives from the Federal Government goes to public broadcasting stations around the country and to the development of programs that those stations buy. Government

funds make up about 15 percent of its budget; the rest is raised from other sources.

Censorship of public broadcasting is unnecessary; the stations buy and show only the programs they think fit for their audiences.

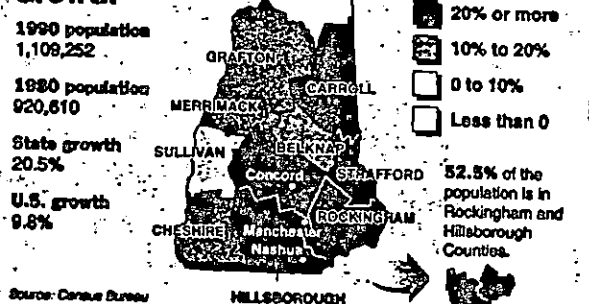
For example, the Republican right complains most bitterly about a film that aired last summer on an Emmy-Award-winning program called "P.O.V.," for "point of view." The film, "Tongues Untied," dealt with the effect of AIDS on gay black men and contained explicit sexual language.

But "Tongues Untied" wasn't forced on anyone. About 100 stations that usually carry "P.O.V." rejected that episode.

That's the virtue of the system: to let Americans decide locally what to watch. The Senate has no place meddling here.

Almanac

New Hampshire's Growth



The New York Times

The New York Times

NEW YORK, THURSDAY, FEBRUARY 6, 1992

Essay

WILLIAM SAFIRE

Reading Boris's Mind

My trip to New York and Camp David was not a happy experience. I told the bankers and businessmen we have done everything Gorbachev refused to do — free markets, supply and demand, Polish shock therapy. And did they come forward with investment? Did the central banks come up with a way to help me stabilize the ruble? No.

I told Bush, who at last asks me to call him George, we would make arms reductions that would destroy all missiles in the republics outside Russia, as he wants. And did he welcome my appeal for a joint space defense against terrorist nuclear missiles, getting the Red Army marshals out of my anteroom? No.

I told the U.N. we have not one prisoner of conscience left in Russia, the greatest triumph of freedom in the world, and the big news is Bush's meeting with Li Peng, which forgives him for Tiananmen Square.

I am in Paris now, but I hear that back in Moscow, demonstrations have been banned in Red Square because they were tying up traffic and we couldn't afford the police.

I am beset from three sides:

The lunatics who call themselves national patriots have started their nashi movement behind Zhirinovskiy, our mini-Hitler, whose first act as dictator would be to invade the Baltics. I can use him to scare the West, but the television star Nevzorov, the brains behind him, must be watched. The *nomenklatura*, the bureaucrats out of jobs, neo-Communists, the Soyuz group and some of the disloyal generals are putting together a coalition behind Aleksandr Rutskoi, who may be sick, and the man I gave 20 bodyguards and a dacha — Mikhail Sergeyevich himself — along with Yakovlev and his other hangers-on.

And what of my ardent supporters, the liberal intelligentsia? They are panicking, saying now that a union treaty would have been better than the new commonwealth, wailing about the further disintegration of the Russian republic.

(Of course, when I listened to Rutskoi and sent our Russian troops into Chechen-Ingushetia to put down the separatists, the liberals howled and made me stop. The intelligentsia want the impossible: democracy and unity, free markets and cheap food.)

The only people left on my side are the people. I'm supported by 43 percent in the polls, better than anybody else, and as good as George Bush. I have asked for one year to make all

the changes, which is a problem because my economist Gaidar, 35 years old and knows everything, says publicly it will take two years.

That's why my own appointees call us a "kamikaze Government," suicide pilots saving our country at the cost of our own political lives.

I am not a kamikaze. And unlike the nervous liberals, I do not feel pain in the amputated right arm of Ukraine. Russia is better off without the empire's drain, but disunion has gone far enough. There will be no independence for the Tatars or any other people on Mother Russia's historic land.

That makes me ask myself — what if, Boris Nikolayevich, prices keep

Message: I care.

going up, and the world looks the other way, and the bureaucrats laugh at my decrees and the people make a hero out of crazy Zhirinovskiy?

That would mean the time is not yet ripe for full democracy in Russia. My Government — my 25 young men and a handful of grayheads — would not turn this nation over to a lunatic, nor return it to the crowd that brought us to this sorry state.

So I answer, that is why I installed Viktor Baronikov, over liberal objections, at the head of the Ministry of Security of the Russian Federation, which now includes the former K.G.B., still at its full strength.

And it is why I balanced that by assigning a reformist, Minister of Justice Nikolai Fyodorov, to watch Baronikov and to clean out the entire network of Krynchovite K.G.B. generals and colonels from the Ministry of Security by July 1.

Between now and then, we will see if the world's capitalists are willing to become our partners. We will see if old debt is forgiven, new credit extended, and help given to develop our resources — before it's too late.

If not; if the people are not ready to sacrifice for their freedom; if the nashi or the Gorbachev *nomenklatura* try to take over — then it's *Dobrym parnyem bolshye nye budu*. Or as my cold and tightly smiling friend in Camp David puts it, "No more Mr. Nice Guy." □

Weathering the regulators

Regulation has often been likened to the weather: Everybody talks about it, but nobody seems to do anything about it. Until now.

President Bush, in his State of the Union address last week, put the issue back on the front burners by instituting a 90-day moratorium "... on any new federal regulations that could hinder growth." He also called for a top-to-bottom review of all regulations, old and new.

We think the time is right. The staggering amount of regulation American business is forced to deal with can have a crippling effect on the nation's competitiveness in world markets.

Is there too much regulation today? Decide for yourself. When Ronald Reagan was swept into office, one of his main campaign themes was to reduce regulation and the cost of government, while cutting taxes. According to the Washington University Center for the Study of American Business, in 1970, the annual cost of federal regulatory activities (in 1982 dollars) was \$3.4 billion. Using the same 1982 dollar base, the cost in 1991 was an estimated \$9 billion.

A January 6 *Newsweek* article notes that staffing at regulatory agencies has increased 20 percent just since 1985.

Small wonder that President Bush, even before his January 28 speech to Congress, had given Vice President Quayle the charge of reining in some of the more zealous regulatory agencies through his role as chairman of the Council on Competitiveness. Any cut in bureaucratic red tape adds up to a cut in the cost of doing business. And the need is there. The *Federal Register*, which lists and describes all new federal regulations, went from a high of more than 85,000 pages in 1980 to less than 50,000 in 1986, but is now

creeping up toward 70,000 pages again.

Yet, the Council's work has been criticized by some in Congress. It has been termed irresponsible and reckless and charged with trying "to usurp powers that belong in the regulatory agencies."

We hope the debate over excess regulation doesn't degenerate into a turf battle among the administration, the regulators and the Congress. After all, as Will Rogers said: "There's no trick to being a humorist when you have the whole government working for you."

In the end, of course, regulation is no joke to the consumer, who pays the final bill. A study released late last year by the American Petroleum Institute found that recently enacted or potential federal environmental requirements could cost the U.S. petroleum industry between \$15 billion and \$23 billion per year by the end of the 1990s. Eventually, such costs have to be passed on to the consumer.

We're not saying all those regulations are necessarily bad or frivolous. As we have often noted, however, we are concerned as to whether the economic impact was adequately debated before such legislation was passed—or is debated at all as the appropriate rule-making body puts the new regulations into effect. History tells us "no."

Which is why it is time to look seriously at the cost to the nation of federal regulation. Regardless of whether you are for or against the Council on Competitiveness, you would be hard put to argue with Vice President Quayle's explanation of its purpose that, first, "a free market and a competitive economy are the best allies of the American people. Second: the less regulation—the less government intrusion into peoples' lives, the better."

Mobil

Bush Is to Stop Use of Controversial Sleeping Pill

By LAWRENCE K. ALTMAN.

President Bush will avoid taking the sleeping pill Halcion because of the public controversy over the side effects it may cause in some people, the White House spokesman, Marlin Fitzwater, said yesterday.

But Mr. Bush's personal doctor, Burton J. Lee 3d, said in a telephone interview that he would not completely exclude the possibility of prescribing Halcion if it were medically indicated for Mr. Bush, who is 67 years old.

Halcion has been the focus of a controversy over its safety. Critics have contended that the manufacturer, Upjohn Company of Kalamazoo, Mich., concealed information from the Food and Drug Administration showing that it caused significant numbers of serious psychiatric side effects.

The critics have also contended that Halcion is more likely than similar drugs to cause symptoms like amnesia, paranoia, depression and hallucinations. Britain banned Halcion outright last October, and the F.D.A. is investigating the critics' assertions.

Dr. Lee said he prescribed Halcion for Mr. Bush "rarely" in the three years he has been President, saying he could not specify the number of times.

Questions about the President's use of Halcion have been raised by several newspaper columnists; by Benjamin J. Stein, a former White House speechwriter, in an Op-Ed article in *The New York Times*, and in a statement in *The Miami Herald* attributed to Dr. Sidney Wolfe, director of Public Citizen's Health Research Group, a public advocacy group.

The questions have focused on whether the drug might have caused his collapse at a state dinner in Japan last month and difficulties in syntax in recent public appearances.

But Dr. Lee said, "Halcion's a non-

A pill is termed a non-issue in the President's health.

issue in the President's health." Halcion did not cause Mr. Bush's collapse at the state dinner because "he wouldn't have taken it within a week," Dr. Lee said.

Mr. Fitzwater noted afterward that Mr. Bush had last used Halcion to fight jet lag during his 12-day tour of Asia that ended Jan. 10.

As for Mr. Bush's fractured syntax, Dr. Lee said that occurred when the President was fatigued.

Upjohn makes Halcion tablets in two strengths. The White House has not said which strength Mr. Bush used.

Mr. Bush has taken Halcion on trips in the past, Mr. Fitzwater said in Washington. Both he and Dr. Lee said Mr. Bush has not taken Halcion on a daily basis.

"The President does very well with jet travel, better than anyone who travels with him," Dr. Lee said, because "he exercises when he hits the ground."

Mr. Bush is also aided by having a stateroom and bed on Air Force One allowing him to sleep during long flights. Nevertheless, Dr. Lee said, "No one is perfect."

Dr. Lee said he was the only doctor in the White House who would have prescribed Halcion for Mr. Bush. Dr. Lee said he did not recall precisely when the President took Halcion; he said he thought it was on the first day of the 20-hour flight to Asia but not thereafter. Dr. Lee said he often prescribed Hal-

cion for patients during the 30 years he practiced as a cancer specialist at Memorial Sloan-Kettering Cancer Center in New York City. Dr. Lee said he considered Halcion safe, prescribed the drug "steadily since it came out," and that he was aware of the potential side effects. He said the "adverse effects have been blown out of proportion in some news accounts."

Dr. Lee said he has been "super careful" in prescribing Halcion for patients in New York and was "triple careful" in prescribing it for Mr. Bush. Dr. Lee noted that he or another doctor on the White House staff was always at Mr. Bush's side.

In trying to avoid prescribing Halcion for Mr. Bush in the future, Dr. Lee said he wanted to prevent the flood of letters and telephone calls from doctors and individuals who invariably second-guess the medical care of a President, particularly when there are areas of controversy.

But Dr. Lee said he would continue to "welcome all constructive criticism."

Dr. Lee noted that any sleeping medication he might prescribe for Mr. Bush could have side effects. With respect to Halcion, he said he is "not promising anybody I am not going to give any drug, because maybe there will be times I will."

"I am not ruling anything in or out," Dr. Lee said. "But I agree with Mr. Fitzwater, that we want to stay away from Halcion and the President fully agrees."

Dr. Lee, a long-time friend of Mr. Bush, said that Halcion had nothing to do with Mr. Bush's problems with syntax that have been noted during recent campaign trips. "He's had a problem with syntax when he's tired, stressed out and hassled that goes back decades, and he's aware of that," Dr. Lee said.

Bush ready to fire health care salvo

By Paul Bedard and Joyce Price
THE WASHINGTON TIMES

President Bush today will unveil a \$100 billion, five-year health plan that would provide health care vouchers to the poor and tax deductions for health insurance to families with incomes up to \$80,000, according to administration officials.

"I know you'll like it — I believe you'll like it a lot," the president said yesterday as he put finishing touches on the plan.

Mr. Bush's announcement comes as Democrats have the administration on the defensive on health care issues. The issue is expected to rank second in importance, after the economy, in the presidential election.

The administration's plan will be detailed campaign-style when Mr. Bush visits health care facilities in Cleveland, Las Vegas and San Diego today and tomorrow.

The Bush proposal, under consideration for two months, would steer away from Democratic plans to nationalize health care while cutting

costs and encouraging people to buy health insurance. Administration officials said they were pressing a "market-driven, not government dole" program.

The key points:

- Americans living below the poverty line would be provided with vouchers with which to pay for health care. The vouchers would total \$1,250 a year for individuals, \$2,500 for couples and up to \$3,750 for families.

- Families with gross incomes up to about \$80,000 would be allowed to write off health insurance premiums up to \$3,750. The gross income cutoff would be \$50,000 for singles and \$65,000 for couples.

- Major reforms would be proposed to cut malpractice insurance costs.

The money needed to pay for the added government costs would come from cutting costs in government health care programs, expanding the use of health maintenance organizations (HMOs) and possibly

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HEALTH

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capping federal spending on Medicaid at \$59 billion.

The Medicaid cap, however, was thrown into jeopardy last night as Republican House members lobbied against it. It was unclear what the president would finally propose today.

"My plan ensures that people can find health care, choose health care, afford health care and keep health care," Mr. Bush told businessmen yesterday.

A key administration official called the Bush plan "a starting point" for more extensive health system reforms. House Minority Whip Newt Gingrich, Georgia Republican, said, "It's not the silver bullet... but clearly a building block."

"It is not just a political gimmick," added Sen. Alan Simpson, Wyoming Republican. Mr. Simpson, Mr. Ging-

rich and several other GOP congressional leaders met with Mr. Bush in the Cabinet room yesterday to discuss the Bush plan, and they left confident it would counter the leading Democratic plans being circulated on Capitol Hill.

Sen. Bob Kerrey, Nebraska Democrat and presidential candidate, favors a nationalized health care system based somewhat on Canada's system of providing free health care. The government would set the fees doctors could charge under that system.

Senate Majority Leader George Mitchell supports a "pay or play" plan, in which the government would develop a core package of benefits and demand that employers offer them to workers or pay a percentage of payroll costs to finance a public plan for anyone who wants it.

Each side says the other's plan will cost more and cover fewer Americans.

Republicans lined up against the

BUSH HEALTH CARE PROPOSAL

President Bush will unveil a health care proposal today in Cleveland that is expected to include these points:

- Poor people could pay for health insurance with a new system of vouchers that would be worth up to \$1,250 a year for individuals, \$2,500 for couples and up to \$3,750 for families of three people or more.
- Tax deductions for health care could be claimed by people with incomes of up to \$50,000 for individuals, \$65,000 for couples and \$80,000 for families of three people or more.
- Self-employed people would be allowed to deduct 100 percent of their monthly health-care premiums from their income tax.

Source: Bush administration

Henry Christopher/The Washington Times

Kerrey plan yesterday. A senior administration official said it would cost a typical American an additional \$4,000 in taxes each year.

Sen. Phil Gramm, Texas Republican, said the Canadian plan has driven doctors as far south as Texas. "The Democrats are proposing socialized medicine," he said.

Mr. Gingrich later appeared at a news conference on Capitol Hill, where he and some other Republi-

can House members discussed another plan for health care reform they're pushing.

Republican Reps. Rick Santorum of Pennsylvania and John Kasich of Ohio are the primary sponsors of H.R. 4130, which would create individual tax-free Medisave, or medical savings, accounts, similar to individual retirement accounts, as an alternative to traditional health care insurance. Any person could estab-

lish an Medisave account, provided he was without health insurance or did not wish to accept a plan provided by his employer.

Currently, employers pay nearly \$400 a month for health insurance for a worker with a family of four, Mr. Kasich said yesterday. Under the Medisave plan, \$100 of that amount would be used to purchase high-deductible (\$3,000) health insurance and the rest could accumulate tax-free in the account. People who set up their own Medisave accounts, independent of their employers, also would have to purchase high-deductible insurance for catastrophic costs.

Workers could make tax-free withdrawals from these accounts to pay for health costs not covered by the insurance and would retain access to the accounts if they changed jobs, Mr. Kasich said. Withdrawals for other purposes would be taxed and subject to a 10 percent penalty if the amount in the account

is under \$15,000. After \$15,000, money could be withdrawn as taxable income and used for any purpose.

"The beauty of this is that it forces patients to be consumers," said Rep. Dick Zimmer of New Jersey, a co-sponsor of H.R. 4130.

Mr. Gingrich said the administration will eventually endorse the plan.

"Tax credits or any kind of incentives, such as sheltered savings in a medical savings account, really do provide incentives to get coverage for a lot of people who don't have it," said Ian Abernethy, a Towers Perrin vice president.

But Linda Berghold, an associate with William M. Mercer Inc., a large benefits consulting firm, said she's skeptical tax credits will have significant impact unless uninsured workers are required to obtain health insurance. "People aren't going to buy health care until they need it," she said. "Then it's too late."

DONALD LAMBRO

Angst within the Democratic ranks

Growing fear and uncertainty is being openly expressed for the first time by congressional Democratic leaders about their party's weak pack of presidential candidates.

And, increasingly, more and more House Democrats are now voicing the belief that a veteran Democrat who has been through the fires of a presidential campaign will get into the 1992 nomination contest before it is over.

This is the view that clearly emerged last weekend in a random survey I conducted of rank-and-file House Democrats and their leaders who gathered here for a two-day legislative strategy session.

Most Democrats, wishing to maintain a united front behind their candidates, were unwilling to talk on the record about the controversy surrounding Gov. Bill Clinton of Arkansas who is battling allegations of marital infidelity.

But a growing number of Democrats, even in the congressional leadership, are beginning to complain privately about the problems Mr. Clinton's candidacy now poses for the party this fall if he should be their nominee. And many are also saying that they now view his four rivals for the nomination as "too weak" to mount a credible campaign in the general election.

"People are now looking for a va-

riety of new candidates to enter the [Democratic] field," said a House Democratic leadership official who asked not to be identified.

"We want to wait and see what happens in New Hampshire," which holds the nation's first presidential primary on Feb. 18, he said. "It depends on what happens in the next couple of weeks."

"But if the field remains split and no one emerges as a strong contender, then you are going to see others get into this," the House leadership official told me. "There are still 40 percent of the primaries that are open, so there's still time for some candidates to get into the race."

"We have to wait and see whether Mr. Clinton's candidacy survives the allegations," this worried House leader added. "There are a lot of question marks out there."

Similar fears have been expressed privately by other Democrats. But this was the first time that a member of the party leadership was willing to raise questions about Mr. Clinton and, worse, suggest that the field of contenders behind him may be incapable of mounting a strong challenge against President Bush.

Support for Mr. Clinton's candidacy fell quickly in New Hampshire in the immediate aftermath of the allegations made by his accuser, Gennifer Flowers. Mr. Clinton admits to "wrongdoing" in his marriage but denies he had a 12-year

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Donald Lambro, chief political correspondent of The Washington Times, is a nationally syndicated columnist.

LAMBRO

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affair as Miss Flowers alleges.

As of last week, Mr. Clinton had stabilized his candidacy somewhat. But former Sen. Paul Tsongas of Massachusetts, delivering a strong performance against his rivals in a PBS-sponsored debate, was running a close second and could be overtaking him.

In numerous interviews here, Democrats voiced worries that if Mr. Clinton survives his campaign crisis and becomes the nominee, there may be later revelations that could hurt the party.

"There's a lot of nervousness [within the House Democratic caucus] about another smoking gun,"

Rep. Charles Stenholm of Texas told me.

Mr. Stenholm warned that if Mr. Clinton does not convincingly put the issue behind him in New Hampshire, then he too expects another candidate will get into the race.

"If it's not Clinton, it'll be somebody else, not the other four," he flatly predicted.

"None of the other candidates are catching fire," he said. "You need a veteran campaigner." Mr. Stenholm's first choice for a late entry into the contest is Texas Sen. Lloyd Bentsen, who was the party's vice presidential candidate in 1988.

Rep. Tim Penny of Minnesota agrees that "people are getting nervous about it. The Democrats were coming on strong before this contro-

When asked who can pick up the torch, many single out Sen. Lloyd Bentsen of Texas.

versity hit. There's talk of another candidate emerging as Gov. Clinton is faltering."

When asked who can pick up the torch, many single out Mr. Bentsen, but others point to House Majority Leader Richard Gephardt of Missouri and Sen. Albert Gore of Tennessee, both of whom ran unsuccessfully in 1988 for their party's nomination.

Mr. Bentsen isn't interested but would run if his party called him. So would Mr. Gore. Mr. Gephardt insists he is running for re-election. "Nothing has changed," he said. "I think the question of other candidates entering the race is ridiculous. We have candidates that are credible."

Maybe so. But with Mr. Clinton wounded, Sens. Bob Kerrey of Nebraska and Tim Harkin of Iowa running far behind, and California's Jerry Brown virtually off the charts, the Democrats are getting scared.

And the specter of another Democrat from Massachusetts, one who crusades for business tax breaks to stimulate the economy but opposes tax cuts for the middle class, does not make them any more secure.

CAL THOMAS

Without cause or purpose

Last week TWA and the GOP both went bankrupt — Trans World Airlines because it has insufficient funds; the Republican Party because it has insufficient ideas.

The White House had hyped the president's State of the Union speech like the run-up to the Super Bowl. The football game delivered (if you were a Washington Redskins fan). The speech didn't (whether you were a Bush fan or not).

This speech was to be a "defining moment" in the 3-year-old presidency of George Bush. But does anyone believe the president's speech defined anything except that this administration has no direction? Housing Secretary Jack Kemp was not enthralled. He courageously and correctly labeled some of the president's economic proposals "gimmicks."

Following the speech, the president again hit the road to sell his "plan" for economic recovery, perhaps believing it is more difficult to hit a moving target.

The president maintains his plan will work, but that's what he said about the disastrous budget agreement he promised would reduce the deficit. Instead, it increased the deficit and taxes, too.

Why should he be believed this time? This economic plan was crafted by the very same people who brought us the budget agreement and who convinced the president to break his vow of "no new taxes."

*A president without
a cause and a party
without a purpose
are tailor-made for
defeat.*

Virtually absent from the State of the Union speech were the social issues that forged the Republican alliance that has given the GOP hegemony over the White House for the last 12 years. Vice President Dan Quayle seems to be the only high-level official (other than Mr. Kemp) who is not afraid to articulate these issues in specific ways. With the president listening, Mr. Quayle told an audience of 3,800 who attended last week's National Prayer Breakfast, "The totalitarians of this century — evil as they were — were only symptoms of a deeper malady in the Western world. It was an emptiness of the spirit that, by denying humanity's Creator, denied human limits and human dignity as well ... [that denial] persists in our own institutions and distorts the face of our culture."

That is a precisely correct diagnosis of the national ills. More than economic and political, the country's problems are moral and spiritual. Since the No. 1 cause of poverty is family breakup, isn't it a better idea to emphasize keeping families together instead of spending more on day care and welfare?

Former President Reagan changed the thinking of a majority of Americans. Even Democrats began to talk about reduced spending and smaller government. Now, those accomplishments are at risk as President Bush succumbs to the liberal agenda of tax and spend while portraying himself as a conservative.

The president regards loyalty as an important character quality, but loyalty to what? Conservatives should be loyal to ideas that work, not presidents who no longer work for those ideas that got them elected. Loyalty is a two-way street. While Mr. Bush gets high marks for his consistent support of the pro-life cause, he gets low marks for abandoning many other principles. Social conservatives wonder in the back of their minds if he might revert to his pre-1980 position in support of abortion rights should he conclude that it would help him at the polls.

National Review, America's mainstream conservative magazine, labels the GOP in its Feb. 17 issue as a "Party Without a Cause." The Heritage Foundation, the think tank that served up much of the ideological beef for the Reagan years, called Mr. Bush a "president without a purpose." Heritage President Edwin Feulner wrote, "Conservatives supported George Bush and they got Michael Dukakis."

A president without a cause and a party without a purpose are tailor-made for defeat. Mr. Bush needs to improve.

And conservatives need to start planning now for someone with real convictions and a workable plan who can run and win in 1996 and complete the unfinished work that was begun in the '80s. That work has been put on hold and in some cases reversed during the past three years. It is not likely to get better in a second Bush administration.

Cal Thomas is a nationally syndicated columnist.

Young volunteers stand by their men as race heats up



Photo by Tracy A. Woodard/The Washington Times
Richard Strauss runs the fax machine, answers phones for Gov. Bill Clinton.



Photo by Ruth Freeman/The Washington Times
A Clinton aide inflates balloons.

By Judith Colp
THE WASHINGTON TIMES

WMANCHESTER, N.H. — When Brian Kirk of Rocky Road, Ohio, began watching CNN's "Crossfire" at age 10, he quickly took a shine to the show's conservative co-host, Pat Buchanan. So when Mr. Buchanan challenged President Bush for the Republican nomination, Brian Kirk, now a high school senior, chucked his classes and flew to New Hampshire at his own expense to volunteer in the Buchanan campaign.

Now the aspiring politician is working 18-hour days in Manchester. He calls registered Republicans to

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urge them to support Mr. Buchanan in the Feb. 18 state primary. He helps with the computers in the campaign office. He runs errands for staff members.

"I like Buchanan because he's a conservative Republican who understands the importance of family values," says Mr. Kirk, 18. "George Bush abandoned those principles by raising taxes."

New Hampshire is filled with hundreds like Mr. Kirk — politically minded young people from across New England, the South and even California here for the experience of working in a presidential campaign. They are volunteers motivated by idealism, an interest in learning about hardball politics and the prospect of socializing with like-minded peers.

In return for free housing, a campaign gets enthusiastic workers for its less-glamorous tasks: phoning voters, canvassing door-to-door and providing "visibility" — a euphemism for standing outside in the cold and waving the candidate's sign.

These young volunteers also learn the tactics of campaigning. When the race moves to their home states, they can train others.

"It's like a trip to Atlantic City," says Dave Targonski, a graduate student at Catholic University who is Mr. Buchanan's New England political director. "Many of the volunteers leave on Friday, we get them home Saturday night and they're in church by Sunday."

"There are a lot of people here who are working for the first time on a political campaign, and there's a lot of excitement and enthusiasm," he adds. "It's a crusade for them, because who else is going to go to freezing New Hampshire?"

■ ■ ■
The campaign offices along Manchester's Elm Street resemble college fraternities: beat-up couches, strewn newspapers, discarded soda cans, blaring televisions.

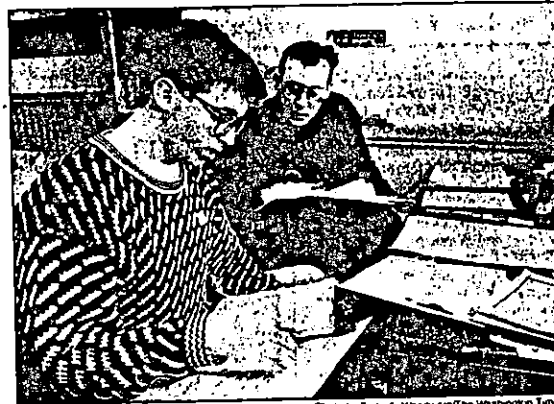


Photo by Tracy A. Woodard/The Washington Times
Left: At Buchanan headquarters Brian Kirk and Dave Targonski set up a canvassing area. Right: Volunteers staff the phones at the Kerrey home base.

In Iowa Sen. Tom Harkin's headquarters, Sharon Hyke tells how she endured a two-day car trip in snowy weather from Waterloo, Iowa, to volunteer for the weekend. She did it out of gratitude for the Democrat's sponsorship of the Americans with Disabilities Act.

Mr. Harkin "is my hero, my idol," says Miss Hyke, who suffers from multiple sclerosis. "He's the only one who took time to see that there's nothing wrong with being disabled, but there is something wrong with not having national health care. He's the most sincere, down-to-earth person I've ever met. He really listens to you."

Across the street in Paul Tsongas' headquarters, Mark Samuelson, 26, from San Francisco, says he chose the former Massachusetts senator as his candidate based on economic positions.

"I think it was [economist] Robert Reich who said if you throw a frog in boiling water he jumps out, but if you put him in water at room temperature and slowly turn up the heat, he doesn't know what's happening," Mr. Samuelson says. "That's how I see the economy. We need Paul

to wake people up. I saw him on C-Span; I was very impressed."

Mr. Samuelson, an unemployed accountant, says he was following the campaign when he realized it all could all "take place without me." California's primary is one of the last in the nation.

"I'm at an age where I can devote more time to a campaign. It's something I've never done," he says. "When I'm 40 or 50 years old, I don't want to think I didn't do anything."

■ ■ ■
Other volunteers were less attached, at the outset anyway, to a specific presidential hopeful.

Tom LaLonde, 20, a junior at Syracuse University, says he spent a week in Manchester "shopping around" for a candidate to support — a fairly common activity in these parts — until he decided on Nebraska Sen. Bob Kerrey.

"He's in touch with what I believe the 21st century is going to look like," Mr. LaLonde explains. "He's got a reform package that's very specific on how we have to be more competitive in the world market, and compared to the other Democrats he's the best one to beat Bush. [Arkansas

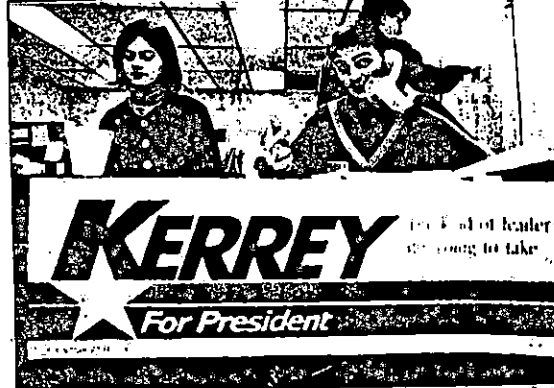


Photo by Ruth Freeman/The Washington Times
Gov. Bill Clinton is just not as aggressive, and Tsongas puts a crowd to sleep."

Gov. Bill Clinton is just not as aggressive, and Tsongas puts a crowd to sleep."

But another Kerrey volunteer, Julie Zito, 20, a junior at Syracuse, acknowledges that she's not sure she's made up her mind about whom to support in 1992.

"I do like Kerrey, but if he's not the nominee I won't be crushed," she says.

Mr. Kerrey's headquarters is directly across the street from Mr. Buchanan's. The two camps' volunteers, imbued as they are with sharply contrasting political philosophies, often wave to each other through the windows. There's even been some competition over which group works longer hours.

"There was one week when we were working till 1 in the morning, and we started seeing people over there [in the Kerrey office] staying even later," Mr. Targonski says. "They weren't going home. We were wondering, what is going on? Because we know we're working hard. Then someone told us the volunteers were living over there!"

As for George Bush's campaign presence in Manchester, Mr. Tar-

gonski — overseeing a two-floor operation crowded with dozens of volunteers — boasts that the president's headquarters has been so dead that he and other Buchanan staffers were convinced it was actually a fake office. The real headquarters must be elsewhere, they surmised — wrongly.

"I bet you won't see even three volunteers there," Mr. Targonski tells a reporter.

He's right. While the other campaign offices bustle with activity, Bush headquarters is relatively quiet — with only a few staffers and two volunteers.

"They're less in the headquarters and a lot more out in the field, but they're out there," explains Bush campaign staffer David Colburn. "I have lists of college kids who want to volunteer, but I've asked them not to make the drive here because the organization is so decentralized. Instead, I put them in touch with their local communities. We don't have any of the name recognition problems that other campaigns have."

■ ■ ■
In stark contrast is Mr. Clinton's headquarters, where more than 100

■ When the race moves to their home states, the volunteers can train others.

volunteers recently gathered to blow up balloons for a student rally at the YMCA that drew 500. The Clinton campaign has so many workers that organizers have rented a boardinghouse that volunteers call "Camp Clinton." There's always a bunk waiting at night.

Clinton volunteer Richard Strauss, 22, is a senior at UCLA. He says he ended up signing on in the press office after deciding he wanted some experience for a career in broadcast journalism.

He first mailed his resume and letters of recommendation to the Kerrey campaign, Mr. Strauss says, but when officials didn't respond he sent them to the Clinton campaign, which welcomed him.

That response, combined with Mr. Clinton's growing strength, his record on minority issues and support from the Jewish community persuaded Mr. Strauss to lend a hand to the Arkansas governor.

"It's a lot of work. I get in the office at 7 and don't leave until 11, but the excitement of helping get someone elected president of the United States is overwhelming," says Mr. Strauss, who hopes to stay on until the end of the campaign. "You don't want to be away, because you could be missing an opportunity."

Just such an opportunity recently arose when the office was looking for someone to drive a van to accompany the candidate's car pool to an event. Mr. Strauss volunteered; by day's end, he was shaking the governor's hand.

"I told him I had come here from California to work on his campaign and he looked me straight in the eye and said, 'Thank you,'" Mr. Strauss says. "That sort of makes it all worthwhile."

Panel: Lift ban on fetal work

THE ASSOCIATED PRESS

A Senate committee voted yesterday to lift the Bush administration's ban on federally financed fetal tissue transplants, a use of tax money opponents say would encourage abortions.

The action sets the stage for a renewed fight over abortion, as President Bush has threatened to veto the measure if it is passed.

The Senate Labor and Human Resources Committee approved the measure on a 13-4 vote.

The provision lifting the moratorium was included in a bill extending the life of programs at the National Institutes of Health. It now goes to the Senate floor.

Supporters of overturning the ban cited the promise that fetal tissue use holds for people suffering from Parkinson's disease, diabetes and spinal cord injuries. Other potential uses include treatment of Alzheimer's disease and genetic disorders.

"I know the fetal tissue research can help people with Parkinson's," said Sen. Paul Simon, Illinois Democrat. "We can't just discard this. We must use it."

But Sen. Orrin Hatch, Utah Republican, and others cited abortion in voting against the measure.

"This debate is about abortion," said Sen. Dave Durenberger, Minnesota Republican. "It is also a test of our ethics."

The Reagan administration imposed the ban on federal financing in 1988. Mr. Bush's health and human services secretary, Louis Sullivan, ordered a year later that it be continued. That came after a study panel including theologians, doctors, scientists and lawyers voted 18-3 that continued use of human fetal tissue for transplantation research "is acceptable public policy."

The House voted 274-144 in July to approve an NIH reauthorization bill that included a provision lifting the moratorium. That left the bill five votes short of the two-thirds majority necessary to override a veto.

'Mad as hell' is not selling well

All ethics, purity, morality,
Jerry Brown ranks among 'others'

By Elisabeth Hickey
THE WASHINGTON TIMES

MANCHESTER, N.H. At 53, Jerry Brown is the eldest of the pack of Democrats running for president, but at times he seems like the obnoxious little brother.

He does things that make people wince (bringing up the Clinton sex scandal at the end of a televised debate in which everyone else studiously avoided the topic). He does things that make people roll their eyes (shamelessly huckstering his 800 phone number for campaign contributions during another TV debate, after promising not to).

Jerry Brown is jealous when he doesn't get attention. He pouts that Arkansas Gov. Bill Clinton is the Democratic frontrunner because he's the "pet" of the press. The former California governor says the media's inability to get off the "Moonbeam" thing and treat him as a serious candidate is the reason his campaign is unable to break into double digits, and why poll results on a Manchester television station last week read like this: Clinton, Tsongas, Kerrey, Harkin and Other. He acts morally superior.

"There's a reason America is blowing it — because the political process is corrupted," he says in an interview.

Like a loudmouth reformed alcoholic, the former chief fund-raiser for California's Democratic Party — whose net worth has been estimated by the New York Times at between \$1.2 and \$1.4 million but who tools around the Granite State in a beat-up 1981 van with a broken door — won't stop testifying that he has seen the light and that money is indeed the root of all political evil.

He is the only candidate who spreads this gospel "maybe because I have more seniority than the other ones, and I don't have a Senate seat to lose, or a governorship to lose," Mr. Brown says. "I've stepped aside from that. So I have more freedom to tell the truth."

Underneath all this posturing there is the sense that Edmund G. Brown Jr. is struggling desperately to be taken seriously, and not quite succeeding. You can see it in his sometimes outrageous comments, his plays for attention.

If he gets the nomination, Mr. Brown says he would like to ask Ralph Nader or Jesse Jackson to be his running mate. He mentioned it to Mr. Jackson once, and Mr. Jackson

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"Just smiled."

"I think it's time for a black and white to be in the highest level of government," Mr. Brown says. "It would heal this society."

After a speech last week in which the negative adjectives fairly tumbled over each other ("injustice, hardship, suffering, isolation, inequality...") he has brightened up his rhetoric of late, taking the anti-Washington bombast down a notch in favor of touting his record as California governor.

Yet since he announced his candidacy in October, much of the response has been akin to that of an older brother who wants to take his younger sibling in the corner and shut him up with a good noogie patrol.

The most public response is to make fun of him.

Nebraska Sen. Bob Kerrey started his unfortunate and now infamous lebanian joke like this: "So Jerry Brown walks into a bar..."

Comic Jay Leno weighs in with: "The sad thing about Jerry Brown's candidacy is all the people who want to vote for him are locked inside that Biosphere."

Out in California, some political observers are, to say the least, cynical when asked about the onetime boy wonder's quest for the White House.

"I think he's viewed as our own regional embarrassment," says San Francisco lawyer Neil Eisenberg, who unsuccessfully ran against Mr. Brown for chairmanship of the state Democratic Party.

Longtime California political analyst Sherry Betcher Jeffe says Mr. Brown's sudden metamorphosis from "consummate political insider" to "consummate political outsider" doesn't wash.

"When a man has made his reputation doing everything he is now railing against, it is very difficult to shake the image of being at least a political opportunist, if not Gov. Moonbeam, out there on another planet," she says.

The label

Ah, the Moonbeam Factor. It is never far away Jerry Brown jokes about it, but you can tell it burns.

"You have to be able to stand against the tide... and when you do it, you become a flake. You become a Moonbeam," he said in a Boston forum.

"You have to do your 'Flake' story," he tells a reporter sarcastically.

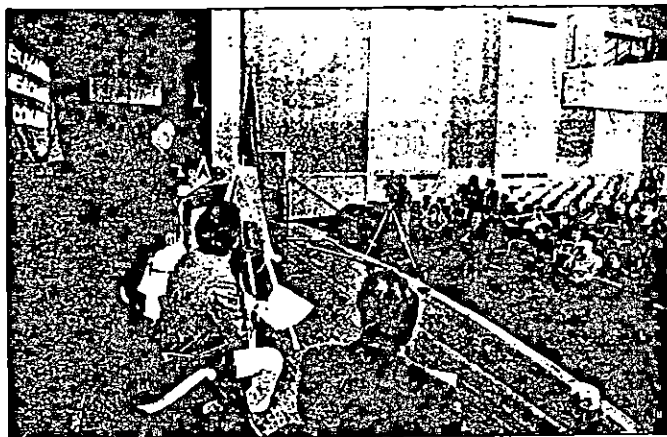
Even Mike Royko, the columnist who christened him with the tag back in his governor days, has publicly taken it back. He now calls the label "unfair, inappropriate and outdated.... As the creator of this monster, I declare it null, void and deceased."

Alas, it's short and snappy and it continues to stick.

"We spend a lot of time fighting negatives," sighs Mr. Brown's New Hampshire campaign manager, Mike Bourbeau.

With less than two weeks to go until the New Hampshire primary Feb. 18, most of the debate still goes on around Mr. Brown. Bob Kerrey

Underneath all this posturing there is the sense that Edmund G. Brown Jr. is struggling desperately to be taken seriously.



Candidate Jerry Brown speaks at a health care coalition forum at St. Paul's School in Concord, N.H.

and Tom Harkin rough it up, Paul Tsongas jockey with Bill Clinton, and you can almost see the outrage in Mr. Brown's eyes as he is virtually ignored.

Here I am, the eyes seem to say, with the biggest name recognition of all of you losers. I was the once hugely popular governor of California, for heaven's sake. I was going on dates with Linda Ronstadt when you guys were nobodies. I'm running an insurgent campaign that's going to run a bulldozer over Washington, take away all that evil PAC money and \$1,000-a-plate fat-cat fundraisers and midnight pay raises and give America back to grass-roots people... and all the media wants to know is why I wear a white turtle-neck all the time.

(For the record, Mr. Brown told one reporter he wore white turtle-necks because it's cold in New Hampshire. Then he told another reporter that people were saying he was too uptight and he was "just trying to be a little more loose.")

Insurgency

Still, Jerry Brown refuses to admit that he'll probably lose in this, his third try at the White House. His campaign — which takes contributions of no more than \$100 a person, one-tenth the legal limit, in keeping with the "evil money" theme — has raised only about \$700,000 so far, the least of the five Democratic candidates. One recent poll even had ex-Irvine, Calif., Mayor Larry Agran slightly ahead of Mr. Brown.

The candidate impatiently brushes off mention of negatives. He has an insurgent campaign to run. There are windmills to go at, fulltilt.

"I think I'm very much in this race," he says. If it is this innate cockiness that keeps Mr. Brown running, it also

may be keeping him in last place.

Back in the fall, the Democratic race was wide open. Few knew who Clinton and Kerrey and Tsongas and Harkin were, but almost everyone had heard of Jerry Brown.

But that potential leg up was squandered away by poor organization and an unprofessional campaign structure in New Hampshire, several former campaign insiders say. Scheduled events often are dropped at the last minute, leaving an aftertaste of arrogance. And the campaign does not effectively mobilize its volunteers, they say.

But Mr. Barbeau contends the campaign is doing the best it can on a shoestring budget. When Mr. Brown flies, they put him in coach in the middle seat, "so he can get two more votes," campaign aide Michael Krutzenbeck says.

Unlike the Clinton organization with its polished Madison-Avenue professionals and offices that dot the map, the Brown campaign is all volunteers and "we aren't spending money the way everyone else is," says Mr. Bourbeau, a lawyer from Hingham, Mass. He adds that the campaign got a late start, mobilizing right before Thanksgiving, when the other campaigns were well under way.

Grandstanding?

Carlton O'Brien quit the campaign after only a few months. As one of the first volunteers in New Hampshire to sign on with Mr. Brown, she and a handful of others had stood outside the State Democratic Convention last year to show a Brown presence.

They didn't have enough money to rent a booth inside, so they wore aprons with pockets and distributed campaign literature in the parking lot. They baked brownies and sold

"Brownies for Brown" for \$1 each.

It was a real grass-roots experience, just what Mr. Brown talked about. But Mrs. O'Brien says her excitement about Mr. Brown's message quickly soured.

"I didn't feel that he was serious about putting together a campaign organization in the state," she says. "I don't know if grandstanding is the right word or not, but he seemed more interested in getting attention and being a celebrity than being a candidate."

But there are others who have remained intensely loyal. People such as Larry Hennessy, 40, of Franklin, N.H., who also sold Brownies for Brown in his first ever show of support for a politician. He grew up distrustful of all of them and has never voted.

"They're all a bunch of talking heads," Mr. Hennessy says — except for Mr. Brown.

He voted themselves a big pay raise in the middle of a depression," he says of Capitol Hill lawmakers.

Mr. Hennessy was so mad, he even went to a Tom Harkin campaign appearance, shook the Iowa senator's hand, and asked him to give the money back (no dice).

He shakes his head. "It's all a little elite club going on inside the Beltway," he says, echoing Mr. Brown's rhetoric.

Topping in

"He wants change. He's the kind of guy who goes against the tide, and that's good," says Concord resident Robert Norling, 67, a retired newspaperman. "The reason the country is going down the drain is money."

Jerry Brown's mad-as-hell message obviously has struck a chord in these hard economic times, when families all over New Hampshire

who have lived in their homes for three or four generations can't pay the taxes and have to sell. And Mr. Brown is tapping into that rage.

Last week, he unveiled a 30-minute "infomercial" on several New Hampshire television stations. Part campaign commercial, part PBS documentary, the segment traces Mr. Brown's career, allows him ample opportunity to repeat his 800 number, and offers testimonials from minor Hollywood actors (Max Gail, Tisha Shire, Sally Kellerman) and what appears to be random people on the street (only at the end of the program does a small disclaimer identify them as campaign volunteers).

In recent campaign speeches, Mr. Brown has avoided bringing up his fund-raising days as chief of the California Democratic Party, when he did call for that evil money.

Instead he points to his successes in two terms as governor: creating the 50,000-jobs-a-year California Conservation Corps, protecting the environment in other ways, developing alternative energy sources, appointing large numbers of women and minorities to government posts.

"Even the most conservative governor since Jerry Brown has not been able to return Sacramento to the right, old boy network it once was," Mrs. Jeffe admits.

But his critics won't let him forget the negatives.

His tight-fistedness "gutted the higher education system," Mr. Eisenberg charges. Then there was that appointment of ultra-liberal Rose Bird, "an absolute wacko," to the state Supreme Court. Mr. Brown also took the blame for letting the Mediterranean fruit fly run rampant in the Central Valley. But his pollster, Alex Evans, says Mr. Brown's environmental consciousness was ahead of his time.

"He said that before we spray urban areas and civilians with pesticides we know very little about, we should test it," Mr. Evans says.

Opportunity

The night of President Bush's State of the Union speech finds Mr. Brown in the auditorium of Franklin Middle School (Home of the Hurricanes).

Tom Harkin is supposed to go on before him, but after he's announced, there's a small mix-up. Mr. Harkin does not appear. The second mix-up: There is embarrassed laughter.

And Jerry Brown sees an opportunity to be, well, Jerry Brown.

He leaps to the stage in a natty blue double-breasted suit. No turtle-necks tonight. From the front, without the benefit of the book pose in profile or the bald spot from the back, he looks like a coverboy for GQ magazine.

"Hey, if he doesn't wanna talk, I do!" Mr. Brown shouts.

Alas, Mr. Harkin appears, and Mr. Brown must wait his turn to rail against corruption.

Electrician Bill Steinhagen, 36, is in the audience. He likes Mr. Brown. He thinks the Moonbeam image is unfair.

"They called him Moonbeam because when he was governor he wanted satellites," Mr. Steinhagen says. "Now everybody's got one. So how crazy was he?"

Try counting sheep

President Bush may look a bit bleary-eyed in the days ahead. He's decided to knock off the Halcion sleeping pills. Spokesman Marlin Fitzwater says the president kicked the snooze inducers during his Asia tour. The practice had led to some press speculation that Mr. Bush was losing it, as in the Miami Herald story Sunday. The story focused on Mr. Bush's strange speech patterns, like his reference to the Nitty Gritty Dirt Band as the Nitty Ditty Nitty Gritty Great Bird.

Halcion, the most popular prescription sleeping pill in the United States, is banned or restricted in 11 countries because of side effects. Some people have experienced confusion, amnesia, anxiety, paranoia, hyperexcitability and dizziness.

"He has taken it on trips in the past, but he doesn't take it on a daily basis," Mr. Fitzwater says. "He's not taking it now due to the controversy over its use." Mr. Bush took the pills to fight jet lag, according to Mr. Fitzwater, who says he'd used them, too.

There's general agreement among those close to the president that his recent comments aren't really any more odd than some things he's said in the past.

Propping up the cause

At a photo op at the state Capitol in Annapolis recently, Jim Brady backed his testimony favoring a ban on assault rifles with a display of the dangerous weapons that legislators want to get off the streets. Sanford Abrams of the Maryland Licensed Firearms Dealers Association tells us that the AK-47 on display that day wasn't exactly wrenched from the grip of a murderous gangster.

"It came from one of our dealers," he says, providing a copy of the receipt signed by a representative of the Maryland State Police. "If these weapons are so prevalent

INSIDE THE BELTWAY

that they have to be banned, how come they had to come and borrow one?" Mr. Abrams asks. "They have access to the property rooms of all the police units in Maryland and they couldn't find a single AK-47?"



A native Arkansas beauty awaits the contest winner's arrival.

I'm too sexy

A top-40 rock station in Philadelphia certainly knows where the action is. The grand prize in WEGX-FM's recent "I'm Too Sexy" contest was a trip to Little Rock, Ark., "for a little rockin'."

The contest was built around "all the crazy sex scandals in the headlines today," according to Sam Milkman, the station's promotion director. "People are really not all that

bothered by Clinton's affair," Mr. Milkman told us. "We had millions of calls and most said the press was way too into this."

Other prizes in the contest included cassettes of "I'm Too Sexy" by Right Said Fred and Tammy Wynette's "Stand By Your Man" and \$50 gift certificates from the Victoria's Secret catalogue.

It's only money

Citizens Against Government Waste has released an astonishing document detailing all the pork in 1992 congressional appropriations bills. These are requests for money, ranging up to \$100 million, added by members of Congress to what the president and the various federal agencies say is needed to run the government.

The document runs more than 55 pages. A great many of the projects are of local value and seem to have little national importance. Not to argue against a million bucks or so "to assist residents of the Windsor Park Subdivision of north Las Vegas," whose houses are sinking into the ground, or a bike path in North Miami Beach, of course. But why can't the money just stay in the states or localities in the first place? Well, anyway, three cheers for CAGW for making it all public and listing the legislators who approved the additions.

No Bronx bashing

A civic group has written to President Bush telling him not to use the Bronx as the symbol of urban decay, a practice of Democratic and Republican presidential candidates over the past 15 years.

Not guilty

There had been some talk in Pat Buchanan's camp that Bush campaign adviser Charlie Black had pulled a fast one after denying that his firm had Japanese business connections. Word was that his company, Black Manafort and Stone, signed a contract to represent NEC, a major Japanese corporation, after the denial was issued.

"It's not true," Mr. Black said. He said the contract was signed with NEC America, "an American firm with American jobs." Mr. Black emphasized that he "does not and will not" represent Japanese firms.

Distorted statistics

Rep. Dick Armye has created the Mark Twain Statistical Distortion Award, taking the name from the quote attributed to Twain about the three kinds of lies — "lies, damned lies and statistics." Twain in turn attributed the quote to British Prime Minister Benjamin Disraeli, but the name he selected "sounds better than the Disraeli Award anyway," the Texas Republican says.

Mr. Armye presented the award this month to the General Accounting Office for a study claiming that Americans could save \$3 billion in health care costs by nationalizing health insurance. In a critique of the study, Mr. Armye notes what he views as errors, exaggerations, faulty assumptions and distortions.

— John Elvin

Hill Republicans mute budget woes

By Ralph Z. Hallow
THE WASHINGTON TIMES

Some Republican lawmakers, who publicly praise President Bush's budget, hold their noses privately and wonder if they can hold their seats come November.

"The budget doesn't save the money it purports to save," said a GOP staff aide. "There are net increases in spending and most of the savings are accounting gimmicks and increased user fees and collections from taxpayers."

"Republicans in Congress really think the president's budget stinks but they aren't going to say so publicly," said a House GOP leadership aide.

"Republicans were extremely exuberant over the president's speech. But now that they are aware of the facts in the proposed budget, the word 'nauseated' comes to mind," the aide added.

The few GOP legislators, all House members, willing to publicly criticize the president's budget chose their words carefully.

Rep. John T. Doolittle, California Republican, said budget analysts discovered \$26 billion in tax increases, \$14.6 billion in new user fees and over \$9 billion to \$12 billion in increased discretionary outlays.

"It would be fair to say this budget proposal is not all that I hoped for," Mr. Doolittle said.

"These tax and spending increases in the president's budget concern me," said Rep. John Boehner, Ohio Republican. "It shows there is not any serious work going on in the administration or Congress to significantly reduce the deficit."

Rep. Melton D. Hancock, Missouri Republican, vowed that if

"these increases are what they seem, I will vote against this budget" even though it would mean opposing the leader of his own party.

GOP aides said congressional Republicans expected a growth package from the president that they could run on. Instead, they got a budget that they feel, ultimately, they will lose on.

These Republicans are convinced Democrats will pass a middle-class tax cut soaking the rich that Mr. Bush will either have to sign or veto and appear to favor the rich. The members feel they lose either way.

"It could have been avoided by having more creative people than [Treasury Secretary Nicholas] Brady and [Budget Director Richard] Darman write the budget," said Mr. Doolittle. "They should get the boot."

Mr. Doolittle, House GOP Study Committee Chairman Tom DeLay of Texas, Rep. Bob Dornan of California and several other House Republicans yesterday sent a letter to Mr. Bush, urging him to implement several actions they regard as growth oriented.

They asked him to index capital gains and depreciation schedules for inflation; order posting of notices that non-union members cannot be forced to contribute to union causes they don't support; match new regulatory burdens by reductions in other regulations, dollar for dollar and exercise a line-item veto on his own.

The requests, Mr. Doolittle admitted, are meant to incite Democrats in Congress and aid Republicans in defining their opponents as liberals — which these Republicans feel is the only way to survive in a year of intense anti-incumbent feeling.

BOB MCEWEN

Do you think an unelected congressional staffer should use the constitutional influence of the U.S. Congress to get a convicted felon out of prison?

That's what happened last week when one Democrat congressional staffer wrote a federal judge and used the judge's powerful position to spring a convicted South African arms dealer from prison. In return for the favor, the Democrats asked this felon to give testimony regarding the "October Surprise" theory that the 1980 Reagan campaign made a deal with the Iranians to hold the American hostages until after the general election.

This is the first time in U.S. history that the Congress has used its prestige to get a felon out of jail. This dubious maneuver is merely one entry in the long catalogue of dirty deals the Democrats have done to bolster their election-year October Surprise gimmick. And it was a forewarning that with the brand new

Rep. Bob McEwen, Ohio Republican, is chairman of the House Research Committee Task Force on Tax Policy and Job Creation.

Sprung for the 'Surprise'

House "October Surprise" Committee, no sense of fair play or responsibility will restrain the House Democrats from attempting to smear Presidents Bush and Reagan.

But if you look at the "October Surprise" allegations, it quickly becomes apparent that there are no facts to substantiate them. All we have are rumors and charges that have emanated from a small band of book-selling conspiracy theorists regarding the Iranian hostage situation and the 1980 campaign. In fact, the Tower Commission, the Iran Contra Committee and five other official government bodies have investigated the October Surprise theory and have uncovered no evidence, just hare-brained theories.

Respectable newsmagazines such as Newsweek and the New Republic, while neither conservative

nor apologists for the Reagan and Bush administrations, have conducted intensive investigations of the "October Surprise" conspiracy theory. They conclude: There is absolutely nothing behind these incredible charges.

The New Republic flatly states: "The truth is, the conspiracy theory as currently postulated is a total fabrication. None of the evidence cited to support the October Surprise stands up to scrutiny. They key sources on whose word the story rests are documented frauds and imposters. Representing themselves as intelligence operatives, they have concocted allegations that are demonstrably false, and their stories, full of internal inconsistencies, are also contradictory."

Newsweek? "Newsweek has found, after a long investigation including interviews with government officials and other knowledgeable sources around the world, that the key claims of the purported eyewitnesses and accusers simply do not hold up. What the evidence does show is the murky history of a conspiracy theory run wild."

Why, if there is nothing behind the October Surprise other than the "concocted allegations" of a few "documented frauds and imposters,"

is the Congress going to spend millions of tax dollars to investigate the "October Surprise?" Because the Democrats are desperate to smear Mr. Bush during an election year and they want the American people to foot the bill.

And what a mother lode of a bill it will be. This will be the eighth

The Democrats are desperate to smear Mr. Bush.

committee to investigate this theory, and it will have no funding limits, no time limits, and no rules to restrict unfair and unfounded accusations. In fact, the House Rules Committee (where the Democrats outnumber Republicans 9 to 4) voted on party lines to exempt this new committee from the rules of the U.S. House of Representatives. Essentially, this will create a special forum to hurl unsubstantiated, spurious charges in a taxpayer-financed media assault against Mr. Bush. This shouldn't be such a surprise — the Democrats like to do this during an election year. In 1988, they anointed special prosecutor Lawrence Walsh to spend

more than \$30 million of the taxpayers' funds over four years, and all of his charges have been thrown out of court. Don't be surprised when the only "October Surprise" to come out of the next House "investigation" is a multimillion-dollar tab that will be presented to the taxpayers next fall.

For all of the expense, is it too much to ask that the American people at least get a thorough investigation in return? Apparently. Because the Democrats voted to exempt their own. Despite admitted arms-for-hostages negotiations carried out by the Carter administration during 1980, the House committee created by the Democratic majority expressly prohibits investigating the Carter campaign.

It is truly a shame that the Democratic majority in Congress is so desperate to recapture the White House that it will stoop to any level, whether it is prolonging the recession or undertaking fishing expeditions like this October Surprise investigation. It is time for responsible Democrats to tell the House Leadership that the needs of America are too great, and the esteem of the House too low because of 40 consecutive years of one-party rule, for Congress to engage in a witch hunt such as this.

Hill lawmakers detail plans for intelligence czar

By Bill Gertz
THE WASHINGTON TIMES

The chairmen of Congress' intelligence oversight panels unveiled radical reorganization plans yesterday that would strip the CIA of most of its functions and create a "czar with teeth" to run all U.S. intelligence collection and analysis.

The House and Senate proposals call for establishing a director of national intelligence (DNI) with full budget authority over all the various agencies of the U.S. intelligence community.

Those agencies include the CIA, FBI intelligence, the Defense Intelligence Agency, State Department intelligence, military intelligence units and other civilian intelligence agencies.

Sen. David Boren, Oklahoma Democrat and chairman of the Senate Intelligence Committee, told reporters at a news conference that the bill he introduced yesterday would realign U.S. intelligence for the coming decades.

"The world has changed and the intelligence community must change with it," Mr. Boren told a packed Senate television gallery, including representatives of both the CIA and the FBI.

A similar bill was introduced in the House by Rep. Dave McCurdy, Oklahoma Democrat and chairman of the House Intelligence Committee.

The new intelligence structure would be "much more open" and al-

low for greater exchange with the public, Mr. McCurdy said at the joint news conference.

"It would be an organization that we believe... would better serve the consumers throughout government," he said.

Mr. McCurdy said the new intelligence chief would probably be Mr. Gates, but the post would not be like past government-appointed czars who "floated" without real authority to do things.

"He's going to be a czar with teeth," Mr. McCurdy said. "He's going to be a czar with muscle, he's going to be a czar with troops and forces and budget."

The legislation also would set up a National Intelligence Center to fund and direct all U.S. intelligence functions except the CIA's operations directorate, which would remain under a separate deputy director of national intelligence.

Mr. Boren said the proposed center would be "a world-class think tank."

Details of the intelligence reorganization were disclosed in The Washington Times yesterday.

An aide to Mr. Boren said the proposal would not give the military primary authority to conduct covert action, as The Times reported, but a military officer would be assigned to that function within the CIA and thus the military would have a greater say in those operations.

Mr. Boren said the plan was revised up until 8:30 p.m. Tuesday.



Sen. David Boren (right) explains his intelligence reorganization bill as Rep. Dave McCurdy, sponsor of the House version, listens at a Capitol Hill news conference yesterday. Both men are Oklahoma Democrats.

A government official close to the debate said the current legislation will raise serious civil liberties concerns because "it means the director of the FBI does not own the foreign counterintelligence budget."

"The only thing that ever matters in terms of command and control is to whom the money is appropriated," the official said. "He will pay the salaries and hire and fire."

The new legislation would give

the DNI total budget control.

Mr. Boren said that despite the DNI's control over the FBI intelligence budget, there would be no changes in the current control over FBI counterintelligence programs.

"The FBI will remain just as it is on counterintelligence," Mr. Boren said.

The new intelligence czar would have "absolutely no authority over the intelligence community for any

kind of domestic surveillance," Mr. Boren said.

Mr. Boren said that under the current structure the intelligence chief can review and make changes in FBI intelligence budgets, but "rarely is that exercised" because of legal and civil liberties concerns.

The CIA is barred from domestic intelligence activities and would remain so under the Boren-McCurdy legislation.

Fitzwater says Bush and Kemp not at odds

Housing Secretary Jack Kemp's view that some of President Bush's economic proposals are gimmicks still smarts in administration circles. But Samuel Skinner, White House chief of staff, said yesterday it's been accepted as "an honest mistake" on Mr. Kemp's part.

The president and Mr. Kemp "had a delightful discussion," according to White House spokesman Martin Fitzwater.

"He didn't take him to the woodshed, Marlin?" a reporter asked. "They had a delightful discussion," Mr. Fitzwater repeated.

Last Saturday on CNN's "Evans and Novak" program, Mr. Kemp said, "I've never liked tax credits — basically those are gimmicks." And he said the president's plan to adjust the tax tables to withhold less money from paychecks "clearly... is a gimmick."



Kemp

JONATHAN ADLER

Faced with a sagging economy and a growing malaise reminiscent of the later Carter years, President Bush pinned his election hopes on a strong State of the Union message on Jan. 28. Just wait until the State of the Union, we were assured, and the president will outline his broad new initiative for economic growth. After hearing what the President had to say, and seeing the so-called "growth package" alongside the fiscal year 1993 budget, the nation is not impressed.

Whereas in 1988 George Bush rode into the White House bearing the mantle of the Reagan Revolution, it now appears as if he were actually the Manchurian Candidate, clandestinely programmed to sub-

Jonathan H. Adler is a policy analyst with the Competitive Enterprise Institute.

Script betrayed by performance?

It now appears as if Mr. Bush were actually the Manchurian Candidate, clandestinely programmed to subvert the conservative cause once elected to power.

vert the conservative cause once elected to power. Much of what he says (or is scripted to say) is what market advocates want to hear, but this message is betrayed by the clear

intent of his actions.

"It's time we rediscovered a 'home truth' the American people have never forgotten," he said. "Their government is too big and spends too much." While Mr. Bush apparently learned this line from his predecessor, he certainly does not understand what it means. While Mr. Bush's speechwriters were crafting this clever line, the Government Printing Office was in the midst of publishing a proposed budget that would increase government spending by \$50 billion for next year, before Congress even gets to touch it.

Do not be surprised. Spending sprees by Mr. Bush have come to be expected. As Steve Moore of the Cato Institute demonstrated in a report

released last year, Mr. Bush has presided over the largest expansion of the federal government since the end of World War II. In fact, during the first three years of the Bush administration, domestic spending increased by 10 percent annually once adjusted for inflation. That is greater than the annual increases under Democratic Presidents Johnson and Carter.... combined. Talk about your big government. It is as if Mr. Bush was clandestinely working for the other party.

In addition, Bush claimed that "regulatory overkill must be stopped." The 90-day moratorium on new regulations is supposed evidence that he understands the economic havoc that regulations can

cause. Yet Mr. Bush's agenda for fiscal 1993 demonstrates that his speechwriters know more about setting the economy free than he does.

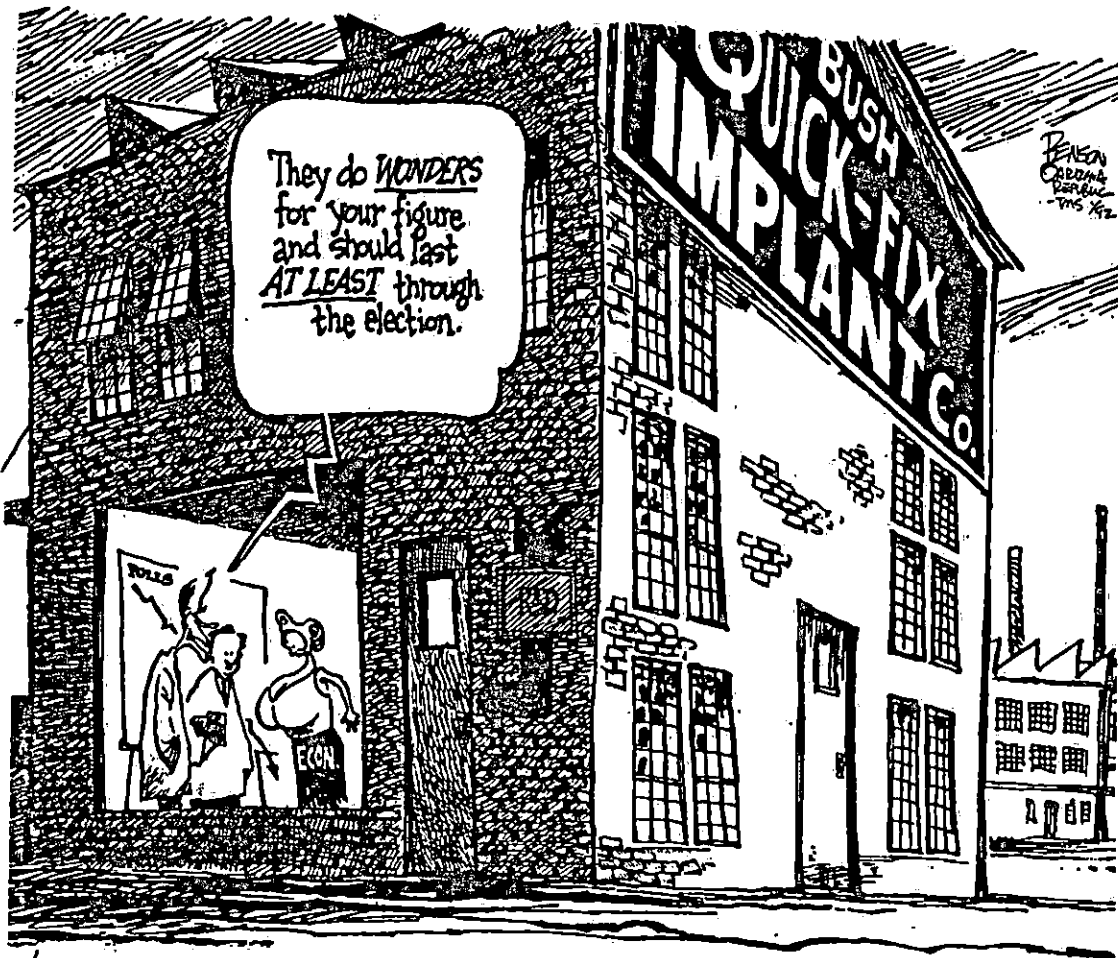
While decrying the excesses of federal regulation, the president is simultaneously increasing the budgets of regulatory agencies. For example, Mr. Bush is increasing the budget for the Environmental Protection Agency by more than 5 percent, much of which will be spent administering the 1990 Clean Air Act. Mr. Bush's own regulatory brainchild.

As a recent analysis by the Center for the Study of American Business demonstrates, regulatory spending has increased each year since Mr. Bush has been in office. What is more, the administration appears poised to push for new regulations on the cable TV industry and to remove antitrust exemptions under the rubric of "deregulation." Once the 90-days are up, the economy should be prepared for another massive onslaught.

Before his untimely death, columnist Warren Brookes outlined three important steps for the president to take if he is truly serious about reviving the economy: (1) a "hard freeze" spending budget for fiscal 1993; (2) a two-year suspension of Clean Air Act implementation; and (3) drastic cuts in the tax on capital gains. Unfortunately, it is too late for the first, and Mr. Bush does not have the will to do the second. The Clean Air Act was the key-stone of his bid to be the "environmental president" and has been deemed off-limits by the administrator of the EPA, William Reilly.

As for the third option, Mr. Bush apparently did his best — submitting to Congress a proposal for a cut in the capital gains tax to 15.4 percent, but only if the property is held for more than three years. Yet he failed to do on this issue what he could have done for himself. As Paul Craig Roberts pointed out in a column in these pages Jan. 22, the president "wouldn't have to look far to discover that he can cut the capital gains tax unilaterally." This could be accomplished by exercising presidential authority "to change the regulatory definition to index capital gains for inflation." The Wall Street Journal pointed out the same option in a Jan. 28 editorial. Unfortunately, the president failed to take this advice, and has instead chosen to wait for an act of Congress.

Mr. Bush was elected with the opportunity to solidify the gains made under Mr. Reagan, and continue the fight to limit the government and free the economy. Apparently, that was never part of his agenda. The charade is over, and the true Bush agenda has been discovered. Now will someone only tell the president?



PAUL CRAIG ROBERTS

President Bush lost his bet that a tax increase would reduce the deficit and stimulate the economy with lower interest rates. That is the unmistakable conclusion of the newly released budget of the U.S. government for fiscal year 1993.

In the autumn of 1990, Budget Director Richard Darman convinced the Bush administration he could negotiate a sizable reduction in the budget deficit with Congress, if only Mr. Bush would agree to pay for part of it with a tax increase. Mr. Darman argued that the benefits of a smaller deficit would outweigh the economic harm of higher taxes. Mr. Bush believed him and justified

Paul Craig Roberts, an economist at the Center for Strategic and International Studies, is a columnist for The Washington Times and is nationally syndicated.

Tattered budget policy

breaking his word on taxes for the sake of budgetary control.

Now the results are in, and the new budget shows unprecedented deterioration in the economy and the deficit. Compared to the economic outlook of only one year ago, the economy over the 1992-96 period is expected to produce \$1.26 trillion less GNP. The red ink, however, is multiplying like rabbits. Even after adjusting for the impact of recession and the bailout of deposit insurance, the budget forecasts a \$900 billion increase in the structural deficit through the year 1997.

The promised spending control did not materialize either. Spending is up \$273 billion over the period compared to last year's budget.

President Bush needs to ask his economic advisers the following questions: If lower interest rates are good for the economy, why has the economic outlook deteriorated? If higher taxes raise revenues, why is the budget forecasting \$89 billion fewer tax revenues in 1992? If the budget agreement is working, why is spending so much higher than the amounts forecast a year ago? Why has the budget deficit increased by more than the size of the Reagan tax cut and why have we nothing to show for it?

These are obvious questions, especially in an election year. But Mr. Darman is unlikely to be called on the carpet.

The reason is simple: Presidents and their advisers don't understand the big numbers in the budget and their complex relationships with the economy. They are so thankful to whomever will accept responsibility for putting a budget together that they are not inclined to question it. All a budget director has to do is to cultivate a reputation as a whiz with numbers, and he is home free.

Mr. Darman has increased his own maneuvering room by leaving unfilled or abolishing key positions in the budget office. One reason for the costly increases in regulation under Mr. Bush is that the position of associate director of the budget for regulatory affairs has remained unfilled, and the position of associ-

ate director for privatization has been abolished. The chief economist position has been filled on an acting basis by a civil servant.

The Bush administration believed that budgetary policies could be used to reduce the deficit independently of the policies needed to spur economic growth. Mr. Darman has now proved that there is no such possibility. When Mr. Reagan left office, the economy was growing and the deficit was \$150 billion. Today the deficit is \$400 billion, and the economy has not grown in three years. So much for the liberal propaganda that the Reagan-era growth was due to deficits.

The Reagan deficits were a minor problem, because the economy was growing and the deficit was not. Mr. Bush is in trouble, because he has produced the opposite situation. The deficit is growing, and the economy is not.

SUZANNE FIELDS

The latest star on the celebrity horizon is the wife of a man who says he done her wrong.

In another time, the sisterhood would be rallying 'round, telling her what a cad her husband was for playing around. But today she goes on television defending him and we admire her for coolness under pressure.

So effective is her presentation on prime-time television, that her husband, a man who wants us to make him the president of the United States, tells us that the "wrong Clinton" is running.

Cute. Predictable. Patronizing. A chorus of voices now describe Hillary Clinton as inaugurating a new kind of presidential mate, the helpmeet of the 90s, the wife who is tougher and more ambitious than her husband, who knows how to do all the right things to get him elected. She's billed as his most effective political weapon.

"Are we changing the image of the political wife?" asks Catherine Crier on CNN's Crier & Co.

Not exactly. But Hillary does reflect new problems for the incumbent political wife. Presidential wives once were criticized for ex-

Suzanne Fields, a columnist for The Washington Times, is nationally syndicated.

Triumphs shrunk to little measure?

travagance (Mary Lincoln), dowdiness (Bess Truman), pushiness (Eleanor Roosevelt), coldness (Pat Nixon), snobbery (Jackie Kennedy), and all of the above (Nancy Reagan). These women didn't have to address intimacies of their marriage, making themselves figures of ridicule—and their men didn't try to hide behind their wives' skirts, whether of crinoline or by Halston.

In this strangely scandalous campaign, Bill Clinton sent his wife to fill in for him at a celebrity roast of Democratic National Committee Chairman Ron Brown.

"It's 10 o'clock, Hillary," says TV talkmeister Larry King, slyly. "Where's Bill Clinton?"

"He's with the other woman in his life," retorts Hillary, borrowing 11-year-old Chelsea, down in Little Rock with her daddy at a father-daughter dance at the Y, as a convenient stage prop.

Almost all the sympathy is with Hillary and none with the real "other woman" who went public with accusations of adultery and tapes of con-

It's too early to tell how this is playing in New Hampshire, but Hillary's role is no triumph for women in politics, no matter how hard she tries to separate herself from the sentiments expressed by Tammy Wynette.



Hillary Clinton

versations between Bill Clinton and herself. That may be how it should be, but "politics ain't beanbag."

Hillary blames the Republicans and the media for making her life miserable. But Jerry Brown isn't helping, either. He brought the "character issue" to last week's debate, defending her nemesis, Gennifer Flowers. "Every time a woman makes a claim, she is always viewed as either lying or a bimbo," he said.

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She graduated from Yale Law School, and she shaped education policy for Arkansas, and she's a partner in one of the most prestigious law firms in the South, but he's running for president and she's not. She's actually not a lot different from all the other wives who have preceded her. She could sing in closer harmony with Tammy than she imagines: Having learned how hard it is to be a woman, with only one man to love, trying to reconcile his having the good times with her getting stuck with the bad times—she's trying to love him and forgive him "cause after all, he's just a man."

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MONA CHAREN

None but the feckless five?

Memo to: The Democratic Party
From: An outsider

Listen, guys, if you can't manage to beat this president this year, you are a pretty sad excuse for a national party. Look at your advantages. You have far more going for you than President Bush's current low standing in the polls. You have the rise and fall of empires.

For a generation, your party suffered from the image of weakness on national defense. You couldn't beat the rap on that for one reason — it was the truth. When you tried to pretend otherwise, as Michael Dukakis did when he went for an ill-fated ride in a tank, you just looked ridiculous.

Now, no thanks to most of you (with some notable exceptions like Sen. Sam Nunn and the late Sen. Scoop Jackson), the Cold War is over. Despite the reprise of defense wimpishness you performed before Desert Storm, the voters don't care as much as they used to. They understand that your dovishness on foreign affairs, while totally out of touch with mainstream views, is no longer dangerous to the survival of the country.

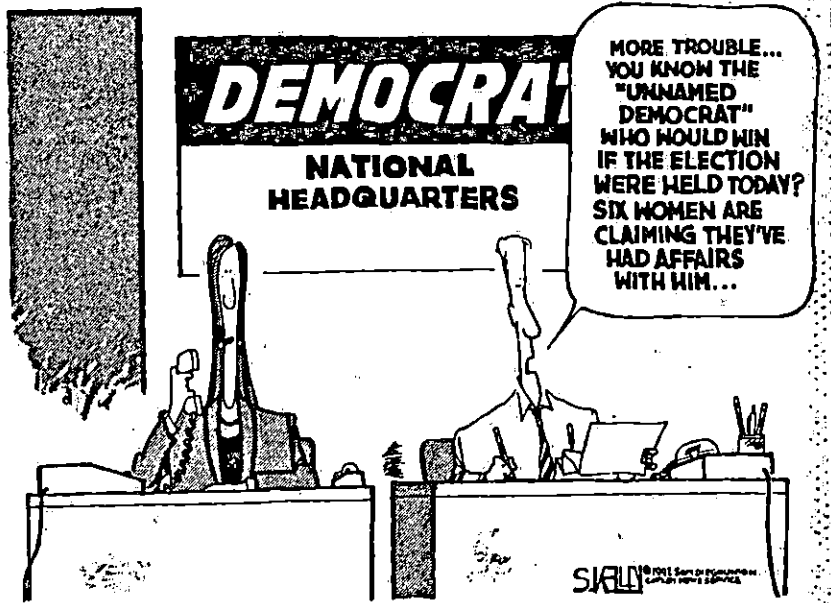
So your greatest weakness is now moot. Moreover, the thing you've been hoping for, namely a downturn in the economy, is upon us. Throughout the Reagan recovery and the first part of Mr. Bush's term, you tried to market the politics of envy and resentment. You encouraged resentment of the rich and hoped to delegitimize the economic expansion. You told us that the middle class was disappearing (not true). You told us that Reaganomics was giving a windfall to the rich (again, not true). You even stretched to argue that the deficit was going to kill us in the end. That is true, sort of.

But there was a problem with that argument in your hands. First, everyone knows that Democrats are the ones who love to spend the people's money. And second, the deficit was coming down nicely under the discipline of Gramm-Rudman — which you voted to overturn.

Anyway, all your economic arguments were in vain as long as the economy was thriving. But then came the recession.

By itself, the recession was not heaven-sent for Democrats. It started early in Mr. Bush's term. If he had simply followed the course that his predecessor had charted — lower taxes, less regulation and (though Mr. Reagan was never able to achieve this) lower spending — the recession would have been shallow and short. Mr. Bush would now be coasting downhill to Term Two.

As it was, Mr. Bush did all the wrong things. He joined with you in a tax increase that was supposed to get a handle on the deficit and has



instead resulted in record high deficits. In the process, he lost the conservative base that had been tenuously attached to him since the 1988 Republican convention. And you know all about his inexplicable reversal on quotas.

The last nail in the coffin for Mr. Bush was the way he squandered his popularity following the Gulf war. An 88 percent approval rating can only go in one direction. Mr. Bush was bound to lose it. But instead of spending that political capital — on

a lower capital gains tax, welfare reform or educational choice — he coasted and watched his popularity slip through his fingers like sand.

Friends, your opportunity is golden. God knows I don't think you have the ability to get us out of this recession. If you controlled both Congress and the White House,

we'd probably see a return to the kind of prosperity and stability we enjoyed under Jimmy Carter. But the public is exasperated with George Bush and ready to vote for a Democrat.

So where are your good candidates? Hiding under the table? Of those who are running this year, each has a fatal flaw. Tom Harkin thinks Mr. Dukakis was too conservative. Jerry Brown is too manic. Bob Kerrey hasn't thought through any issue except health care. Bill Clinton resembles John F. Kennedy a bit too much. And Paul Tsongas? Well, he's thoughtful and serious without being humorless. He thinks he knows what direction the country should move (toward state corporatism). And he's calm. Achilles' heel? He's a Greek from Massachusetts. Mr. Bush may win by default.

So where are your good candidates? Hiding under the table? Of those who are running this year, each has a fatal flaw. Mr. Bush may win by default.

Rich would benefit most from tax cut

THE ASSOCIATED PRESS

The 85 percent of Americans with income under \$50,000 would get a little more than a dime of every dollar of the capital gains tax cut proposed by President Bush, congressional analysts said yesterday.

More than 52 percent of the tax cut would go to 491,000 couples and individuals with incomes over \$200,000 a year, according to an analysis by the staff of the non-partisan Joint Committee on Taxation.

Democratic leaders used the study to emphasize their objections to the tax cut on capital gains, which are profits from the sale of investments.

"The capital gains proposal by the president is tantamount to class warfare," said House Majority Leader Richard Gephardt, Missouri Democrat. "It engages the government in redistributing income and services from the middle class to the most privileged members of our society."

The capital gains cut has been Mr. Bush's top domestic priority since he began campaigning for the presidency in 1988. He contends the reduction is necessary to stimulate investment and the creation of jobs.

"Never has an issue been more demagogued by its opponents," the president said last week in his State of the Union message, referring to Democratic complaints that most of the money from a capital gains cut would go to high-income people.

"The demagogues are wrong and they know it."

At that time, he said that "60 percent of the people who benefit from lower capital gains (taxes) have incomes under \$50,000."

Figures compiled by the Internal Revenue Service show that to be true. However, the IRS also points out that those under \$50,000 people reported only 15 percent of the capital gains on returns filed in 1990.

The congressional analysis estimated 7.66 million couples and individuals would benefit from the reduction, including 3.1 million with incomes under \$50,000 a year. Their tax cuts would average \$263; they would get 10.4 percent of the total reduction.

On the other hand, the 491,000 making more than \$200,000 a year would get tax cuts averaging \$8,478.

The study estimated Mr. Bush's proposal would reduce taxes by \$7.9 billion a year.

Under current law, the maximum tax rate on most income is 31 percent, but the top rate on capital gains is 28 percent. The president wants to exclude from taxation 45 percent of the gains from property owned three years or longer. That would result in an effective capital gains rate of 15.4 percent for those with high-income incomes and 8.25 percent for others.

Wages and other incomes would continue to be taxed at rates of 15 percent, 28 percent and 31 percent.

Mona Charen is a nationally syndicated columnist.

Bush: Everything 'falling into place'

By Anne Veigle
THE WASHINGTON TIMES

The U.S. economy is poised for recovery, but "serious economic challenges" lie ahead, President Bush says in his annual economic report presented to Congress yesterday.

To guarantee the recovery, Mr. Bush urged Congress to adopt his economic growth plan outlined in the 1993 budget and State of the Union speech. The report, which is required by law, acknowledges that economic recovery predictions made in last year's report failed to come true.

"Our recent economic problems are a reminder that even a well-functioning economy faces the risk of temporary setbacks from external shocks or other disturbances," the report says.

The report cites an "unusual confluence of imbalances" that impeded recovery: the Persian Gulf war, an overhang of corporate and consumer debt and an overly restrictive monetary policy that kept interest rates high and discouraged spending.

"None of us predicted the flattening out at the end of the year," said Michael Boskin, chairman of the Council of Eco-

nomic Advisers, in a briefing with reporters yesterday. Economic forecasting "is an imprecise science," he said, pointing out that most economists predicted the economy would revive last year.

The president's economic report says "fundamental conditions to generate economic growth are falling into place." Interest rates are low, inflation is expected to stay under control and most companies have pared inventories so they will be in a position to increase production when demand picks up.

But so far the government's monthly economic reports have not detected any promising signs of renewed growth. Yesterday, the Labor Department reported the productivity of American workers advanced a barely perceptible 0.2 percent in 1991 after two years of declines.

Increased productivity — or getting each worker to do more per hour of work — is considered vital to improving Americans' standard of living. Economists believe that productivity will get better this year as the economy shakes off the effects of the recession that began in July 1990.

Mr. Bush's economic report calls for a gain in gross domestic product of 2.2 percent in 1992 and 3 percent in 1993.

"Our outlook is that after a period of sluggishness early in the year, the economy will begin to improve as we head toward the middle of the year," Mr. Boskin said. "The prospects for how strong that improvement will be, how soon it will occur and how certain we can be that it will occur will depend on the president's program being enacted by Congress."

Mr. Boskin warned that if Congress gets embroiled in a bidding war over the type of tax cut package, it could threaten the recovery.

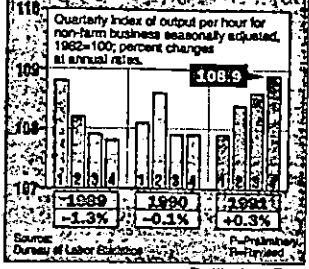
"We tried to present the best package we could looking at both the short and long term," he said. The plan includes investment incentives for real estate, a capital gains tax cut, health care reform and an increase in the tax exemption for children.

Mr. Bush's plan has won limited praise from lawmakers, many of whom have announced their own economic recovery programs. Many Democrats favor a middle-income tax cut, including Rep. Dan Rostenkowski, Illinois Democrat and the powerful chairman of the House Ways and Means Committee.

Sen. Robert Packwood, Oregon Republican, said he feared that "every interest group in America" will want to add its

PRODUCTIVITY CLIMBS

Hourly output in non-farm businesses rose at annual rate of 1.1 percent during fourth quarter of 1991 and 0.3 percent for the year.



own "little doodads" to a tax cut package. Mr. Packwood, speaking at a driveway news conference at the White House yesterday, said it was unlikely Congress would meet the March 20 deadline the president set.

Political scion is a different shade of Brown

Edmund G. "Jerry" Brown Jr. was born in San Francisco on April 7, 1938, the son of "Pat" Brown, a popular politician who beat Richard Nixon for the California governorship but would go on to lose re-election by a million votes — to Ronald Reagan in 1966.

Unlike his two-term-governor son, the elder Brown still "is the most popular Democrat in the state ... the patriarch of California Democrats," says San Francisco lawyer Neil Eisenberg, whom the younger Brown bested for chairmanship of the state party.

Jerry Brown's sister, Kathleen, is also in politics, as California's state treasurer. In her campaign, she sought to distance herself from her controversial brother. "I'm a different shade of Brown," she said.

Mr. Brown spent three years studying for the Jesuit priesthood before dropping out to get into politics. In 1974, at the age of 36, he was elected governor as a Democrat. He immediately expressed his disdain for material excess by eschewing the palatial governor's mansion designed by Nancy Reagan in favor of a small apartment. He shunned limousines in favor of a battered Plymouth.

He was wildly popular after his first term. But his political fortunes haven't been the same since.

He ran for president in 1976, surprising everyone by winning primaries in California, Nevada and Maryland. He tried again in 1980, but won no primaries. In 1982, he ran, by all accounts, an embarrassing Senate campaign against Republican Pete Wilson, now governor of California.

After the 1982 disaster, Mr. Brown dropped out for six years. His "sabbatical," he calls it. There were periodic sightings: Mexico, Calcutta with Mother Teresa, a Catholic monastery near Tokyo where he studied Zen meditation.

Then came a rocky two years as chairman of the California Democratic Party, when he was attacked for not delivering his pledge to get out the vote and raise plenty of money. In the fall of 1990, former state chairman John Burton wrote a letter to other party leaders calling Mr. Brown "the most self-serving, inept" politician Mr. Burton had ever known.

After promising to stay the full four-year term, Jerry Brown quit halfway through.

— Elisabeth Hickey

CAPITAL LINE

USA TODAY'S BRIEFING ON WASHINGTON

Bush to unveil \$100 billion health-care plan

By Jessica Lee
USA TODAY

President Bush today officially inserts his health-care plan into the key election-year debate about access and cost.

In a speech in Cleveland, Bush will propose a five-year, \$100 billion plan that would:

- Provide health insurance vouchers of up to \$3,750 for some 90 million individuals with little or no insurance.

- Pay for them by cutting Medicaid and Medicare payments to doctors and hospitals.

- Encourage the use of health maintenance organizations or other managed care.

- Provide incentives for small businesses to pool their resources for health insurance.

"My plan ensures people can find health care, choose health care, afford health care and keep health care," Bush said Wednesday in Washington.

Also Wednesday: Conservative House Republicans introduced a plan to allow individuals to set up Medical Savings Accounts similar to IRAs.

They said such a system would force people to be more selective since they would pay much of the cost themselves.

Health care became a hot issue after Sen. Harris Wofford, D-Pa., rode the issue to an election victory over former attorney general Dick Thornburgh.

How bad is the crisis? University of Michigan researcher David Andrea said care for Big Three workers adds \$1,086 to the cost of the average car.

Dems: Capital gains cut helps rich most



AP
GEPHARDT: Cut would boost deficit

Democrats fired this year's opening salvo against President Bush's proposed 45% cut in the capital gains tax rate, claiming 70% of the benefits would go to taxpayers earning more than \$100,000 annually. A report by the Joint Committee on Taxation said those taxpayers would realize from \$1,249 to \$8,478 per year, compared with \$107 for low-income and up to \$348 for middle-income taxpayers. "The only growth this will stimulate is in the incomes of the wealthy and the deficit," said House Majority Leader Richard Gephardt, D-Mo. In his State of the Union address, Bush said 60% of the beneficiaries would have incomes below \$50,000. The congressional panel put that figure closer to 40%, adding they would get only 10% of the prospective investment gains. Tax-cut proponent Rep. Richard Armey, R-Texas, said the primary recipients "are retired people."

AP
GEPHARDT: Cut would boost deficit

DRUG PROBE: A divided House voted to investigate charges of theft and cocaine sales at its private post office. Majority Democrats who fear voters' wrath at Congress vowed to "let the chips fall where they may" in the probe, to be conducted by the House Administration Committee. But minority Republicans charged the inquiry would be a "whitewash" unless conducted by a special panel, since the Democratic-controlled Administration Committee currently oversees postal operations. "It is time for independent review," said House GOP Conference Chairman Jerry Lewis, R-Calif. Rep. Vic Fazio, D-Calif., said, "there's clearly no desire to cover it up," noting both the Capitol Police and U.S. attorney's office are investigating.

HOME AWAY FROM HOME: Some 2,000 "Texan-wanna-bes" from across the nation have asked the Texas comptroller's office for George Bush-style residency in the state with no income tax. The postal blizzard was triggered by cartoonist Garry Trudeau, whose *Dooniesbury* strip in Sunday papers included a coupon encouraging readers to be "just like the Prez" and avoid paying state income taxes where they really live by seeking Texas residency. Bush, who claims Houston as his official residence although he hasn't lived in the Lone Star State full time since 1966, owns a house in Maine. When in Houston, he stays at a hotel.

FAULTY MEDICAL SYSTEM: The Army's Desert Storm medical system was flawed and would have failed had casualties been as high as predicted or had the fighting lasted longer, a Government Accounting Office official told a House Armed Services panel. Richard Davis said the Army's system for assigning doctors and nurses to war duty was incomplete and out of date, that doctors and nurses were untrained or unprepared for wartime missions, and that field hospitals were short of essential supplies.

CUBA SANCTIONS: House and Senate members introduced legislation to tighten sanctions against Cuba in hopes of accelerating what lawmakers believe is Fidel Castro's certain fall from power following the collapse of his chief ally, the Soviet Union. "Our goal is to heighten the pressure on Castro and provide a transition to democracy in the post-Castro era," said Sen. Bob Graham, R-Fla.

New world, a new spymaster

Reform of intelligence system urged

By Sam Vincent Meddis
USA TODAY

Creation of a strong national intelligence czar is among congressional reforms proposed Wednesday for the vast and unwieldy U.S. spy machine.

The major argument for change: Replacing the Soviet military threat in the post-Cold War era are new challenges, including drug trafficking, weapons proliferation, terrorism and Third World turmoil.

"You can't shift priorities unless you change the structure," said Sen. David Boren, D-Okla., chairman of the Senate Intelligence Committee.

The CIA was lukewarm but the White House indicated willingness to work with the proposal, made by Boren and House Intelligence Committee Chairman David McCurdy.

Highlights of the bill:

► A director of national intelligence would oversee all intelligence operations.

But, unlike the director of central intelligence, whose responsibilities have developed haphazardly, the new intelligence chief would have broad statutory powers, a voice on the National Security Council and authority over spending now in Pentagon hands.

► CIA activities would be slashed, limited to human spying and covert operations.

Intelligence analysis would be separated from covert operations in a "think tank" office unifying a function now scattered among many agencies.

► A new National Imagery Agency would be responsible for all phases of satellite and airborne photography; the current system involves several agencies, including the super-secret National Reconnaissance Office that operates under Air Force cover.

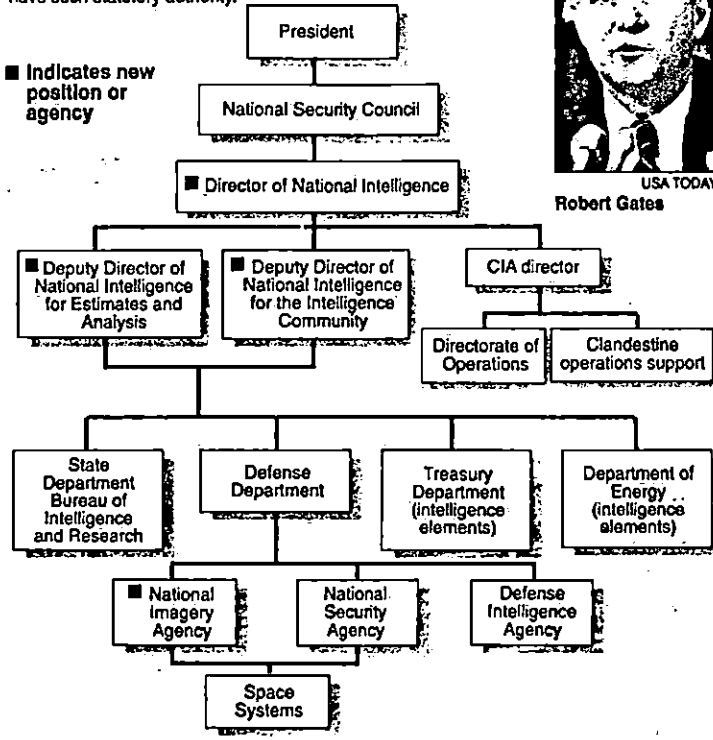
"If it were to go through, this would be a fundamental re-writing of the entire (intelligence) structure... far outpac-

Plan for revamping spy agencies

A proposed sweeping reorganization of the U.S. intelligence community would streamline and shrink operations. Director of Central Intelligence Robert Gates currently has responsibility but little legal authority over the nation's vast intelligence apparatus. Under the plan, as director of national intelligence, Gates would have such statutory authority.



USA TODAY
Robert Gates



Source: USA TODAY research

By Rod Little, USA TODAY

ing any other reforms since the creation of the intelligence community," said Mark Lowenthal, a former State Department intelligence leader and now with the Congressional Research Service.

The proposal is the result of interviews and testimony from more than 130 current and former intelligence officials.

"I don't believe this should be the final product," said Boren, expressing his willingness to address White House concerns.

Some intelligence specialists predict rough going for the bill.

"It will be resisted vehemently by the bureaucracy," says Vincent Cannistraro, a former top counter-terrorism official at the CIA. "It's a pretty rigidified system."

Yet the need for change in the estimated \$30 billion system is widely recognized.

In a December speech, CIA Director Robert Gates warned of significant staff and spending cuts. The agency is conducting a self-examination, to be completed next month.

Speculation in intelligence circles was that if a director of

national intelligence were established, Gates would be appointed by Bush to fill the post.

A key purpose of the congressional proposal is to enforce stronger lines of responsibility and accountability, discouraging the abuses seen in the Iran-contra scandal.

The bill appears to take into account "the abuses of intelligence," says Charles Ameringer, author of the book *U.S. Foreign Intelligence*. "This is a step that builds on forty years of experience by the intelligence community."

Baker: N-threat shrinking

By Johanna Neuman
and Laurence Jolldon
USA TODAY

Secretary of State James Baker, seeing a "once-in-a-century opportunity," predicted Wednesday that all Soviet nuclear weapons will be moved to Russia by July 1.

There is "the distinct possibility... that all such tactical nuclear weapons will be in the Russian republic by July 1 of 1992," he told the Senate Foreign Relations Committee.

Asked why the United States has not spent the \$400-million Congress appropriated to dismantle Russia's nuclear weapons, Baker said he plans to unveil a plan after next week's trip to Russia.

Among the options: "We're going to have to build some (storage) facilities over there (for) tactical nuclear weapons," he said.

Meanwhile, Undersecretary of State Reginald Bartholomew told the Senate Armed Services Committee that Russian reaction to U.S. dismantling efforts is "a mixed bag" with "some



By John Doherty, AP

BAKER: Made a case for aid, but senators warned that they won't support handouts if unemployment picture doesn't clear.

enthusiasm" but "some wariness about conditions."

In wide-ranging testimony to Congress, Baker also said:

► The White House won't give Israel \$10 billion in loan guarantees if the money is used for settlements.

"If we were going to do this, we would do it in a manner that supported United States policy (against settlements)," he said. "That's what we are now negotiating."

► China has just agreed to work toward ending the spread of ballistic missiles.

Coupled with "first steps" on human rights, Baker said, China's action argued for congressional approval of most-fa-

vored-nation trade status.

"Progress in human rights is not much, but it's some," he said. "We have begun a human rights dialogue."

► He would try to grant a request from Sen. John Kerry, D-Mass., to free 43 cubic feet of State Department documents, dating from 1966 to 1978, on U.S. servicemen missing in action or prisoners of war in Southeast Asia.

► The United States won't rush to recognize six former Soviet republics or two former Yugoslavian republics, Slovenia and Croatia.

"Recognition now would move us in the wrong direction," he said of Yugoslavia.

Health-care reform: Two ideas, two extremes

Should government run health care? Or should the private sector keep control? As President Bush unveils his plan today, two key congressmen outline proposals before Congress that represent the boundaries of the debate.

Sen. John Chafee, R-R.I., says government tax incentives for low-income people and expansion of public health centers are the best way to widen the net of coverage.

Q: Today, President Bush will unveil his health-care reform package. How does it compare with yours?

A: There's a lot that is similar. Obviously, there are differences on individual items. But the overall approach is one that the Republican senators and, I believe, the Senate as a whole will come to approve.

Q: A key need is to provide insurance for 37 million people who don't have any. How do you address that problem?

A: It provides for grants to the lower-income people, which could be used to pay bills for services or insurance.

Q: What else will your proposal do to spread the net wider on coverage?

A: Expansion of the community health centers. The best way of getting health care to poor people, really anybody who qualifies, is the community health centers. There will also be an accent on what we call purchasing groups. That is, all the dry cleaners will get together and they'll be offered a nationwide proposal from the insurance companies that will insure all the dry cleaners and their employees.

Q: Could the insurance companies exclude anyone?

A: They cannot have exemptions for what they call pre-existing conditions. If you're a dry cleaner, you join this program and you've got a child who's had a congenital heart problem, they can't say: "No, no, we won't take that child."

Q: How do you hope to cut

Interviews by USA TODAY's Mike Salder.

health-care costs?

A: There's great accent in all the plans on what we call managed care — making sure that the individual out there uses the most efficient types of services, hospital or physician.

Q: You also envision savings by settling malpractice disputes.

A: The plan mandates that there be available the option of using alternative dispute resolution. So a plaintiff who feels he has a gripe against a physician will have the right to pursue this rapid settlement procedure. It's rapid, and it does not involve big fees to the lawyers. It's a way for somebody who has a complaint of getting that resolved quickly.

Q: What about tax changes?

A: The tax-code changes seek equity. Let's say you're self-employed and you're paying \$400 a month for insurance. Under the tax law, you can deduct only \$100 of that — 25%. Under our proposal, you're entitled to deduct it all. If you work for General Motors and they provided it all for free, you wouldn't have any tax consequences.

Q: Don't you also provide the same write-off for workers employed by small businesses that don't provide coverage?

A: Yes. Under the present tax laws, you get no deduction. You don't even get 25%. Our proposal would be to deduct it all.

Q: The president denounced the play-or-pay plans, which make companies provide employee coverage or pay into an expanded public insurance plan. Why is it



Chafee

not the right approach?

A: There's great belief within the Senate that that's devastating to small business. The individual may end up with health insurance, but he won't have a job. That's why there's been so little support for this program. Yes, it's the Democratic leadership's proposal but, after five months, it has a total of nine co-sponsors. And frankly, the tax that would be imposed on small businesses that didn't play isn't adequate to cover all those out there.

Q: Why should the public follow the Republicans rather than the Democrats?

A: It's extremely important that we do something this year. This subject has been talked about, national health insurance, and matters like that for years. The Democrats have had control of both branches of the Congress of the United States solidly since 1932, with a couple of years' exception, so who suggests that they're going to produce any kind of a plan? They never have so far.

Q: So you think your plan is the answer?

A: We ought to get on with it. The plan the Republican senators have submitted and the administration plan are going to be very similar. When it's all fleshed out, it is something that will do the trick. It will provide the access, will give the coverage and can be passed this year.

Chafee plan

Combination of public and private insurance.

How it would work:

- Promotes managed care: placing people in large groups that negotiate favorable fees, services.
- Decreases malpractice costs.
- Increases preventive care.
- Provides tax benefits to individuals and small businesses to help those without employer insurance get coverage.
- Allows self-employed deduction for insurance.
- Expands public health services.

HEALTH MONEY

A continuing series



Russo plan

Public plan in which federal government provides insurance to all.

How it would work:

- Gives consumers the freedom to choose their own doctor, hospital or health-care provider.
- Sets limit on fees doctors can charge.
- Does away with Medicare and Medicaid.
- Does away with co-insurance and deductibles.
- Raises income, payroll taxes.
- Cuts administrative costs by eliminating private insurance.

Rep. Marty Russo, D-Ill., says his national health-care plan will eliminate waste and will use that money to pay benefits for all who need care.

Q: With the president weighing in with his plan, and other Democrats pushing a pay-or-play plan, why do you think your proposal is best?

A: The Russo Universal Health Care Act will cut costs while guaranteeing comprehensive benefits to all Americans, including long-term care, for less money than we currently spend and with no co-payments and no deductibles. We can do it for less money, and we can do it better.

Q: Will consumers be able to choose their own care?

A: There are no restrictions in my legislation. There's freedom of choice. They pick the doctor and hospital of their choice. We don't require them to go to managed care.

Q: What are the costs of getting national health insurance going under your plan?

A: We phase it in over a three- to five-year period. How you set up the structure will determine how you achieve what you cover in the early stages. The Canadians covered hospital services first and then went to physician services. What my bill does is eliminate the waste in the system and use this money to pay for the benefits.

Q: Critics say that national health insurance is a costly form of rationing. How does your plan avoid that?

A: We are spending 13% of our gross national product on health care. No other country comes even close to that. A General Accounting Office survey shows that because of the overall amount of dollars we have spent already, we have an overcapacity in technology, equipment, hospitals and physicians. So for the amount of

money we're spending, we're not going to have rationing. And under my legislation, we keep it as a percentage of GNP at the time of its enactment.

Q: Some Democrats, including Senate Majority Leader George Mitchell, have introduced pay-or-play proposals. How does your plan compare with those proposals?

A: My bill offers many more benefits for less money than we currently spend. It eliminates the insurance industry's administrative waste. It's more efficient. I don't think the Mitchell approach does it for less money, and it doesn't eliminate the insurance industry's administrative waste.

Q: Would tax adjustments like those to be proposed today by President Bush get insurance to those who need it?

A: It will not increase access, and it won't reduce costs. In fact, it's the tax credits that pump more money into the system. But when you're relying on tax credits to assure coverage, it assumes that the cost is the only impediment, and it isn't. Some Americans have trouble obtaining coverage because of pre-existing conditions, high-risk employment and other factors. All of these barriers would remain under the president's approach.

Q: Is there anything wrong with the president's idea to use a voucher system to get health insurance?

A: What you end up doing when you use tax credits or the voucher system is using taxpayers' money to subsidize the health-insurance industry. The president's proposal is good for the health of the insurance companies and not good for the



Russo

health of the American people.

Q: The budget did not contain any information on health-care reform. What does that say about the president's stand on the issue?

A: It shows how out of touch the president is with the basic problems facing this nation. Insecurity about health care affects decisions to buy a house or a car or to make other major expenditures, which would spur economic growth. It also affects our international competitiveness because every one of our trading partners uses this more efficient manner of paying for its citizens' health-care costs. All Americans, whether they're rich or poor, deserve the peace of mind of knowing that their children and their parents will live in dignity.

Q: Are Congress and the president ready to approve some type of reform this session?

A: The prospects are excellent for reform this session. When I introduced my bill last March, people weren't paying attention to national health insurance. Now, it's the No. 1 issue facing the American people. My only concern is that it's not reform in name only. When you look at this, we are closer to national health insurance now than we have ever been in the last 20 years.

► Cleveland hears Bush, 68



THURSDAY, FEBRUARY 6, 1992