

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

FOIA Number:
2009-0166-S

FOIA MARKER

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

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

OA/ID Number: 90657
Folder ID Number: 90657-002

Folder Title:
Wednesday, February 26, 1992 [2]

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

Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President and Mrs. Bush for The San Antonio Summit, San Antonio, Texas, February 26-27, 1992 [redaction] (10 pp.)	2/26-27/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Wednesday, February 26, 1992 [2]

Pinksheet Number: dw2511

OA/ID Number: 90657-002

Date Closed: 11/6/2014

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:



Aboard Air Force One

February 26, 1992
(Enroute San Antonio, Texas)

MEMORANDUM FROM THE PRESIDENT

TO: CRAIG FULLER

Jerry Weintraub would like to advise on the convention. He is producing a new movie in Houston starring George Strait, country music's hottest talent.

Let's get Jerry's ideas on how to make our convention come alive.

Please call or have someone call him, show him the Astrodome when he is there, etc.

Maybe get him to a planning meeting or ask him to submit some ideas. As you know, he used to stage tours for the stars (Elvis, John Denver, etc.)

Please have someone follow-up.

Thanks.

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



Aboard Air Force One

February 26, 1992
(Enroute San Antonio, Texas)

MEMORANDUM FROM THE PRESIDENT

TO: BOB MOSBACHER
SUBJECT: MY MAN JERRY

I saw Jerry Weintraub in California. He says you owe him a call.

He wants a "title" and something other than fundraising to do.

Jerry is a very loyal friend and I hope he can be slotted.

I sent Craig Fuller the attached memo.

Help!

GB /

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Evelyn I.H. Teegen
Ambassador to Fiji, Tonga, Tuvalu &
Kiribat
Embassy of the United States of
America, Suva, Fiji
U.S. Department of State
Washington, D.C. 20521-4290

2/26/92



ABOARD AIR FORCE ONE

Dear Evie
We're landing
at Chicago, but
I want to say
thanks for your
Feb. 25th letter
Most of all, keep
up your fine work
there! Love

Jan

P.S. Will be OK
come fall, but it's
been hell lately!

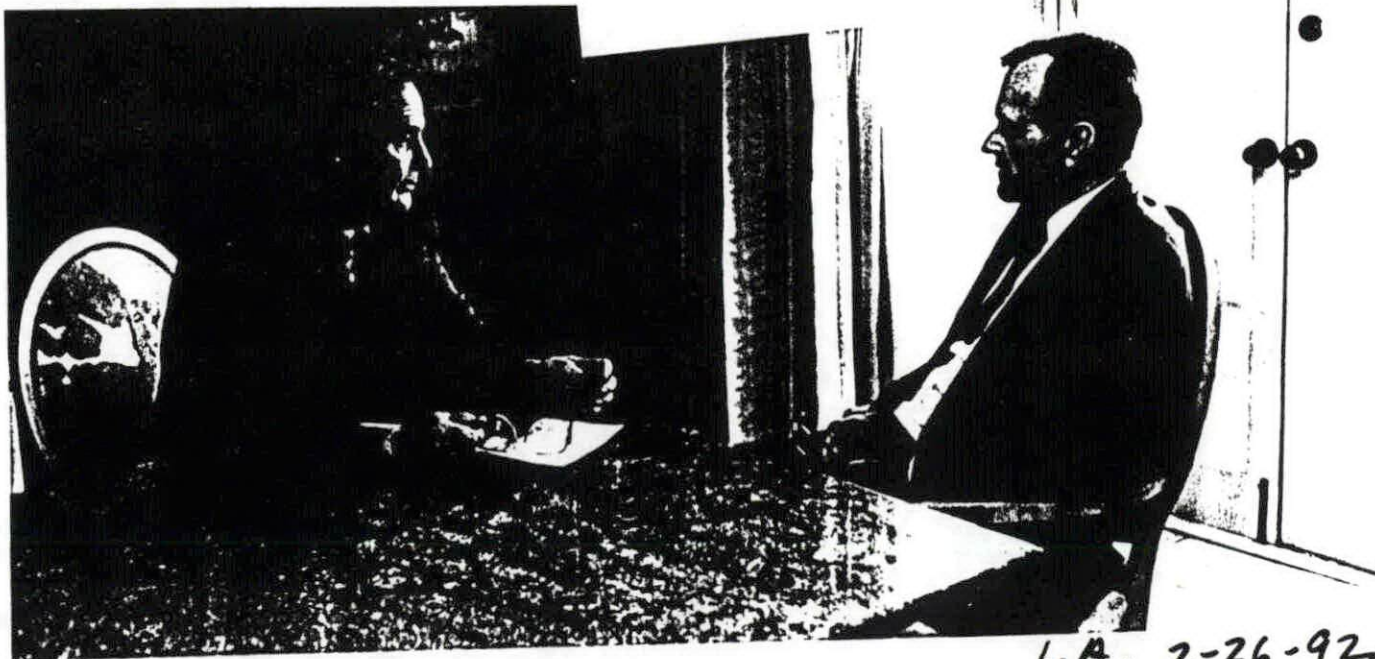
CC:
Rose Zamaria
(1 copy)
(in & out)

Jan Burmeister

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Jerome C. Weintraub
Warner Brothers
Bungalow 1
4000 Warner Boulevard
Burbank, California 91522

CC:
Rose Zamaria ✓
(1 copy)



L.A. - 2-26-92

Terry -

All But.

Cy Burl

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. and Mrs. Larry Schoenfeld
c/o Four Seasons Hotel
Accents on Beverly Hills
300 S. Doheny Drive
Los Angeles, California 90048

CC: (in & out)
Rose Zamaria
Bill Farish
Nikki Richnow (Gift Unit)

(Note: The President
kept the book)



Feb. 26, 1992

Aboard Air Force One

Dear Larry & Carol Sue,
How very thoughtful
of you to give me the
Youngblood Golf Book.
I've already done some
leafing through.

Our stay was
too brief this time
but the hospitality at
"our hotel" was super.

Many many thanks.

Go Bush

Accents
On Beverly Hills
A Gift And Sundry Shop

February 1992

The Honorable George Bush
PRESIDENT OF THE UNITED STATES
c/o The Four Seasons Hotel
Los Angeles, CA 90048

Dear Mr. President:

Welcome to our hotel. We know you're quite busy with the country's problems, but when you get a chance we trust you'll have an opportunity to read this book and improve your golf game.

Wishing you and your family a pleasant visit and looking forward to having you come again.

Sincerely,

Larry Carol Sue
Larry & Carol Sue Schoenfeld

Enc
as

Dear Larry & Carol Sue,
 How very thoughtful
 of you to give me the
 Youngblood Golf Book.
 I've already done some
 leafing through.
 Our stay was
 too brief this time
 but the hospitality at
 "our hotel" was super.
 Mary says thank.
 Ag 13th

Shirley & Steve

Feb. 26, 1992



Note: The President
kept book

cc: GIFT UNIT

Accents
On Beverly Hills

A Gift And Sundry Shop

February 1992

The Honorable George Bush
PRESIDENT OF THE UNITED STATES
c/o The Four Seasons Hotel
Los Angeles, CA 90048

Dear Mr. President:

Welcome to our hotel. We know you're quite busy with the country's problems, but when you get a chance we trust you'll have an opportunity to read this book and improve your golf game.

Wishing you and your family a pleasant visit and looking forward to having you come again.

Sincerely,

Larry *Carol Sue*
Larry & Carol Sue Schoenfeld

Enc
as

Carol Sue Schoenfeld • Four Seasons Hotel • Tel: 213/273-2222
300 S. Doheny Drive • Los Angeles, CA 90048 • FAX: 213/286-9200

File/
*any**signed on*
*AF I**2-26*

February 26, 1992

Dear John:

I strongly support the efforts of you and Senator Coats to provide me and future Presidents with a form of legislative line-item veto authority. In my State of the Union Address, I once again urged your colleagues in the Senate and the House to give me what 43 Governors currently enjoy -- the line-item veto.

Your approach is a fair compromise. It allows me to eliminate or reduce items I believe are wasteful of taxpayers' dollars, but it also gives Congress the opportunity to overturn these rescissions or reductions.

Billions upon billions of dollars have been wasted over the years on programs of a parochial nature with dubious value to the American taxpayer. The line-item veto approach, whether instituted through the Constitutional amendment I have previously proposed or through your statutory initiative, is the best way to prevent future wasteful spending and to rein in deficit spending.

I appreciate and fully support your amendment.

Sincerely,



The Honorable John McCain
United States Senate
Washington, D.C. 20510

GB/PDB/JG/emu (2PRES)



ABOARD AIR FORCE ONE

2/26

Mr. President:

I authored & autopenning
the attached to the Chief
of Staff and Legislative
Affairs urged we accommodate
Senator McCain strong desire
for the letter before 2 1:00
leaving on the subject
today. It had been
signed off on by Counsel
and SMG as well as
by the Chief of Staff
and Legislative Affairs.
Thank you. JLD.



Aboard Air Force One

February 26, 1992
(Enroute San Antonio, Texas)

MEMORANDUM FROM THE PRESIDENT

TO: BOB MOSBACHER

SUBJECT: MY MAN JERRY

I saw Jerry Weintraub in California. He says you owe him a call.

He wants a "title" and something other than fundraising to do.

Jerry is a very loyal friend and I hope he can be slotted.

I sent Craig Fuller the attached memo.

Help!

GB /



Aboard Air Force One

February 26, 1992
(Enroute San Antonio, Texas)

MEMORANDUM FROM THE PRESIDENT

TO: CRAIG FULLER

Jerry Weintraub would like to advise on the convention. He is producing a new movie in Houston starring George Strait, country music's hottest talent.

Let's get Jerry's ideas on how to make our convention come alive.

Please call or have someone call him, show him the Astrodome when he is there, etc.

Maybe get him to a planning meeting or ask him to submit some ideas. As you know, he used to stage tours for the stars (Elvis, John Denver, etc.)

Please have someone follow-up.

Thanks.

A handwritten signature in dark ink, appearing to read "G. Bush", is located at the bottom right of the page.

Presidential Phone Calls
Aboard Air Force One



DATE: _____ TIME: _____
incoming / outgoing

WITH: _____

SUBJECT: To Bob Mosbacher
From GB

Subj My Man Terry

I saw Terry Wentworth
in Calif. He says you
owe him a call
FOLLOW UP: _____

He wants a "title"
and something other
than fundraising,
to do

Presidential Phone Calls

Aboard Air Force One



DATE: _____ TIME: _____
incoming / outgoing

WITH: _____

SUBJECT: Terry is a ^{very} loyal

friend and I hope
he can be slotted

I sent Craig
Fulmer the attached
FOLLOW UP: memo -

Help!!!

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

REMARKS BY THE PRESIDENT
IN PHOTO OPPORTUNITY WITH PRESIDENT ZAMORA OF BOLIVIA

Marriott Rivercenter Hotel
San Antonio, Texas

5:05 P.M. CST

Q Mr. President, what do you say to members of Congress who say your drug war has been a failure?

THE PRESIDENT: Tell them they don't know what they're talking about.

* * * * *

THE PRESIDENT: I might say with your countrymen here that we are very respectful of the job you're doing; and cooperation, not only in the antinarcotics field but in so many other areas -- I'm just delighted to see you again.

Q Mr. Bush, is the government of the United States going to support the private industry helping other programs in Bolivia?

THE PRESIDENT: Well, we think we need every facet of our society helping the government -- private -- everybody getting involved to help as best we can. And it's a two-way street. I think Bolivia has been very cooperative with the United States. We've got a couple of sticking points here that we'll talk about. But I think generally speaking it's going quite well, and we salute the President for his efforts. He is a dedicated leader who is trying to whip a tough problem. And we know that, and we respect that. So he's welcome here, and we're glad to have the whole team with us.

Thank you all very much.

END

5:10 P.M. CST

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

REMARKS BY THE PRESIDENT
IN PHOTO OPPORTUNITY WITH PRESIDENT ZAMORA OF BOLIVIA

Marriott Rivercenter Hotel
San Antonio, Texas

5:05 P.M. CST

Q Mr. President, what do you say to members of Congress who say your drug war has been a failure?

THE PRESIDENT: Tell them they don't know what they're talking about.

* * * * *

THE PRESIDENT: I might say with your countrymen here that we are very respectful of the job you're doing; and cooperation, not only in the antinarcotics field but in so many other areas -- I'm just delighted to see you again.

Q Mr. Bush, is the government of the United States going to support the private industry helping other programs in Bolivia?

THE PRESIDENT: Well, we think we need every facet of our society helping the government -- private -- everybody getting involved to help as best we can. And it's a two-way street. I think Bolivia has been very cooperative with the United States. We've got a couple of sticking points here that we'll talk about. But I think generally speaking it's going quite well, and we salute the President for his efforts. He is a dedicated leader who is trying to whip a tough problem. And we know that, and we respect that. So he's welcome here, and we're glad to have the whole team with us.

Thank you all very much.

END

5:10 P.M. CST

THE WHITE HOUSE

Office of the Press Secretary

(San Antonio, Texas)

For Immediate Release

February 26, 1992

REMARKS BY THE PRESIDENT
AT DRUG SUMMIT DINNER TOAST

Majestic Theater

San Antonio, Texas

6:01 P.M. CST

THE PRESIDENT: Excellencies, ladies and gentlemen: Barbara and I are honored to have you join us here tonight. It is a particular pleasure to welcome to the United States our good friends and our neighbors from Mexico, Colombia, Peru, Ecuador, Bolivia and Venezuela. I am delighted that we've gathered in my home state, Secretary Baker's home state of Texas -- with the Governor here, the Mayor of this city here -- in this gracious city of San Antonio. For centuries, San Antonio has stood as an important cultural crossroads of the Americas.

We meet at a time of great hope for all the people of the Americas. In almost every nation in the hemisphere, people enjoy self-government and respect for human rights. We're making steady progress to improve our people's quality of life through more open trade and investment, by creating more jobs. That's why I am committed more strongly than ever to completing the North American Free Trade Agreement linking the economies of Mexico, Canada and the United States. And building upon that, we will realize the vision I call the Enterprise for the Americas Initiative -- for robust trade and investment from the Arctic Ocean to the Straits of Magellan.

During our meetings this week in San Antonio, we will refine and intensify our common efforts against the menace of drugs. Each of our nations is making progress: Bolivia has successfully intensified its law enforcement efforts against cocaine traffickers. Peru has taken important steps to control airstrips used by traffickers to move cocaine to Colombia. Ecuador is moving against money launderers and traffickers on its territory. Colombia has jailed some of its most violent drug traffickers and is seizing record quantities of drugs. Venezuela is clamping down on those attempting to use its territory to ship drugs to Europe and America. Mexico has reduced cultivation of both opium poppies and marijuana by unprecedented amounts, while seizing record amounts of cocaine through Operation Halcon.

For each of our nations, the battle against drugs is truly a war. The ultimate stakes are the same: the minds, bodies and the souls of our young people, so many of whom have been hurt or destroyed by the violent world of the drug dealers. In the United States, we're stepping up treatment, prevention and research programs -- and we're toughening our prosecution and punishment of drug kingpins.

We're seeing results on the demand side as well. In the United States over the past six years, we've reduced the number of cocaine -- regular users of cocaine by two-thirds. Adolescent use of all types of illegal drugs is down. The number of high school seniors using illegal drugs is the lowest since we began measuring their drug use.

MORE

- 2 -

SEARCHED INDEXED
We must do more. Drug abuse and drug violence -- particularly in our inner cities -- threaten to destroy our children and everything else we hold dear. At risk is the civilization we share: our common inheritance and our common future.

So let us renew our resolve. Let us strengthen our commitment to guarantee all people drug-free communities. And as we work to advance the quality of life in our hemisphere in so many ways, let us win a lasting victory in the war against drugs.

And once again, a warm welcome to San Antonio, Texas. And may God bless you and all the peoples of the Americas. And may I raise a glass in honor of our distinguished guests and the important mission that all of us share.

(A toast is offered.) (Applause.)

788.010 10-10

END

8:07 P.M. CST

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

The President today announced his intention to nominate Stephen Norris, of Virginia, to be a Member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 1994. He would succeed Stephen E. Bell. Currently, Mr. Norris serves as Managing Director and Co-founding Partner of The Carlyle Group in Washington, D.C.

#

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

The President today announced his intention to appoint Walter Gellhorn, of New York, to be a Member of the Council of the Administrative Conference of the United States for a term of three years. This is a reappointment. Currently, Mr. Gellhorn serves as a Professor Emeritus at Columbia University in New York, New York.

#

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

The President today announced his intention to appoint Asher J. Scharf, of New York, to be a Member of the Commission for the Preservation of America's Heritage Abroad for a term expiring July 13, 1992, and an additional term expiring July 13, 1995. This is a reappointment. Currently, Mr. Scharf serves as a Builder and Developer in Brooklyn, New York.

#

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

The President today announced his intention to appoint the following individuals to be Members of the Arctic Research Commission:

GEORGE B. NEWTON, of Virginia, for a term of four years. This is a new position. Currently, Mr. Newton serves as Director of the Center for Signature Warfare, Systems Analysis Group, Systems Planning Corporation in Arlington, Virginia.

CHARLES H. JOHNSON, of Alaska, for a term expiring February 26, 1993. He would succeed Oliver Leavitt. Currently, Mr. Johnson serves as President of Denali Financial Services in Nome, Alaska.

#

THE WHITE HOUSE
Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

AMERICAN RED CROSS MONTH, 1992

- - - - -

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA
A PROCLAMATION

Since its founding in 1881, the American Red Cross has earned the respect and trust of millions of people around the world -- many of whom have benefitted directly from its outstanding humanitarian programs. This month, we salute and thank the more than 1,000,000 volunteers and 23,000 staff members who conduct the life-saving work of today's Red Cross.

In addition to offering valuable health and safety information to the public, the American Red Cross has long brought vital aid and services to victims of natural disasters and other emergencies, to persons in need of blood, and to members of the Armed Forces. The past year was extraordinarily eventful by any standard, and we owe a special debt to the members of the Red Cross, who rose to the challenges it presented.

One of the most significant events of 1991, of course, was the war in the Persian Gulf, and members of the American Red Cross were there. At the outset of Operation Desert Storm, the Red Cross shipped 10,000 pints of blood to the Gulf. As our troops fought to liberate Kuwait and repel Iraqi aggression, Red Cross workers provided them with an important link to their families, relaying emergency messages from home. In the United States, Red Cross staff and volunteers helped to counsel spouses, established support groups, and provided emergency loans and grants to ease the burden of separation on military families.

In keeping with its commitment to serving people in need without regard to race, creed, or national origin, the Red Cross remained in the region to assist refugees and other persons affected by the war. In Kuwait a 50-member medical team recruited by the Red Cross delivered emergency care for hundreds of patients in a war-ravaged hospital. Team members also operated a camp on the Iraq-Kuwait border providing refuge and medical care for tens of thousands of men, women, and children driven or fleeing from their homes.

Despite the demands of its overseas operations in 1991, the American Red Cross continued to maintain a high level of activity at home. During a year that saw an unprecedented series of tornadoes, floods, and other natural disasters, thousands of Red Cross workers operated shelters, served meals, and provided financial assistance to individuals and families in need. On average, the Red Cross helps victims of about 55,000 disasters -- from house fires to hurricanes -- each year.

During the past year, the Red Cross continued its health and safety programs, training thousands of Americans in first aid, cardiopulmonary resuscitation (CPR), and water safety.

more

(OVER)

Red Cross workers also continued to collect, process, and distribute more than half of our Nation's blood supply -- some 6,000,000 units -- thereby ensuring countless Americans of life-saving transfusions.

Because so many people place their trust in the American Red Cross, the Red Cross is working to ensure that it will always meet the highest standards of performance and accountability. For example, it has launched a far-reaching modernization of its blood services programs to produce a state-of-the-art operation to meet the challenge of 21st century medicine. This month, as we recognize the outstanding contributions of Red Cross volunteers and staff, we also thank them for their commitment to even greater accomplishments in the future.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America and Honorary Chairman of the American National Red Cross, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the month of March 1992 as American Red Cross Month. I urge all Americans to continue their generous support of the work of the American Red Cross and its local chapters.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-sixth day of February, in the year of our Lord nineteen hundred and ninety-two, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH

#

3:00 P.M. CST/4:00 P.M. EST NEWS UPDATE

TRIP (San Antonio/UPI) -- President Bush and six Latin American leaders gathered for two days of talks aimed at halting narcotics trafficking, and Ecuador's president immediately called for more money to fight the drug war. Shortly after his arrival President Borja said Ecuador needs more financial aid from the U.S. "Good will is not sufficient in the battle. The fight against drugs requires great financial resources," Borja said at a news conference. He said he was optimistic Bush would listen to his plea for more money to combat drugs when the two met.

(San Antonio/Reuter) -- President Bush and Latin American leaders were to begin discussions on an anti-drug strategy that could include a goal to cut the Western Hemisphere's supply and demand of cocaine in half by the year 2000. Aides to Bob Martinez told Reuters a proposal to create goals to halve cocaine production and use in the Americas by the end of the century was being discussed in pre-summit meetings.

CAMPAIGN (Los Angeles/Reuter) -- Former President Reagan said he fully supports President Bush's re-election campaign and denied a Washington Post report that he had said Bush "doesn't seem to stand for anything." "As I said yesterday, the quote attributed to me in the Washington Post is incorrect," Reagan said in a statement released by his office. "Anyone close to me knows that I would not say that and have never made any such statement. Press reports to the contrary are absolutely fallacious. President Bush and I had an excellent conversation yesterday. He and I share the same view that we must turn the American economy around and that the economic challenges in this country can best be met with Republican leadership," Reagan said. "I support President Bush's candidacy to the fullest and will do everything I can to see that he is re-elected as president," Reagan said.

ECONOMY (UPI) -- Secretary Brady, speaking to the National Association of Business Economists, said he was encouraged by improvement in a variety of economic indicators and that the news should soon reverse lagging consumer confidence. Brady listed a number of positive economic signs, including falling inflation, lower oil prices, increased exports, and a higher number of housing starts and building permits.

DEMOCRAT AD (AP) -- The campaign arm of the House Democrats released a TV ad designed to promote their tax bill and portray President Bush's plan as another Republican giveaway to the rich. The ad shows a Donald Trump look-alike at a party, drunk and finally dropping his champagne glass, which shatters on the floor. "In the 1980s, Republicans threw a big party. Only the rich were invited," it says. "Now the Republicans are at it again.... The party's over. Wake up," it says, touting the Democrats as supporting a tax cut for the middle class.

WEAPONS SALES (Reuter) -- The White House, anxious to preserve American jobs amid deep defense budget cuts, may go ahead with a plan to sell 72 F-15 fighter jets to Saudi Arabia, anonymous Administration officials said.

-more-

OZONE (New York/AP) -- Man-made gases best known for destroying ozone contribute far less to the threat of global warming than scientists had thought, a study suggests. The warming effect of the gases, called CFCs, from 1979 to 1990 was largely counterbalanced by the ozone destruction they caused, researchers said. But the net effect of CFCs in the future is uncertain because the extent of ozone loss cannot be predicted, V. Ramaswamy of Princeton University, who presents the work in Thursday's issue of the journal Nature with other scientists, said.

DEFENSE CUTS (AP) -- Rep. Aspin called for a cut ranging from \$5 billion to \$8 billion from President Bush's fiscal 1993 military budget, arguing that the Pentagon's plan falls short in matching the demise of the Soviet Union. In a letter, Aspin recommended paring the budget in the fiscal year beginning Oct. 1.

MIDEAST TALKS (AP) -- Israel is offering Palestinian Arabs control of their own internal security, agriculture, education and a wide range of other day-to-day activities on the West Bank and in Gaza, diplomatic sources disclosed. But Hanan Ashrawi said the proposals were preposterous, designed to perpetuate Israeli settlements in the West Bank and Gaza and to foster apartheid.

HEZBOLLAH (Nicosia/AP) -- Sheik Hassan Nasrallah, the new leader of the pro-Iranian Shiite Muslim group Hezbollah, says attacks on Israel will increase in coming days, the official Iranian news agency reported.

###

1:00 P.M. CST/2:00 P.M. EST NEWS UPDATE

TRIP (San Antonio/Rita Beamish, AP) -- President Bush and Latin American leaders were gathering for a second summit on the hemisphere's drug crisis, searching for ways to choke off both the source and the U.S. demand. Bush was convening the conference amid domestic criticism that his own anti-drug strategy has been ineffective. The meeting expands on the summit two years ago in Cartagena.

(Los Angeles/Thomas Ferraro, UPI) -- President Bush shifted gears, placing his hard-hitting re-election campaign on hold while he tried to pump new life into his sputtering war on drugs. While the Bush campaign picked up \$2 million at a pair of California fund-raisers Tuesday night, Bush was rebuffed in the South Dakota primary, winning with only 69% of the vote. Bush was also met by Ronald Reagan amidst reports Reagan and other GOP supporters were concerned about Bush's ability to win California or even the general election. Turning his attention from politics to his Administration's drug war, Bush put his campaign on hold to fly to San Antonio, to host a drug summit. "I'll meet with Latin American leaders...to sharpen our strategy to beat this scourge," vowed Bush.

ECONOMY (Reuter) -- Orders for expensive, durable goods rose in January, the Commerce Department said, lead by solid gains in demand for industrial machinery. Last month's 1.5% increase in orders follows a revised 5.1% decline in December.

WEAPONS SALES (AP) -- The Bush Administration has told Congress it is considering the sale of Patriot missile systems valued at \$7 billion to three Arab countries in the Persian Gulf, informed sources said. The three proposed recipients are Kuwait, the United Arab Emirates and Bahrain.

SOUTH DAKOTA (Sioux Falls/AP) -- Pat Buchanan said the strong protest vote against President Bush in South Dakota shows the President is "weak as a kitten." The Bush campaign said it took the vote as an admonition to work harder. "We need to work harder," Bush campaign spokeswoman Torie Clark acknowledged.

NATO/CANADA (Brussels/Reuter) -- Manfred Woerner, signaling concern at the weakening of transatlantic links, said he regretted that Canada had decided to bring home its troops in Europe. Canada informed NATO of the plan at a meeting of the Western alliance, saying it was part of budget cuts and that its forces would leave by the end of 1994.

CHINA MFN (Beijing/Reuter) -- China angrily rejected a U.S. Senate bill attaching conditions to renewal of China's preferential trade status with the U.S., warning it would harm relations. "The bill violates the principle of mutual benefit of bilateral trade, and the Chinese side rejects this and will never accept it," the Foreign Ministry said in a statement on national radio.

BILINGUAL VOTING (AP) -- The Justice Department told Congress that it supports extending a federal requirement that bilingual voting assistance be offered in areas with significant numbers of non-English speaking minorities. ###

Air Force One, LA to San Antonio

Mortorcade uneventful except for the horrendous backups for LA motorists.

As we boarded, Marlin was quizzed by your pool. On Reagan visit: "It was just a private chat...I'll leave it to the Reagans to describe." Asked if ~~we~~ were troublesome that it's being perceived as a snub by an ex-president, Marlin said, "It's just media mischief...It means nothing. It's not true. Everybody knows Ronald Reagan supports George Bush and will do anything he wants at any time to help him win." Asked why Reagan didn't attend the dinner, Marlin said, "I ~~don't~~ know."

On South ~~Dakota~~ Dakota: "Great victory -- 70 per cent. We're three for three. We're on a roll." What about the high uncommitted vote? "I only do the 70 percents. It's a great victory." We questioned his optimism and, joshing, Marlin said, "What a negative ~~attitude~~ attitude you guys have got...Media mischief!...I work for George Bush. He got 70 per CENT. THAT'S ALL I know."

Fitzwater said he expects a briefing after the bilateral~~s~~ at the drug summit.

Walsh, U.S. News

Lewis, Dallas Morning News

THE WHITE HOUSE
MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

WEDNESDAY, FEBRUARY 26, 1992

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

SATURDAY

FEB. 22, 1992

St. Petersburg Times

Florida's Best Newspaper

Barbara Bush storms Tampa Bay



Times photo — FRASER HALE

Barbara Bush and teacher Sue Mahoney look over the shoulders of Darlene Givens, left, and Reyna Zarzuela as they work on a computer at Jefferson High School in Tampa on Friday. The visit to the school was one of Mrs. Bush's three stops in the bay area.

cont.

1 of 2

2 of 2

■ Mrs. Bush proves she may be her husband's best weapon in his re-election bid.

By JENNIFER L. STEVENSON
Times Staff Writer

Darlene Givens isn't sure what a Republican or a Democrat is — let alone what party she belongs to. The candidates are a mystery, a big lumbering bunch who don't make much sense. Even the president confuses her.

But she knows one thing: When she votes for the first time this November, Darlene Givens is voting for George Bush.

He's got a real nice wife.

"He must be a good man if he has a wife like that," the 18-year-old high school stu-

dent said Friday.

Barbara Bush has scored another hit.

It was all in a day's work for Mrs. Bush on Friday, as she swept into Tampa Bay for three appearances, proving she may be her husband's best not-so-secret weapon in his re-election bid.

From students to waitresses, from Democrats to Pat Buchanan supporters, Mrs. Bush's approval rating continues to soar — even if her husband's does not.

"She is loved by everyone," said Yvonne McKittrick, a member of the Hillsborough County School Board and a dedicated Democrat who met Mrs. Bush during a Tampa luncheon. "She has a real non-partisan appeal. She a real person."

Please see BUSH 4A

Bush from 1A

Mrs. Bush is also a person who puts her husband's campaign first.

In her three appearances, Mrs. Bush lauded her husband's work during his first term and said he should be re-elected in November. Mrs. Bush made two stops in Tampa: at a luncheon honoring school volunteers and at a high school. At night, she gave a rousing speech filled with one-liners at a Lincoln Day Dinner in Clearwater sponsored by the Pinellas County Republican Committee. All events were coordinated by Jeb Bush, who manages his father's Florida campaign.

"You didn't think I'd come 2,000 miles and not mention the world's most qualified, capable, wise — I'm not through yet — decent, courageous, caring man in the world do you?" Mrs. Bush asked at the Tampa luncheon honoring SERVE, the county's School Enrichment Resource Volunteers in Education, a group of 13,500 volunteers who teach students about careers.

"I think she's a fox," said Toby Johnson, a waitress who served Mrs. Bush at lunch. "She is a very, very nice woman. And she ate every bite."

Darlene Givens, the student at Jefferson High School, said Mrs. Bush's visit shows the president cares about education.

"It lets us know he is trying to work for students," said Givens, who talked with Mrs. Bush briefly and gave her flowers. Although she has not followed Bush's performance in the White House, Givens said Mrs. Bush persuaded her to vote for the president.

"And I'm going to get my parents to vote for him too," Givens added.

"Well, isn't that sweet?" Mrs. Bush said later. "That's just great."

Anna Perez, Mrs. Bush's press secretary, said the first lady is an integral part of the campaign.

This week alone, she made appearances in New Hampshire, Illinois and Tampa Bay. Since January, she has visited homeless shelters and housing projects and even allowed *Miami Herald* columnist Dave Barry to follow her around and write a satirical column about her effusive campaign style.

"I want to go on the record about that," Mrs. Bush told the 750 Republicans who attended the Lincoln dinner. "I don't care how many buttons it's wearing, I will not hug a rutabaga!"

"I just do what I have to do," Mrs. Bush said during an interview Friday afternoon. "Of course, I speak well of you-know-who. I believe in him."

"I have always campaigned for my husband," she continued. And then launching into the adjectives again, she added:

"I think he is the finest, most decent, best man I've ever known."

But a Gallup poll released Friday showed that only 39 percent of 1,039 adults polled approved of the president's job performance.

Mrs. Bush said she doesn't believe in such polls. "That's dumb," she said.

Nor does she buy into the idea that Republican candidate Pat Buchanan "sent George Bush a message" when he earned 37 percent of the vote in the New Hampshire primary.

"Let me remind you, we won by a very big vote," Mrs. Bush said. "When you have a 16-point victory, you've won."

Craig Bostock, the Pinellas coordinator for the Buchanan campaign, quibbles with that assessment — but not with Barbara Bush. He might criticize George, but never Barbara, who he concedes is a powerful weapon.

"She's a fabulous lady. You've got to love her," Bostock said. "The more George Bush sends her out on the campaign trail, the better for him."

— Times staff writer John Cutter contributed to this report.

Man on wild ride to see Mrs. Bush

■ He has a message about Saddam Hussein. The drivers he encounters have headaches.

By MARTY ROSEN
Times Staff Writer

TAMPA — After reading about Barbara Bush's visit to the bay area in the paper Friday, Daniel Hendricks got an uncontrollable urge to deliver her a message: Saddam Hussein plans to strike at midnight.

With that troubling thought in his head, the 34-year-old Avon Park man wrestled the keys to a battered 1975 Chevy from his father and

began a mission across three counties.

Nothing was stopping him in his quest to see Mrs. Bush.

Not speed limits or traffic laws, sheriff's deputies or sirens. He forged onward through Highlands and Polk counties, undaunted by the emergency-lane traffic barriers he sent flying over the heads of startled motorists on Interstate 4.

Even drivers who got in his way didn't stop him, said Tampa Police Officer Scott Guffey.

Hendricks told Guffey hours after a chase that at times topped speeds of 100 mph: "I bumped them in the rear end and if they didn't get

Please see **CHASE 3A**

• • • TIMES ■ SATURDAY, FEBRUARY 22, 1992 **3A**

Chase from 1A

out of the way I pushed them off the road. . . . Something had to be done because Saddam Hussein is invading at midnight. I had to tell the first lady."

Hendricks collided with an unknown number of cars in early-morning traffic. Four drivers lost control along a route from Plant City to downtown Tampa, police said.

Surprisingly, there were no serious injuries.

"I'm relieved," said Rollo Hendricks, who said his son had stopped taking medication for what he called paranoid behavior.

"He had to do something before the authorities would do anything with him," the elder Hendricks said. "Now they will."

Daniel Hendricks told Tampa police he stopped in Polk County to steal beer for his trip, then was stopped by a deputy. As the deputy examined his driver's license, Hendricks floored the accelerator, he told Guffey. He said he never saw that deputy again.

Outside Plant City he bumped into the back of Melissa Johnston's red Corvette, and the startled Land O' Lakes woman briefly chased him at speeds up to 100 mph, according to the Florida Highway Patrol. He outraced her.

About 9:30 a.m., in the westbound lane of I-4, he smacked into a Midport, N.Y., man's car, sending it spinning out of control onto the shoulder. The driver, Paul J. Fisher, was not injured, troopers said.

The third driver to be hit was Marilyn Tario, 38, of Lakeland, who was driving to her Tampa Lexus dealer. Hendricks appeared behind her in the emergency lane, smacking his car into the orange striped sawhorses that blocked his route, she said.

Suddenly, his car was looming in her rearview mirror. He rammed into the Lexus.

"I tried honking the horn, like *help! help!*" she said. He hit her again and her car spun off the road, narrowly missing a guardrail. "I hate driving in Tampa," she said.

Then, police said, Hendricks ran Marion Milham, 17, of Lancaster, Pa., off the road just east of the Ashley Street exit on I-275.

Hendricks barreled on, past the exit that would have taken him to Mrs. Bush's luncheon at the Tampa Hyatt Regency Hotel. He had decided to intercept her at a Clearwater dinner, police said.

Finally, almost five hours after he began his journey, Hendricks was arrested.

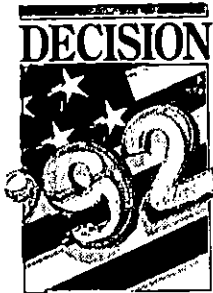
"This is how," said Guffey. "He's been hitting cars since Avon Park, stealing beer, bumping cars off the road, running from police. And he stops on Dale Mabry for a red light. He stops for a red light."

Hendricks, who appeared to be drunk when he was arrested, did not meet Mrs. Bush. He was, however, scheduled to receive a visit from her Secret Service bodyguards, Guffey said.

He was being held in the Hillsborough County Jail on three counts of aggravated battery with a motor vehicle.



Hendricks, above, said Iraqi leader was invading.



■ Bomb squad was called to school but was protecting Mrs. Bush. 4A

• • • TIMES

■ SATURDAY, FEBRUARY 22, 1992

17A

School evacuated, but bomb is a phony

By KAYLOIS HENRY
Times Staff Writer

LAND O'LAKES — The Land O'Lakes High ninth-grader seemed to do the right thing Friday morning when he found what looked like a bomb in the boys' restroom.

He reported it to an assistant principal and the school-based sheriff's deputy. They evacuated the school's staff and more than 1,200 students and called the Sheriff's Office, which in turn called out the Tampa bomb squad.

But the bomb squad was busy helping with Barbara Bush's visit to the Tampa Bay area and couldn't immediately respond. By the time the squad members arrived at the school a few hours later, it was clear that they weren't needed — and that the ninth-grader hadn't been as helpful as he initially appeared.

"He finally admitted to making and putting the bomb in the bathroom," said principal Albert Bashaw.

The "bomb" turned out to be a fake explosive complete with red, green and white flashing

lights, a timer and an alarm. Another component was a "stress reliever" — an electronic toy that makes different noises when buttons are pressed. The device was about 2 inches by 2 inches.

The youth put the bogus bomb on the bathroom floor and then reported finding it, Bashaw said.

The 16-year-old Wesley Chapel boy, whose name is being withheld because of his age, said he planted the bomb in the bathroom because he wanted to get out of school.

He got his wish. After being charged with planting a hoax bomb and disturbing a school facility, he was taken to the Juvenile Detention Center in San Antonio in east Pasco County.

His schoolmates got a break and were allowed to go leave early, too — about 1 p.m., an hour before the school day usually ends.

"It happened near lunch and there was nothing to do really, but to let them go home," Bashaw said.

School officials couldn't tell at first whether

the bomb was real, so they evacuated the school and called the Pasco County Sheriff's Office. After finding out that the bomb squad couldn't respond immediately, sheriff's officials got increasingly suspicious about the ninth-grader and took a look at the bomb themselves. They thought the contraption looked a bit strange, said Sheriff's Office spokesman Jon Powers.

"It really didn't take long (for the bomb) to start looking (fake)," Powers said. "And the boy said he had picked up the bomb and put it back down for a closer look. He was still around. We decided it wasn't a real bomb."

The school-based deputy began to suspect the youth had planted the bomb and questioned him more closely. The youth later admitted everything.

Friday was the first time a bomb threat had gone that far at Land O'Lakes High, Bashaw said.

"Generally, we get calls saying there is a bomb in the school," Bashaw said. "But we've never had a lookalike bomb."

Good Housekeeping

SMITHSONIAN INSTITUTION &
 GOOD HOUSEKEEPING

SALUTE AMERICA'S FIRST LADIES



INTRODUCTION

Since 1912, when Helen Taft donated her inaugural gown to the Smithsonian, that wonderful Institution has displayed the First Ladies Gown collection. With each new administration another gown was added, and as the collection grew it was moved to larger quarters, becoming one of the most popular exhibits in Washington.

In 1987 the collection was closed so the gowns could be refurbished and the exhibit enlarged. *First Ladies: Political Role and Public Image* will open at the Smithsonian's Museum of American History in March of 1992.

This new exhibit will be more than a fashion collection. By presenting this diverse group of women in a wider range of activities, millions of museumgoers will gain a deeper understanding of the personal side of the presidency. And for those of us who've had the enormous privilege of living in the "People's House," this exhibit is a wonderful way of preserving and sharing some of the excitement and the history that is part of life with the President of the United States.

NANCY REAGAN

Most people think of the inaugural balls as having wonderful dance floors—it isn't that way at all. It is so jammed that there is little or no dancing. People just stand around.

I think every First Lady becomes more conscious of looking well—it's part of the job. You can't go running around in blue jeans. But with me it was overplayed a lot. We had always been in public life. I was used to it. But I did not know

Washington or how it worked. It is much easier if you do.

continued on page 70

Elegant in blue velvet and satin, Barbara Bush greets guests on inaugural night, 1989

A special section to celebrate the reopening of the Smithsonian's First Ladies exhibit, with an introduction by BARBARA BUSH and interviews with former First Ladies by LYNDA JOHNSON ROBB



Martha Washington (left) hated her loss of privacy. Abigail Adams, her successor, enjoyed politics and took husband John's place at some events.



2 of 5

NEUTE TO AMERICA'S
FIRST LADIES *continued*



was still recuperating. Then I started to travel [for the program].

I was involved at the White House too. You are there as [the President's] hostess, trying to make things better for him. I wanted to help as much as I could, that was first and foremost for me.

Sometimes you're aware of things your husband isn't. People will say things to you that they won't say to him. Something happens to people when they get into the Oval Office. They're not open. I would carry my impressions back to him of what I'd been told or

seen or heard, and if somebody wanted me to tell him something, I would.

We [First Ladies] all do it differently. We all do it according to our makeup, our character, and our needs. It doesn't mean one is right and another is wrong.

ROSALYNN CARTER

I remember being on *Meet the Press*, and the people asking me about the clothes I wore and what I cooked—if I cooked—and those kinds of things. And I didn't want to talk about those things; I

wanted to talk about the issues and [how to] get some things that were important to me done.

When I got in trouble with the press, it was about going to Cabinet meetings. What people don't understand is that secretaries and lesser officials sit around the walls of the room while the Cabinet meeting is going on. I just sat in a chair by the door and listened. I never entered into any conversation or discussion.

But sometimes I would talk to Jimmy about is-

continued on page 72



Ambitious Florence Harding told friends she wrote her husband's speeches.

Washington has its famous cherry trees thanks to the efforts of Helen "Nellie" Taft.

Dolley Madison was eulogized as "First Lady" at her death—and the title continued.

I would rather have had more attention paid to the drug program and foster-grandparent program. I

was very busy with them and I think I did a lot of good.

It was said that my drug-program involvement was a public-relations thing. Never. Nobody in the administration wanted me to do the drug program. It's a downer. It is something that I expressed interest in long before I got to Washington. I had a wonderful platform, as your mother did, and we all do, and if you don't use it for something that interests you, you're foolish.

I started on the drug program right away and then Ronnie was shot. There was a hiatus. I had some meetings at the White House while he

Complex and intelligent, Mary Todd Lincoln even helped to choose her husband's cabinet.



Though Bess Truman seemed a subservient wife, President Truman would introduce her as "The Boss."

Rosalynn Carter's gown was the same one she wore to Jimmy's gubernatorial inaugural.



cont.

3 of 5

SALEND TO AMERICA'S FIRST LADIES *continued*

Betty Ford wore this gown, a favorite, at various State dinners.



dent, [school] immunizations became institutionalized in all the states. Everybody knows now that children have to have immunizations by the time they start school. But we didn't get the Mental Health Systems Act passed soon enough to get it institutionalized. That's been a

Eleanor Roosevelt was not only her husband's eyes and ears but the first First Lady who really went her own way.



disappointment to me. And the Equal Rights Amendment—that was one of the greatest disappointments. We got the extension and then we didn't get the amendment passed.

BETTY FORD

When President Ford was sworn into office, there was no inauguration. So when the Smithsonian needed a dress from me, I chose one that I had worn at a dinner for the Shah of Iran and on several other occasions.

I found the role of First Lady a very challenging one from almost all aspects. I think the role of hostess is very important because presidents are usually too busy to have much to do with what goes on in that area.

My role as a traditional mother was, I felt, very important with Susan. Even though she was 17 years old, I tried to stay abreast of all her activities and any of the boys' activities when they were in the White House.

And I had a *continued on page 74*

Mamie Eisenhower's image was that of a folksy homemaker, but she had a spine of steel.



sues. Particularly for my programs—mental-health programs, women's issues, programs for the elderly, volunteerism. And when I would travel around the country and talk to people, I could tell him what I learned. And people were honest with me. With the President, people hesitate to tell him things that [he won't] like.

As you know, a First Lady can always help with any issue even by just going to a luncheon because she can spotlight the issue. The thing that I was most proud of was the Mental Health Systems Act of 1980. Throughout the whole year, the President's Commission on Mental Health drew up recommendations, and we formed a public committee to help work up the legislation. It passed through Congress in 1980.

When Jimmy was Presi-

Teetotaler Lucy Hayes was the first college woman to become First Lady.



Pat Nixon's inaugural gown featured gold and silver scrolls as well as hand-set Austrian crystals.

cont.

ALLETTE TO AMERICA'S FIRST LADIES *continued.*

driving interest in social issues such as abused and retarded children and health-care issues for the elderly. I was also very active in trying to get the passage of the Equal Rights Amendment, and I was very interested in the National Endowment for the Arts program.

I finally twisted my husband's arm long enough to get him to recognize Martha Graham with a Medal of Freedom. It was the first time there had been a recognition of the dance as an artistic form [worthy of a medal]. But I think the media projected me as much more of an activist than I was.

Right off, I had the mastectomy. And you know, cancer had never been talked about. My husband pledged to be very open about everything, including the family. So when they said, "You're going to have to have cancer surgery," we said, "Let's just be straightforward [about it]."

It saved a lot of lives when I went public. If it could happen to the First Family,

my God, it could happen to anyone. So it had a good result. And I think maybe that laid the ground for me to later say, "I'm suffering from the disease of alcoholism. I'm going to do something about it. Let's be up-front about it, and maybe it will help somebody else." And, of course it has.

I think being First Lady probably changed my life because I suddenly had a lot of power. But we're an appendage of the office of the president. I hope that before I go to another life I may have the opportunity to see a woman as president.

PAT NIXON

Because of Pat Nixon's frail health, her daughter Julie Nixon Eisenhower speaks for her.

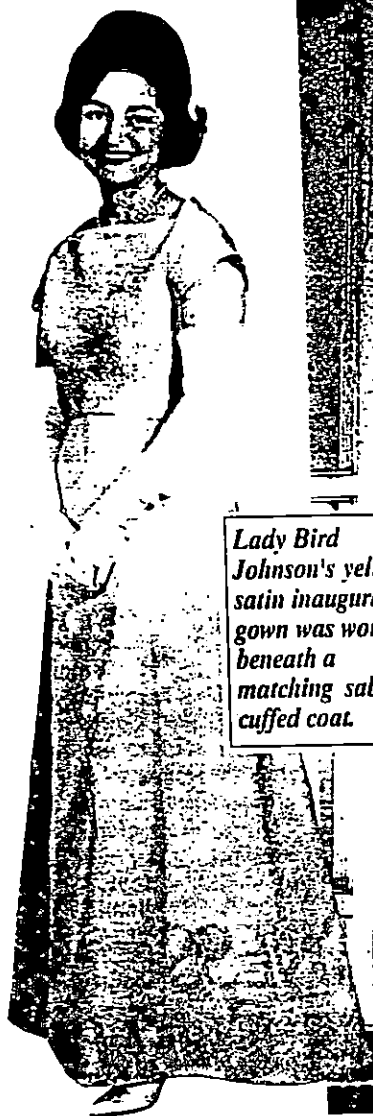
Shortly before noon on January 20, 1969, my mother, Pat Nixon, held the two Nixon family Bibles, printed in

1828 and 1873, opened to the second chapter of Isaiah, the fourth verse: "They shall beat their swords into plowshares . . ." My father put his left hand on the Bibles and Chief Justice Earl Warren administered the oath of office.

It was an appropriate passage, because of the terrible dissension that tore the country apart during the Vietnam War. Even during the inauguration events, violence was just around the corner as hundreds of demonstrators screamed obscenities and pelted the presidential limousine with small rocks and homemade smoke bombs.

Still, the first day was joyous. My mother was too excited to eat dinner before going on to the inaugural balls. She just had some cottage cheese on a tray in her room. After attending six balls and shaking thousands of hands, our exhausted family returned to the

continued on page 76



Lady Bird Johnson's yellow satin inaugural gown was worn beneath a matching sable-cuffed coat.

Jacqueline Kennedy was radiant in white silk and chiffon as she and JFK inaugurated Camelot in 1961.



*S*ALUTE TO FIRST LADIES

continued

White House just before two A.M. The house was dark and very quiet. My father sat down and played a couple of old songs on the piano in the grand hall. Suddenly, Mother said, "Dick, let's turn on all the lights in the White House and make it cheery." He called the usher's office and made the request. In minutes the beautiful building was aglitter with lights.

That's how I think of my mother's years in the White House. Quietly, but with determination, she turned on lights wherever she went. It is due to her efforts that the building is now illuminated at night.

She concentrated on making the 132-room White House both more livable and more reflective of the nation's culture. Picking up the work that Jacqueline Kennedy had left tragically unfinished in 1963, Mother consulted with decorators, curators, and art historians to transform the house into a preeminent collection of American furniture, art, and textiles. Mother was so modest about her decorating accomplishments

that I don't think she's ever been given sufficient credit for the glorious place that the White House is today.

That first May, my mother had meetings, dinners, or receptions on 23 days, and she prepared for a June trip to the West Coast to spotlight volunteerism, the cause that was closest to her heart. She kept up that pace for all her years as First Lady. In May 1970, when an earthquake devastated Peru leaving 50,000 dead and 800,000 homeless, Mother said, "I wish I could do something to help." My father said, "Why don't you go there?" A week later, Mother flew off in Air Force One with tons of supplies for Peru. Transferring there to a small cargo plane, she landed on a short, unsurfaced runway in a narrow valley at an altitude of 9,000 feet with gigantic mountains towering more thousands of feet above on both sides. Her interpreter told the press corps that Mother should have received combat pay.

She emphasized what she called her "personal diplomacy"; by the end of the White House years, she was the most widely traveled First Lady in history. As First Lady, Mother was marvelous at finding the small thing that made a big difference. Even my father used to worry about the amount of time she devoted to her mail. Every week,

an average of 1,000 to 2,000 letters arrived for her (the number rose to around 4,000 after an appearance on TV or a foreign trip) and every one received a response. Many times she spent four or five hours a day on mail, usually working in the evening after dinner. No First Lady had received this volume of mail before.

LADY BIRD JOHNSON

Clothes have never dominated my life. Lyndon *did* care about clothing. He'd sometimes say, "Don't wear that muley color," (a sort of dull gray or dull brown). Sometimes if I came out in a colorless costume, he'd say, "Why don't you save that to be buried in?"



Lynda Robb
with mother,
Lady Bird
Johnson.

Most people are just going to see you one time, Lady Bird, and if you show up in a dull-colored dress, with your hair not combed, with your petticoat showing, you are not going to sell for what you are worth."

You will remember the hideous advent of us into the presidency. I walked on stage for a role I had never rehearsed. I just wanted to do the best I could. I considered it one of the greatest opportunities in the world that's not been defined by law.

Of course, quite obviously, your first business is to take care of your husband and provide him with a little island of serenity. The second job is to tend to the children and try to make sure that they get as much out of it as they can, and give as much to it. It's always a good thing to remember, every day, how temporary this is.

The role of First Lady has changed with the role of women in general.

I wanted to concentrate on whatever parts of Lyndon's programs made my heart sing. Lyndon gave a speech in Ann Arbor, Mich., in February 1965, and a great deal of it was about the environment, and I decided, "That's for me." And Head Start was, it seemed to me, the point at which you had the most chance of breaking the cycle of poverty by beginning a good

education and some health attention.

I recall with great pleasure my trips to see the education bills in action: in big urban cities and in little bitty towns. Once there was a marvelous trip through Tennessee and Kentucky, where we saw the whole range of them—the Job Corps, the Teacher Corps, Head Start, and middle-aged people being able to return to school. I'd stop some of these people and ask, "What are you doing? What brought you back?" And they would say, "I never did learn to read. If I can learn to read and learn my figures, I can get a better job."

I never did feel easy about making speeches. But you just say, "I have to and I will!"

In the 1964 campaign [I made a whistle-stop tour of the South]. I thought the South was getting a bum rap being painted as a bastion of ignorance and prejudice. It was my country and at least I could talk to [people there] in a language they would understand and maybe together we could do something to help Lyndon, and then perhaps [we could] change the viewpoint of some of the newspaper people traveling with me.

The whistle-stop was a marvelous adventure, literally exhausting. I tried to make a brief but substantive speech

at each one of the 47 stops. I will never, never work that hard again.

How did [the White House experience] change me? I think it expanded me greatly. I had to grow. I really came to know this country so much better, and the main result was that it increased my faith and optimism about the country. I don't dare give advice, but what I'd say to future First Ladies is "Enjoy, enjoy!" It's a limited time, it's a precious time. ★

Editor's note: Jacqueline Kennedy Onassis was not available to be interviewed for this article.

FIRST LADIES PICTURE CREDITS

Page 68: Barbara Bush, UPI/Bettmann Newsphotos; Martha Washington, Brown Brothers; Abigail Adams, H. Armstrong Roberts. Page 70: President and Mrs. Reagan, National Archives; Dolley Madison, Brown Brothers; President and Mrs. Lincoln, AP/Wide World; President and Mrs. Truman, Abbie Rowe/National Park Service; Florence Harding, FPG International; Helen Taft, Historical Pictures Service; Rosalynn Carter, Dennis Brack/Black Star. Page 72: President and Mrs. Ford, Dennis Brack/Black Star; Lucy Hayes, Brown Brothers; Eleanor Roosevelt, Smithsonian; Pat Nixon, National Archives/Dick McNeill; President and Mrs. Eisenhower, Dwight D. Eisenhower Library. Page 74: Lady Bird Johnson, LBJ Library/Robert Knudsen; President and Mrs. Kennedy, AP/Wide World.

Tue 25-Feb-92 15:04 EST

TRC Notebook

NEW YORK (AP) — News and notes from around the thoroughbred racing world, compiled by Thoroughbred Racing Communications, Inc.

Barbara Bush gets a thoroughbred namesake.

Every year The Jockey Club gets hundreds of requests to name thoroughbred racehorses after famous people.

To ensure that celebrities approve of the name usage, The Jockey Club requires their written permission.

Stars such as Bo Derek, Mary Ann Mobley, Liz Taylor and Don Johnson have all approved of horses being named after them. But, says veteran Jockey Club employee Lucy Dampier, no letter approving a name ever arrived on White House stationery until First Lady **Barbara Bush**, whose husband also happens to be fast friends with prominent thoroughbred owner and breeder Will Farish of Lane's End Farm, granted permission to Kentucky breeder Robert A. Alexander III to name a filly in her honor.

"I think she's just great," said Alexander of Mrs. Bush. "I wish she were running for President. I felt it would be a compliment to her to have a horse named for her. She and the President come to Versailles (Ky.) quite often to visit with Will and Sarah Farish.

"Although I've never met Mrs. Bush, I have been to large gatherings at Lane's End when the Bushes have been there."

The thought of requesting written permission from the White House for use of a name may be daunting to some, but according to Alexander, the process was actually quite simple.

"I wrote to Mrs. Bush explaining how strict The Jockey Club is," he said. "I got a cute note back from Mrs. Bush on White House stationery within one week saying, 'Win, win, win. You certainly have my permission.' "

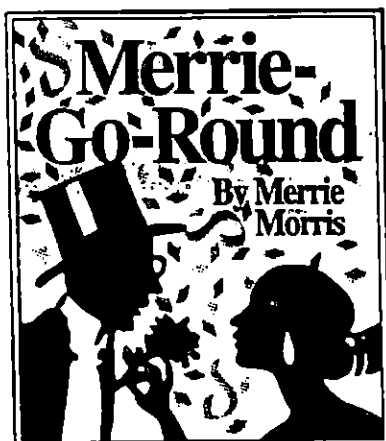
Barbara Bush, a Raise a Man-Smart Ace three-year-old filly, "is beautiful," according to Alexander, who added, "I didn't want to sell her, but someone really wanted her, so I sold her as a yearling." The filly, who was campaigned by Longshot Stable at Atlantic City Racecourse, where she was trained by Tom Marini, is winless after two starts.

No word yet on whether she shares her famous namesake's penchant for pearls.

WEDNESDAY, FEBRUARY 26, 1992

Life

The Washington Times



Doggone party

If a party's gotta go to the dogs, they might as well be A-list. So black lab Breezy and English setter Chili Quayle have agreed to be honorary co-chairdogs of the fifth annual Bark Ball, benefiting the Washington Humane Society, natch. Tommy Tune's terrier, Ophie, wants to be on the committee after his best friend, Spike Rivers, pal of Joan Rivers, was honorary chair last year.

Arts beat

X Barbara Bush likes to make the art scene. So late last week, she decided to take in the Corcoran Gallery's "Songs of My People," the photo exhibit shot by 50 black Americans as a portrait of their people. Saxophone-playing gallery president David Levy was only too happy to give her the grand tour.

Could be a small a brouhaha brewing over at The Post on the arts beat. Seems that when freelance art critic Jo Ann Lewis wrote up the convoluted saga of a painting belonging to local Eastern European art doyenne Meda Mladek, Jo Ann may have missed salient details — such as that the painting may in fact *not* have belonged to Mrs. Mladek. Lawyers are being chatted up, but thus far The Post hasn't run a follow-up untangling the mess.

To dance

In these PC times, is it cool to bid on bodies? OK, not exactly on the bodies themselves but on the chance to hold them close. For the benefit of Big Sisters of Washington, some brave souls — D.C. Delegate Eleanor Holmes Norton and D.C. Councilman John Ray, plus a slew of TV news personalities such as Lynda Lopez, Pat Lawson Muse and Bill Kamal, Gail Pennybacker and Dale Solly — have volunteered to dance with the highest bidders. Fair warning, however: The celebrities were not chosen for their terpsichorean talents.

A couple of would-be dancers who won't be in town for the party wanted to chip in anyway. So, via silent auction, Katie Couric of "Today" is offering a chance to watch the show's taping, with breakfast afterward at the Carnegie Deli. And Georgette Mosbacher is doing lunch, though at someplace swankier than Carnegie's.

Got some good gossip? Call Merrie at 202/636-3228.

THE MODERN WOODMEN

Winter 1992

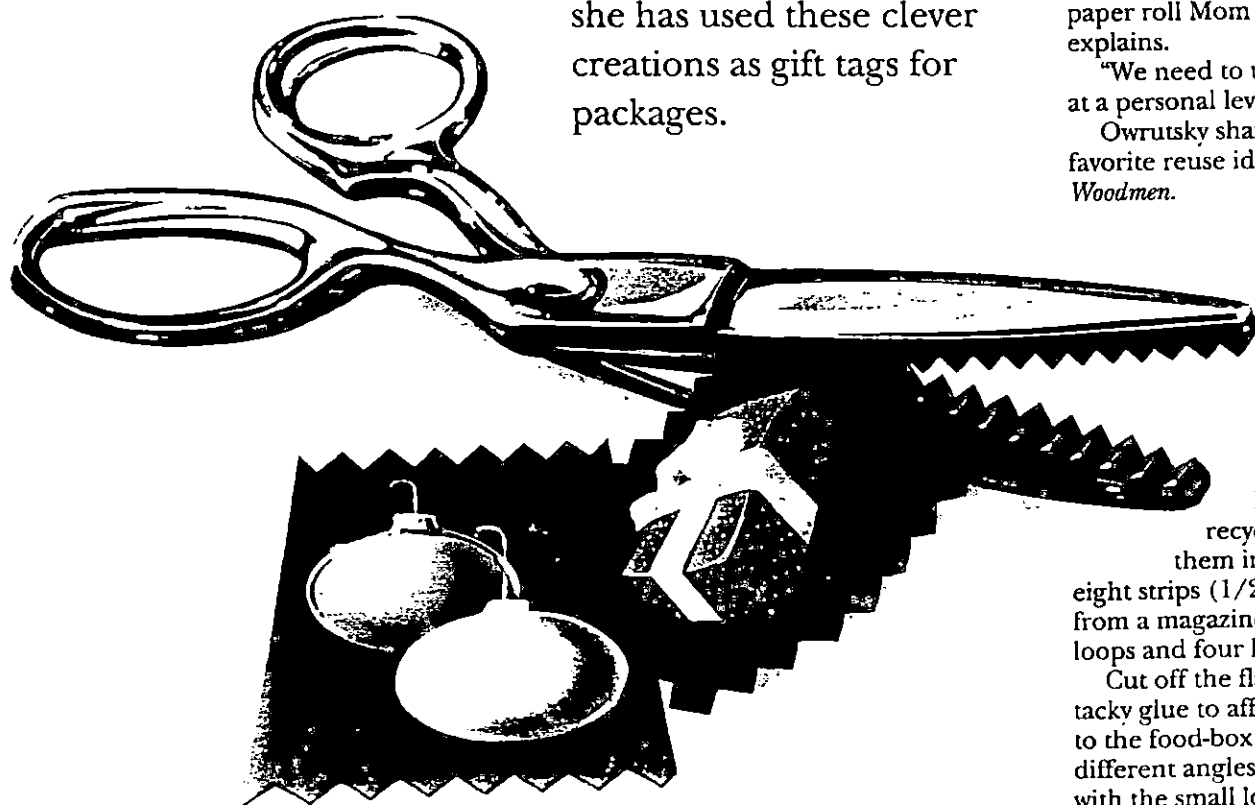


Reuse it!

by Julie Irish

Every year First Lady Barbara Bush pulls out her pinked shears and sits down with her boxes of greeting cards from the previous year's Christmas.

One by one, she studies each card, finds the prettiest scene and cuts that part of the card into a small rectangular or square tag. Then she punches a hole at the corner to place a string. For years and years she has used these clever creations as gift tags for packages.



If Mrs. Bush did not make this a practice, she would be creating the following garbage:

1. Old Christmas greeting cards
2. Purchased gift tags
3. Gift tag packaging
4. Store bags holding her gift tag purchases

Instead she has cut down the garbage flow to:

1. The old Christmas greetings, but only after additional use.

And that is called reuse!

Knowing nature means being sensitive to the problems of our environment. As our garbage piles continue to grow and grow and grow, it is important for families to take steps to reduce the amount of individual waste they create.

Most of us are now recycling, but let's take earth care one step further. Make reuse of throwaways a family goal—and a way of life.

Although reused items may eventually be thrown away, they take the place of another resource that would have been used, which cuts back on the amount of waste disposed.

Shelley Owruksy, editor of *Reuse News* newsletter, stresses the importance of family involvement.

"No child will start doing anything environmentally sound if every time he/she saves a milk carton or toilet paper roll Mom throws it out," she explains.

"We need to use what we have. It's at a personal level, and it's easy to do."

Owruksy shared some of her favorite reuse ideas with *The Modern Woodmen*.

Handmade gift bows

Magazines are a non-recyclable product. Make them into gift box bows. Cut eight strips (1/2-inch to 1-inch wide) from a magazine. Make four full-size loops and four loops 1-inch shorter.

Cut off the flap of a food box. Use tacky glue to affix the four large loops to the food-box flap, one at a time, at different angles. Then do the same with the small loops on top of the large loops.

WEDNESDAY, FEBRUARY 26, 1992



WHITE HOUSE PHOTO

Bush's brief meeting with predecessor was recorded in official photo that includes Nancy Reagan and Barbara Bush.

Bush and the Photo Op That Wasn't

Visit With Reagan Produces No Public Appearance and No Comment

By John E. Yang
Washington Post Staff Writer

LOS ANGELES, Feb. 25—President Bush, under fire from his party's right, had hoped for a symbolic, telegenic embrace today from former president Ronald Reagan, his patron and Republican conservative icon, during the president's 18-hour stop here.

It was not meant to be.

The small group of reporters who accompanied the president and First Lady Barbara Bush on their hastily arranged visit to the Reagans' Bel Air home were kept at the gate, which was wrapped in plain, brown paper that blocked any public view. Other than a photograph that the White House released, the two men were never seen together. Neither of them spoke to reporters, and White House press aides said there would be no official comment.

The 20-minute meeting, which administration officials said Bush had eagerly sought but had difficulty scheduling with the Reagans, came the same

day that sources close to Reagan were quoted in The Washington Post as saying that the former president was concerned Bush could lose a state that has voted Republican in nine of the past 10 presidential elections.

Reagan did not attend a Bush-Quayle fund-raising dinner tonight in Los Angeles, citing a previous commitment.

"There shouldn't be any doubt in anybody's mind about the support of Ronald Reagan," said campaign press secretary Torie Clarke. She said campaign officials were "very confident of the appreciation and respect" Reagan has for Bush.

Bush carried out a lucrative political fund-raising mission in California today, confidently predicting he would carry the state despite concerns of key Republicans there that he risks losing the state's 54 electoral votes in November.

The dinner and another \$1,000-a-person event, a luncheon in San Francisco, raised more than \$1.5 mil-

See BUSH, A10, Col. 1

Journalists Kept Away From President's Meeting With Reagan in California

BUSH, From A1

n for Bush's reelection campaign. The sh-Quayle campaign already had raised 4.3 million for the primary campaign.

"We'll be all right in California," Bush told reporters aboard Air Force One before leaving Washington this morning. Asked about the Post report that Reagan had told friends Bush would face reelection difficulties because "he doesn't seem to stand for anything," Bush told reporters: "I don't believe that."

"Anyone close to President Reagan knows he has not and would not make that statement," Reagan press aide Kathy Goldberg said today.

While Bush was visiting his political patron, his conservative challenger Patrick J. Buchanan was celebrating his heritage in quite a different way.

Standing in a hard rain in a cemetery in Tupelo, Miss., today, Buchanan laid flowers at the graves of his Confederate ancestors, a move designed to ensure that every southern conservative planning to vote in a presidential primary in the next two weeks knows that Buchanan's heart belongs in Dixie.

William M. Buchapan, his great-grandfather and a Confederate veteran who was captured by forces of Gen. William T. Sherman at the battle of Jonesboro, near

Atlanta, is buried in the cemetery. Buried with him is his wife Bessie, whose father Cyrus, Buchanan noted, was a Confederate soldier who "died on the way to Vicksburg," another martyr to the cause of the South—and thus, presumably, conservatism.

"They were rebels, that's right," Buchanan, the insurgent, said with a broad grin.

In what is already one of the most peculiar primary campaigns on record, this was surely a first: a campaign rally and a family reunion held in a graveyard. As cameras jostled for position in the mud and Buchanan greeted distant cousins,

Venita Buchanan Alexander, his fourth cousin, instructed reporters—and, at times, the candidate—on the intricacies of family history.

On Monday night in Atlanta, Buchanan told the story of William Buchanan's capture and said his showing in next week's Georgia primary would represent his "revenge" upon the general who sacked Georgia during his march to the sea.

"The message is: If you don't like what you've had the last three years up there in Washington, D.C., from the establishment of both parties, you've got an authentic conservative Republican who's got some distant roots right down here in Mississippi and you

really ought to give him a good hard look," Buchanan said.

While Buchanan presumably has the endorsement of his ancestors, Bush does have Reagan on record. The former president endorsed Bush in a videotaped message shown at a dinner held by a conservative New Hampshire political action committee.

In San Francisco today, Bush invoked Reagan's name—something he has rarely done in his young campaign. Bush praised his patron and predecessor in a falteringly delivered speech pressing for a strong military.

Staff writer E.J. Dionne Jr. contributed to this report from Mississippi.

WASHINGTON POST

2-26-92

2 of 2

Bush visits Reagan as conservative disaffection grows

By Charles Green

INQUIRER WASHINGTON BUREAU

LOS ANGELES — President Bush, struggling to strengthen his conservative base amid spreading disaffection among right-wing Republicans, visited his old boss Ronald Reagan yesterday, attempting to grab some of Reagan's political magic.

Bush, who has been having trouble communicating his message to voters, met with the "Great Communicator" at Reagan's home in Bel Air. The private session was sandwiched between fund-raising events in San Francisco and Los Angeles that were expected to bring more than \$1.5 million into the Bush campaign.

White House aides said Reagan suggested that Bush and his wife, Barbara, stop by to see him and his wife, Nancy, a couple of days ago because a previous commitment would keep the former President from the star-studded Los Angeles fund-raising event. But the addition to Bush's schedule was not announced until yesterday morning, after the Washington Post reported that Reagan had privately criticized Bush, telling friends "he doesn't seem to stand for anything."

Campaign '92

"I don't believe that," Bush told reporters when he was asked about the Post article.

Asked whether he expected Reagan to campaign for him, Bush said, "Well, I don't know. He's been very good about that, but I haven't even discussed it with him. It's way premature for that."

Reagan's office also denied the Post article.

"Anyone close to President Reagan knows that he has not and would not make that statement," said Cathy Goldberg, a Reagan spokeswoman.

Nevertheless, a growing number of Reagan loyalists have been outspokenly critical of Bush. They accuse him of lacking strong political convictions, and of abandoning some of the principles of the "Reagan revolution," such as cutting taxes and spending.

Voters "do not perceive George Bush as someone who has a core of beliefs around which he develops policies and then fights for those policies," said David Keene, chairman of the American Conservative Union. The ACU board voted Saturday to endorse Bush's right-wing challenger, Patrick J. Buchanan, for president.

"George Bush is not one of us," snapped Richard Viguerie, a conservative fund-raiser and Buchanan supporter, in a speech to a Conservative Political Action Conference in Washington. "He abandoned the conservative movement, and now he's in free fall."

There is deep concern about Bush's political popularity in California, the political launching pad for two of the three most recent Republican presidents: Reagan and Richard M. Nixon.

Bush spent much of the day campaigning in California, even though its primary is not until June and a Democratic presidential candidate has not carried the state in 28 years.

Three numbers — 54, 51, and 8.1 — tell why:

- California's 54 electoral votes represent one-fifth of the number needed to win the presidential election.

- Bush captured only 51 percent of the vote in California in the 1988 general election, when the economy here was booming.

- California's current 8.1 percent jobless rate is a full percentage point above the national average, and voters are anxious and angry.

"He's going to have a very difficult time out here," said Steve Merk-samer, a Republican strategist and Sacramento lawyer. "I think the President ultimately will be able to win. But if the [general] election were today, he probably wouldn't win."

Such concerns have prompted Bush to make California a top political priority between now and November. Yesterday's visit was the second this month to the nation's most populous state; frequent return trips are expected.

"He's not looking good," said independent pollster Mervin Field. "The public here is really shaken up [about the economy]. For the first time, there's a mood of deep pessimism, and any chief executive takes it on the chin."

Some Republicans questioned whether yesterday's \$1,000-a-plate fund-raising events — starring folks like Bob Hope and Cheryl Ladd — were the best forums for Bush to convey his understanding of California's economic woes. Bush seemed unfazed.

He attacked big government, called for welfare reform and stepped up his demand that the Democratic-controlled Congress pass his economic stimulus plan by March 20

rather than a Democratic version that he labeled "another jobs bill, but this one for tax collectors."

"Count on it: Democrats are going to tax the middle class for the same reason Willie Sutton robbed banks — because that's where the money is," Bush said, referring to the notorious bank robber of the 1930s.

In addition to the economy, Bush has other problems to contend with in California. His style, described by pollster Field as "Eastern preppy," turns off some voters. His opposition to abortion contrasts with the abortion-rights views of Republican Gov. Pete Wilson and many state Republicans.

A California poll by Field last month found that only 34 percent of the respondents gave Bush a good or excellent performance rating. Only 38 percent said they were inclined to re-elect Bush.

Robert S. Boyd of the Inquirer's Washington Bureau contributed to this report.



CAMPAIGN '92

Defense, Economy at Risk, Bush Warns

■ **Campaign:** The President seeks to appeal to California voters on a political trip expected to raise \$2 million for his reelection effort.

By DOUGLAS JEHL
TIMES STAFF WRITER

President Bush aimed a new appeal at California voters Tuesday as he warned a state heavily dependent on the defense industry against a "Democratic double play" that he said would "cripple our defenses and the economy all at the same time."

He also issued a plan for U.S.-Mexico border cleanup and argued that a free-trade agreement between the countries would improve, not harm, the environment.

The backing for defense and testimonials to growth and the environment marked clear attempts to push key issues in a state where the depth of economic trouble is matched by environmental concern.

What Bush unveiled in presenting the joint U.S.-Mexico blueprint was for the most part a recitation of previously announced environmental initiatives that will cost the two nations about \$1 billion over the next three years.

But with his campaign in California facing signs of deep trouble, Bush used his visit to give new prominence to the plan and its conclusion that an Administration-backed North American Free Trade Agreement would benefit the econ-

omy and the environment.

Bush arrived in Los Angeles on the second stop of a one-day California swing. His immediate purpose was fund raising, with two events—a \$1,000-a-plate luncheon in San Francisco and a dinner at the Century Plaza Hotel in Los Angeles—expected to raise \$2 million.

But, as he began a six-day cross-country tour, his more important mission appeared to be fence-mending. He seeks, in the words of one senior White House official, "to restore credibility."

In a stop emblematic of these woes, Bush and his wife, Barbara, paused Tuesday afternoon at the Bel-Air home of former President Ronald Reagan and his wife, Nancy, for a 20-minute visit. The Reagans attended neither Bush fundraiser.

Reporters and White House staff were kept outside, and White House Press Secretary Marlin Fitzwater would say nothing about the private meeting.

Although Reagan has endorsed Bush, the Washington Post reported Tuesday that he told friends that his former vice president faces difficulties because "he doesn't seem to stand for anything."

A spokeswoman for the Reagans said later that anyone who has been close to the former President "knows he has not and would not make that statement." She also said the Reagans could not attend the Bush dinner because of a previous engagement.

Earlier, aboard Air Force One on the way to

the state, Bush insisted that his campaign would ultimately do "all right" in California, despite polls showing new declines in his standing and the report that even Reagan regarded his successor's message as hollow.

But he acknowledged that "the economy" has hurt his standing and echoed an "I care" message he used in last week's New Hampshire primary: "I think people are hurting" in California.

On a day when his campaign released a bluntly negative television commercial in the South using a retired Marine Corps general to lash out at his conservative challenger, Patrick J. Buchanan, Bush himself shied away from direct criticism of his rival.

As part of what campaign officials described as a two-pronged approach aimed toward the March 10 Super Tuesday primaries, Bush was to leave such "dirty work" to campaign surrogates as he seeks to rebuild his own base of support.

Aides described the strategy as a careful balancing act in which Bush must present an answer to Buchanan's attack without alienating conservative Republicans on whom he must count in November.

Buchanan, meanwhile, struck back in his own way against the Bush campaign's new commercial featuring retired Gen. P. X. Kelley. Buchanan visited the graves of his Confederate ancestors in Okolona, Miss., telling people that it is time to "settle accounts with those Yankees up in Washington."

Times staff writer Michael Ross in Mississippi contributed to this story.

1 of 2

Tue 25-Feb-92 22:19 EST

By THOMAS FERRARO

LOS ANGELES (UPI) - President Bush took his troubled campaign to California Tuesday, dogged by a report that Ronald Reagan is among those Republicans worried that Bush may lose the key western state this fall, and with it, the general election.

Bush held a 20-minute private meeting with Reagan, at the former president's home in Bel Air, between a pair of fund-raisers in San Francisco and Los Angeles.

There was no official word what the two, accompanied by their respective wives, Barbara Bush and Nancy Reagan, discussed.

But Kathy Goldberg, a spokeswoman for Reagan, denied as untrue a comment attributed to the former president in Tuesday's edition of The Washington Post.

The newspaper quoted unidentified "sources close to the former president" as saying Reagan told friends that Bush is in deep trouble in recession-weary California.

Even more troubling for Bush, accused by GOP challenger of abandoning Reagan's conservative philosophy, was the newspaper quoting these sources as saying Bush faces difficulties because "he doesn't seem to stand for anything." "Anyone close to President Reagan, knows he has not and would not make that statement" said Goldberg.

Earlier Tuesday, while en route to San Francisco, Bush told reporters aboard Air Force One that "I don't believe" Reagan made the comment.

"He's quite supportive," Bush said of his former boss. "He's already endorsed me enthusiastically."

The Post quoted several California Republicans as saying Bush would likely have difficulty winning the state.

"California is a state that could go either way," George Gorton, a spokesman for the Bush campaign in California, was quoted by the paper as saying.

"It's going to be very difficult for Bush to carry California this time," Stuart Spencer, a key adviser to Reagan in his two president elections, was quoted by the Post as saying.

Bush blamed his troubles in California on the economy, but said, "I think we'll be all right."

Tore Clarke, spokeswoman for Bush's national campaign, said, "There shouldn't be any doubt in anyone's mind about the support of President Reagan." California holds 54 electoral votes, about one-fifth of the total needed to win the presidential election. The state has joined the Republican column in nine of the 10 past presidential contests.

Bush won 51 percent of California's vote in his 1988 presidential bid against Democrat Michael Dukakis.

But the president has spent little time on the West Coast and has few personal or political ties to California, compared with Reagan, and former Presidents Gerald Ford and Richard Nixon.

According to the most recent Field Research Group California Poll, only 38 percent of Californians are inclined to vote for Bush for re-election, down from 54 percent in September.

Many economists have said California was affected by the nationwide recession later than most states but would endure troubled times longer.

Bush acknowledged economic troubles in California, saying his policies are intended to help the unemployed.

"We have a number of federal programs aimed at helping defense-

Cont.

2 of 2

industry workers as they seek new careers, and we're taking steps to ease the transition many firms will face as they shift from defense-related work to the commercial economy," he said.

Bush did not come to California empty handed. He presented the flood-ravaged state with \$97.5 million in federal relief by declaring a federal disaster in the five-county region of Kern, Ventura, San Bernardino, Orange and Los Angeles.

Bush also trumpeted the pending trade agreement with Mexico while in Los Angeles, and announced a joint plan with Mexico to cleanup pollution along the U.S.-Mexican border.

The president is scheduled to travel to San Antonio, Texas, Wednesday for a two-day, seven-nation drug summit with Latin American leaders.

He is expected to campaign Friday and Saturday in Dallas and Houston, before going on to Atlanta in preparation for Georgia's March 3 primary against GOP challenger Patrick Buchanan.

Bush told reporters he expected to do well in the South because "people down there understand my message."

The Bush campaign intends to wage a serious fight in Georgia. It has already begun an advertising offensive against Buchanan, in which it depicts the candidate as inexperienced, isolationist and myopic.

THE WHITE HOUSE

Office of the Press Secretary
(San Antonio, Texas)

For Immediate Release

February 26, 1992

The President today announced his intention to nominate Joseph Gerard Sullivan, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua. He would succeed Harry W. Shlaudeman.

Mr. Sullivan has served as Deputy Assistant Secretary of State for Inter-American Affairs at the United States Department of State in Washington, D.C., 1989-1991. Prior to this, he served as Director of the Office of Central American Affairs at the United States Department of State, 1988-1989. Mr. Sullivan served at the United States Embassy in Tel Aviv, Israel as Political Counselor, 1987-1988; and as a Political Officer, 1984-1987.

Mr. Sullivan was graduated from Tufts University (B.A., 1966) and Georgetown University (M.A., 1969). He was born August 9, 1944 in Boston, Massachusetts. Mr. Sullivan resides in Oakton, Virginia.

#

AF One

Pool Report Andrews AFB to San Francisco

Bush came to pool section a few minutes before take-off to talk about campaign, Reagan comment in Wash Post and foreign policy matters:

Asked about Post quote ^{from Reagan} that Bush "doesn't seem to stand for ~~any~~ anything," Bush said, "don't believe that." Asked if he will have trouble in California, Bush said "we're taking them time by time. ~~we~~ think we'll be ~~all~~ right in California. It's a little early to be into that one."

~~Continuing~~ on that ~~xx~~ subject, Bush said, "we've got some earlier ~~xx~~ hurdles which I feel pretty good about." He was apparently alluding to the South. On whether Reagan will campaign ~~for~~ for him, Bush said "I don't know. He ~~has~~ very good about that. but I haven't even discussed it with him. It is way premature ~~xx~~...and he's been ~~xx~~ quite supportive as you know. He's already endorsed me ~~xx~~ enthusiastically."

Why are ^{press} poll numbers so slow in Calif? Bush said in Bushese, "I think the economy...I think they are hurting there." He added that "anytime a person has, you know as president, you take the heat on the ~~economy~~ economy. It's happening world-wide."

Bush said he had seen no ^{new Israeli} reaction this morning on Baker's comments on loan ~~guarantees~~ linked to ~~new~~ new settlements. "I thought the secretary ~~expressed~~ the policy of ~~the~~ the U.S. government very clearly and very forcefully and very correctly."

^{other answers:} In a series of ~~GM shutdowns~~ GM shutdowns: Regret ^{try to get} for the hardship that it causes families, but ~~just~~ just keep plugging away to ^{the} economy moving to stimulate it. That's what ~~is~~ is needed. So I'll keep challenging the Congress ~~to~~ to do just that."

^{early} On paraphrase of wandering answer on LA Times story on aid to ~~Iraq~~ Iraq, "I haven't read all the charges." He mentioned support for Iraq, especially ^{when compared to} the ayatollah in Iran.

^{his} Back to Israel, Bush acknowledged that ^{his} policy may have political risk, but it had been U.S. ~~policy~~ policy for some time. "I'm not going to shift policy for political expediency," ^{he said:}

^{Before even} THIS ~~JUST~~ JUST IN: Marlin says Bush will visit Reagan this p.m. ~~in~~ in LA, ~~fund~~ fund ~~raiser~~ fundraiser. Gipper not coming to fund-raiser.

You will get paper on federal funding for Calif. in aftermath of rainstorms. Marlin said total from FEMA is \$77.5 Mill, matched by 25 percent from state. SBA has kicked in another \$10 Mill. Guests aboard include Reilly of EPA, Bob Mosbacher and Ron Kaufman.

Mashek, Boston Globe

Walsh USN&WR

PS. On fund raisers. Marlin said 700M is

POOL REPORT #6

February 26, 1992

Bush bilats with Borja of Ecuador and Zamora of Bolivia.

Bush was asked at the top of the Zamora meeting, the last of the day, if he had anything to say to those in Congress who say the drug war is a failure. "Tell them they don't know what they're talking about," he said. "The record's good."

As the pool entered the suite, Zamora and Bush were praising each other. Bush said it was good to have Zamora in the States. "We're just delighted you're here," he said.

Zamora thanked him, said through an interpreter that it was "such a pleasure to see you again." Then he said, "Congratulations. Your activities are so impressive." Don't know what he meant by that, but Bush thanked him anyway.

I couldn't decipher all of Bush's reply because he trailed off. What I caught was this: "Well, we're going all the time. We've got the combination of politics now and this important work and a lot of other..."

Then Bush told him that "everybody in San Antonio is just thrilled that you're here in this city." Said the folks here are going all out. "I noticed that the minute I arrived," Zamora replied.

The meeting with Borja was more of the same. Nada in the way of news. When the pool entered they were talking and joking around about Argentina President Menem's tennis game. He's top caliber, they both agreed. Bush said the last time he saw Menem -- (presumably in Washington) -- "he brought his own professional" along on the trip to play with.

Greg McDonald
Houston Chronicle

POOL REPORT #5

Bush--Fujimori Bilateral

February 26, 1992

The news is everybody needs more money, including the U.S. At the top of the meeting Bush and Fujimori took a few questions. Fujimori was asked do you need more U.S. money to help the drug war. Fujimori smiled and replied "Oh, sure." The room cracked up with laughter, including Bush and Baker, Scowcroft and Martinez, who also sat in on the meeting. Still laughing as the pool was being led out, Bush motioned for Fujimori to sit down and sat "Everybody does, including us." Bush met Fujimori, the first of four bilateral meetings today with Summit leaders, in a hotel suite at the Marriott Center. Bush was asked at the top of the meeting what he hopes to accomplish at the top of the Summit. "We're going to build on the first meeting -- the Cartagena Meeting. We're going to get maximum cooperation. We're gonna redouble our efforts on the demand side and on the supply side. So, it's the big picture. Bush said the "very able leaders from South of our border are going to continue to address themselves to this problem." He added "We are getting marvelous cooperation between countries."

The President was also asked about Ecuadoran President Vorja's statement that goodwill is not sufficient to fight the drug war, that Ecuador must have more U.S. money as well. Bush said "Well, I'll discuss that with him when I see him." At that point Fujimori was asked if cutbacks in U.S. aid would hammer drug fighting efforts in Peru. "On the supply side we think we can do a lot," Fujimori said, apparently misunderstanding the question. "But also we need better cooperation and coordination from all sides." But do you need more U.S. money Fujimori was asked again. "Oh, sure" he replied. As your pool was being led out of the room, Fujimori was also overheard commenting to Bush "That's the answer they wanted."

Each bilateral is scheduled for about 45 minutes -- Colombia, Ecuador, and Bolivia are up next. Not much in the way of color. The two leaders did take seats beneath a painting of a field of Texas blue-bonnets.

The second meeting with Gaviria of Colombia was a bust.

Gregg McDonald
Houston Chronicle

POOL REPORT #4

February 26, 1992

Upon arrival at Kelly AFB, the Bushes greeted dignitaries and points-of-light honorees. Mrs. Bush received a bouquet of pink roses.

The president bolted for the crowd waiting behind a ropeline, while Mrs. Bush headed for the another section of the crowd. Bush enthusiastically reached into the rows of people with both hands, grabbing for outstretched arms and hands and remarking, "Hi...Nice to see ya...All right!" There were mostly airmen and airwomen, many of whom took pictures. Mrs. Bush, meanwhile, shook every hand as she worked her side of the ropeline. She autographed a welcoming banner which a class from Lackland Elementary School had made on their computer. She then got Rep. Lamar Smith to do the same. Asked for more, Mrs. Bush turned to an aide and then passed out some pre-autographed bookmarkers from the Millie bestseller.

As Bush got in the car, he stood on the sideboard and gave a thumbs up. Poolers asked him if he was disappointed with the results from South Dakota. "Big victory," he replied at one point amid the hubbub. Some broadcast poolers report that he also said, "Good victory."

Ann Compton asked Marlin about Buchanan's visit to a "graveyard" (in the papers this morning) and about a comment he reportedly made to the effect that a win in Georgia would be revenge for Sherman's march to the sea. Ann said Marlin replied, "A graveyard is the appropriate place for those comments."

Among those with Bush on the tarmac were James Baker and Brent Scowcroft.

FYI, Michael Busch tell us that Reagan's office in California issued a statement this afternoon.

Lewis, Dallas Morning News

Walsh, U.S. News & World Report

FEBRUARY 26, 1992

POOL REPORT #3

Air Force One, LA to San Antonio

Mortorcade uneventful except for the horrendous backups for LA motorists.

As we boarded, Marlin was quizzed by your pool. On Reagan visit: "It was just a private chat...I'll leave it to the Reagans to describe." Asked it if ~~as~~ were troublesome that it's being perceived as a snub by an ex-president, Marlin said, "It's just media mischief...It means nothing. It's not true. Everybody knows Ronald Reagan supports George Bush and will do anything he wants at any time to help him win." Asked why Reagan didn't attend the dinner, Marlin said, "I ~~don't~~ know."

On South ~~D~~ Dakota: "Great victory -- 70 per cent. We're three for three. We're on a roll." What about the high uncommitted vote? "I only do the 70 percents. It's a great victory." We questioned his optimism and, joshing, Marlin said, "What a negative ~~attitude~~ attitude you guys have got...Media mischief!...I work for George Bush. He got 70 per CENT. THAT'S ALL I know."

Fitzwater said he expects a briefing after the bilateral at the drug summit.

Walsh, U.S. News

Lewis, Dallas Morning News

POOL REPORT #2

Air Force One to Los Angeles

Trip was uneventful.

Bush posed for pictures with P.O. LIGHTERS at bottom of plane steps and hugs one at her demand. That's all folks!

Timothy J. McNulty
Chicago Tribune

POOL REPORT #7

Dinner at the Majestic Theater

February 26, 1992

All color. No news.

Several dozen protestors, carrying signs urging the legalization of marijuana, shouted at the motorcade on its way to the theater.

At the Majestic, the President and Mrs. Bush greeted the five heads of state and Venezuelan Foreign Minister as they arrived one-by-one in limousines. The limos pulled up under a tent in front of the Majestic Theater. The Bushes stood in front of an ornate octagonal ticket booth as they welcomed the dignitaries. Off to one side was a poster advertizing "Oh Calcutta," which opens at the theater next week. Mrs. Bush was clad in a magenta and black, knee-length dress. The President had on a dark business suit. Bush hammed for the cameras a couple of times as he was waiting for the arriving guests, posing one time for a picture in front of foreign journalists.

Inside the theater, 12 round tables seating 9 or 10 people each were set up on the blue-carpeted stage for the dinner. The spanish-style theater was incredibly ornate with balconies overlooking the stage. Spotlights shined on the stage as the President delivered a toast hailing the drug control efforts of the Summit participants.

Among those spotted in the audience were Secretary of State James Baker and his wife Susan, National Security Advisor Brent Scowcroft, Texas Governor Ann Richards, Marlin Fitzwater, Deputy Chief of Staff W. Henson Moore, San Antonio Mayor Nelson Wolff and Neil Bush, the President's son. At Mrs. Bush's table were Salinas, Richards, and Gaviria. Peru's Fujimori was at the President's table.

The dinner lasted approximately 2 hours and 10 minutes. The President and Mrs. Bush bid farewell to each of the heads of state at the same place where they had greeted them. "See you tomorrow" Bush said several times to Ecuador's President Borja, he said "Get some rest." Ambassador John Weinmann, the new Protocol Chief, assisted in the departures.

President Bush looked tired at both the beginning and at the end of the dinner.

Charlie Green
Knight-Ridder

DATE:

February 26, 1992

DAILY NEWS CLIPS

The Washinton Post

The Washington Times

The Wall Street Journal

USA Today

The New York Times

Office of Media Affairs

Bush and the Photo Op That Wasn't

Visit With Reagan Produces No Public Appearance and No Comment

By John E. Yang
Washington Post Staff Writer

LOS ANGELES, Feb. 25—President Bush, under fire from his party's right, had hoped for a symbolic, telegenic embrace today from former president Ronald Reagan, his patron and Republican conservative icon, during the president's 18-hour stop here.

It was not meant to be.

The small group of reporters who accompanied the president and First Lady Barbara Bush on their hastily arranged visit to the Reagans' Bel Air home were kept at the gate, which was wrapped in plain, brown paper that blocked any public view. Other than a photograph that the White House released, the two men were never seen together. Neither of them spoke to reporters, and White House press aides said there would be no official comment.

The 20-minute meeting, which administration officials said Bush had eagerly sought but had difficulty scheduling with the Reagans, came the same

day that sources close to Reagan were quoted in The Washington Post as saying that the former president was concerned Bush could lose a state that has voted Republican in nine of the past 10 presidential elections.

Reagan did not attend a Bush-Quayle fund-raising dinner tonight in Los Angeles, citing a previous commitment.

"There shouldn't be any doubt in anybody's mind about the support of Ronald Reagan," said campaign press secretary Torie Clarke. She said campaign officials were "very confident of the appreciation and respect" Reagan has for Bush.

Bush carried out a lucrative political fund-raising mission in California today, confidently predicting he would carry the state despite concerns of key Republicans there that he risks losing the state's 54 electoral votes in November.

The dinner and another \$1,000-a-person event, a luncheon in San Francisco, raised more than \$1.5 mil-

See BUSH, A10, Col. 1

BUSH, From A1

lion for Bush's reelection campaign. The Bush-Quayle campaign already had raised \$14.3 million for the primary campaign.

"We'll be all right in California," Bush told reporters aboard Air Force One before leaving Washington this morning. Asked about the Post report that Reagan had told friends Bush would face reelection difficulties because "he doesn't seem to stand for anything," Bush told reporters: "I don't believe that."

"Anyone close to President Reagan knows he has not and would not make that statement," Reagan press aide Kathy Goldberg said today.

While Bush was visiting his political patron, his conservative challenger Patrick J. Buchanan was celebrating his heritage in quite a different way.

Standing in a hard rain in a cemetery in Tupelo, Miss., today, Buchanan laid flowers at the graves of his Confederate ancestors, a move designed to ensure that every southern conservative planning to vote in a presidential primary in the next two weeks knows that Buchanan's heart belongs in Dixie.

William M. Buchanan, his great-grandfather and a Confederate veteran who was captured by forces of Gen. William T. Sherman at the battle of Jonesboro, near

Atlanta, is buried in the cemetery. Buried with him is his wife Bessie, whose father Cyrus, Buchanan noted, was a Confederate soldier who "died on the way to Vicksburg," another martyr to the cause of the South—and thus, presumably, conservatism.

"They were rebels, that's right," Buchanan, the insurgent, said with a broad grin.

In what is already one of the most peculiar primary campaigns on record, this was surely a first: a campaign rally and a family reunion held in a graveyard. As cameras jostled for position in the mud and Buchanan greeted distant cousins,

Venita Buchanan Alexander, his fourth cousin, instructed reporters—and, at times, the candidate—on the intricacies of family history.

On Monday night in Atlanta, Buchanan told the story of William Buchanan's capture and said his showing in next week's Georgia primary would represent his "revenge" upon the general who sacked Georgia during his march to the sea.

"The message is: If you don't like what you've had the last three years up there in Washington, D.C., from the establishment of both parties, you've got an authentic conservative Republican who's got some distant roots right down here in Mississippi and you

really ought to give him a good hard look," Buchanan said.

While Buchanan presumably has the endorsement of his ancestors, Bush does have Reagan on record. The former president endorsed Bush in a videotaped message shown at a dinner held by a conservative New Hampshire political action committee.

In San Francisco today, Bush invoked Reagan's name—something he has rarely done in his young campaign. Bush praised his patron and predecessor in a falteringly delivered speech pressing for a strong military.

Staff writer E.J. Dionne Jr. contributed to this report from Mississippi.

Schaefer Backs Tsongas as Democrats Face 'No Man's Land' in Md.

— WEDNESDAY, FEBRUARY 26, 1992 —
The Washington Post

By Richard Tapscott
 Washington Post Staff Writer

ANNAPOLIS, Feb. 25—Former Massachusetts senator Paul E. Tsongas won the endorsement of Gov. William Donald Schaefer today as Maryland entered its one-week spotlight as a proving ground for Democratic presidential candidates. Tsongas and fellow Democrat Tom Harkin touched important constituencies today during campaign stops in Annapolis, Baltimore and Montgomery County, while Vice President Quayle sought to shore up support for President Bush in a meeting with Republican activists in Baltimore County.

The flurry of campaign activity before Tuesday's statewide primary followed a stop in Baltimore during the weekend by Arkansas Gov. Bill Clinton, who picked up support from Mayor Kurt L. Schmoke, a major public employees' union and two of Maryland's five Democrats in the U.S. House.

For Tsongas, who is locked in a tight struggle with Clinton in most polls, the endorsement by Schaefer today is something of a two-edged sword. Schaefer's own popularity in the most recent polls has slipped into the 20s, a low point for the two-term governor and 15-year mayor of Baltimore. Yet Schaefer retains a large and active cadre of supporters.

Without a regional candidate or favorite son in sight, Maryland has taken on increased importance in the Democratic presidential contest this year, offering what American University Prof. Jamin B. Raskin called a "no man's land" where virtually any candidate could make a mark.

"It shapes up as a test for each candidate's appeal outside his own home region," Raskin said.

A relatively small state, Maryland has not received such attention from candidates in the past, when the state held primaries later in the year. Even on Super Tuesday in 1988, Maryland's vote for Democratic candidate Michael S. Dukakis was largely ignored. In moving the primary to March 3, the General Assembly sought to raise the state's political profile, and some analysts say it could be enhanced even further this year by the results of the New Hampshire primary.

This week, the diverse state of 4.7 million people is being carved up and targeted by the candidates—in personal appearances and over the airwaves—in the battle for its well-educated and affluent suburbanites, concentrations of minority voters and large contingent of organized labor.

Bush, who campaigned in Bethesda this week, enjoys a wide lead in two media polls released this week in Maryland, and Republican challenger Patrick J. Buchanan is concentrating his fire for now in Georgia, which along with Colorado will hold primaries on Tuesday.

But for Democrats, Maryland has become the scene of an unaccustomed fierce contest.

Although battered by the recession, Maryland is not the economic basket case that candidates played to in New England. Yet polls show the economy, followed by unemployment, is at the forefront in the minds of Maryland's 1.2 million registered Democrats and more than 600,000 Republicans.

In the last year, unemployment in Maryland increased from 6.1 percent to 6.8 percent. Manufacturing and construction industries sagged, and there were cuts in the high-technology, defense-related industries that helped fuel Maryland's rise as one of the wealthiest states.

For voters this winter, "the economy is the hot-button issue," said Brad Coker, president of Mason-Dixon Research, a Columbia polling business.

As in other states, Maryland could be receptive to hear what candidates have to say about other issues, such as health insurance. Recent studies submitted to the legislature estimate that 640,000 residents have no medical insurance.

Tsongas, who fashions himself as a pro-business Democrat, is broadcasting a television commercial in Baltimore and Washington that highlights his promise to rebuild the nation's industrial base. This morning, his ad was running juxtaposed with news of drastic cuts at industrial giant General Motors Corp.

During a rally in Annapolis today, he said he sympathized with the economic woes of Maryland. "You've got a lot of people hurting out there, with the GM layoffs," Tsongas said. "I grew up in that situation."

Schaefer, who did not speak at the Tsongas rally, said later that he liked Tsongas's consistency. "This is an election of people, people who are scared to death," Schaefer said. "They're looking for someone who tells it like it is."

Clinton, who already enjoyed broad backing among elected leaders across Maryland, added to it last week with support from Schmoke and Reps. Steny H. Hoyer and Benjamin L. Cardin.

The endorsement from Schmoke was significant to Clinton's hope of winning votes among black residents, who make up 25 percent of Maryland's population. That vote could be particularly potent in Prince George's and southeastern Montgomery counties, where a new majority-black congressional district also is the scene of a spirited Democratic primary on Tuesday.

Clinton aides said today that his campaign soon will begin running spots on black-oriented radio stations in Baltimore and Prince George's.

The Arkansas governor also is falling back on traditional bases of Democratic support, blue-collar white voters and rural residents, emphasizing in his commercials his relationship to middle-class Americans.

Keith Haller, a pollster based in Montgomery County, said he believed "the messages of Clinton and Tsongas both work on the Maryland electorate."

Harkin, a senator from Iowa with a long liberal record, also is seeking support among Maryland interest groups. He was to meet with steelworkers and the Baltimore Jewish Council today and on Wednesday was to hold a rally in Takoma Park.

Nebraska Sen. Bob Kerrey, who has a base of support in some Baltimore political clubs and veterans organizations, had not turned his attention to Maryland, concentrating on today's primary in South Dakota.

Martin O'Malley, a Baltimore City Council member who is state coordinator for Kerrey, said last night he is "obviously heartened" by his candidate's victory in South Dakota. "We're looking forward to building on this in Maryland," O'Malley said.

Eric Uslaner, a political science professor at the University of Maryland, said the state is in the limelight largely because it holds its primary early in the season.

"This is the first time in quite a while that Maryland has achieved such a prominent role," Uslaner said today.

In past Democratic primaries, the state has sometimes gone against the grain, supporting former Alabama governor George C. Wallace in 1972 and former California governor Edmund G. "Jerry" Brown Jr. in 1976. More recently, it handed victories to former vice president Walter F. Mondale in 1984 and Dukakis in 1988.

The candidates, Uslaner said, are trying today to position Maryland to their advantage. Tsongas, needing support outside his native New England, is calling Maryland a border state. But Uslaner said the state's demographics are aligned more closely with Connecticut's than with a border state such as Kentucky or Missouri.

"Show me a border state that has senators like Paul Sarbanes and Barbara Mikulski," Uslaner said, referring to two of the leading liberals in Congress.

Despite the candidates' interest in the state, it remains unclear whether voters have quite focused on the traveling road show of the presidential primary campaign.

Political analysts and pollsters said that as many as 25 percent of likely Democratic voters have not yet made up their minds.

"The March 3 primary has not quite registered with people yet," said Dan Rupli, a state coordinator for Harkin's presidential campaign. "This is not the cast of characters that is already well known with the public, and even the most well-funded campaigns are not on the level of the Dukakis campaign of 1988."

Clinton last weekend emphasized the need for rebuilding major cities and enacting a middle-class tax cut that aides said is only a beginning toward an economic recovery program.

Tsongas has derided such a tax cut as insufficient to spur economic growth, instead supporting broader economic expansion programs.

Uslaner, the University of Maryland analyst, said voters in the state can be moved by the economy, but they are wary.

"Nobody seems to know what to do about the economy," he said. "People are looking for someone to say something."

But Uslaner said Maryland's local situation could have a big effect on the way voters perceive the promises by presidential candidates.

Candidates "advocating middle-class tax cuts in a state that is talking about raising taxes won't seem quite realistic to some voters," he said.

Tsongas raised his personal stakes by visiting the state on the day after his victory in New Hampshire and focusing here while Clinton visited Georgia and Colorado.

Clinton aides insisted that the Arkansas governor wants to win Maryland, denying that he downgraded the state. But they add that it is not a "must win" for him.

"We're not in a position to make Maryland a line-in-the-sand state," said Marc Ginsberg, a Clinton spokesman.

Staff writers Retha Hill and Fern Shen contributed to this report.

Endangered Species: High-Minded TV Ads

Finger-Pointing Commercials Roaming Plains

By Howard Kurtz
Washington Post Staff Writer

The high-minded, here's-my-plan-to-save-America phase of the presidential campaign is rapidly vanishing from the airwaves.

On the Democratic side, Arkansas Gov. Bill Clinton is accusing Sen. Bob Kerrey of Nebraska and former Massachusetts senator Paul E. Tsongas of "misleading, negative attacks." Kerrey is portraying Clinton as an enemy of family farmers. And among the Republicans, President Bush is airing the first negative ad of his reelection campaign, with the tag line: "Pat Buchanan ... Wrong on Desert Storm. Wrong for America."

The exchange of rhetorical fire reflects the quickening pace of primaries and caucuses, which has

THE AIR WARS

forced candidates to carefully select their markets, marshal their funds, and calibrate their messages over the next two weeks. The attack ads represent the candidates' attempts to highlight their rivals' weaknesses during this crucial period.

Kerrey triggered the latest fusillade with an ad in South Dakota that asks: "Who will fight to save the family farm? Bill Clinton? His top economic adviser said we should end farm subsidies."

The ad flashes a headline from the Cedar Rapids Gazette. What it does not say—but what the Gazette article notes in the second para-

graph—is that the adviser, Robert Shapiro of the Progressive Policy Institute, does not counsel Clinton on farm policy. Shapiro, who is not on Clinton's payroll, was expressing his own views in a magazine article and a subsequent interview with the Iowa paper.

"It's totally defensible," said Robert Shrum, Kerrey's media adviser. "Mr. Shapiro is an economic adviser of Clinton's. In South Dakota, at least, people think that farm policy is economic policy."

Frank Greer, Clinton's media adviser, called the spot "totally distorted" and "guilt by association ... the worst kind of politics." Greer quickly produced a counterattack ad that opens with pictures of Kerrey and Tsongas.

"Bob Kerrey and Paul Tsongas think they can fool us with misleading, negative attacks. ... Say no to negative politics," it says.

Clinton, who praised Tsongas during the New Hampshire primary, has suddenly taken offense at an ad that repeats Tsongas's criticism of Clinton's proposed middle-class tax cut. The spot shows a handful of change raining down, saying the average family would receive 97 cents a day.

Tsongas says the government is "\$400 billion in debt. ... They're going to have to borrow from my children."

Paul Begala, a Clinton spokesman, said the commercial is "false on its face and Tsongas knows it." He said Clinton's tax cut "is not based on borrowing from our children" but would be financed by raising taxes on the wealthy.

Michael Shea, Tsongas's media

adviser, said Clinton's arithmetic remains unclear. "This is a legitimate difference on policy," Shea said. "We do not mention Mr. Clinton's name. ... He's leaving the false impression that we've attacked him with misleading information. That's sort of a smear in itself."

During the New Hampshire primary, Bush ran positive, above-the-fray ads, often set in the White House, even as challenger Patrick J. Buchanan hammered him with negative spots about Bush breaking his no-new-taxes pledge.

"There was a spirited debate during New Hampshire," one Bush adviser said. "Some of the people who

argued against going negative now say that was a mistake. It wasn't a question of if, it was a question of when."

"When" arrived yesterday as the president unveiled an ad in Georgia starring retired Marine Corps commandant P.X. Kelley. Kelley calls Buchanan's opposition to the war against Iraq "a disappointment to all Americans who supported the gulf war. ... The last thing we need in the White House is an isolationist like Pat Buchanan."

Buchanan stayed on the offensive yesterday, launching a new Georgia ad that says the country must "stop sending \$300 million each week overseas in foreign aid and bring

this money home where it is needed. ... Friends, there is nothing wrong with putting America first. That is what true patriotism is all about. Don't let anyone tell you different."

Bush strategists have decided the president must position himself as the candidate of change, rather than defend the status quo. In a second Georgia ad, Bush says his proposals will "make America more competitive," "change welfare," "end fraudulent lawsuits" and "rebuild our education system."

The Democrats, who have limited resources, are carefully picking their spots. Clinton is airing one ad on Baltimore and Denver stations in

which he touts "an innovative plan to convert defense jobs to civilian jobs." Maryland and Colorado have large military installations.

A second version of the ad, airing in four Georgia markets, shows Clinton working a crowd of black voters and shaking hands with a black worker. This ad says that Clinton is "insisting those on welfare move into the workplace. ... Opportunity. Responsibility. Old-fashioned values." The welfare issue may resonate in Georgia, which has a large minority population.

Clinton also plans to air an endorsement from Mayor Kurt L. Schmoke (D) on Baltimore radio today.

30-SECOND POLITICS

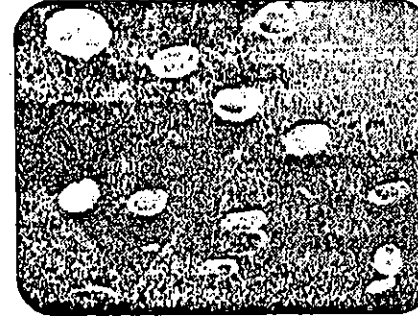


Candidate: Bill Clinton
Contest: South Dakota primary
Producer: Greer, Margolis, Mitchell, Grunwald & Associates

Time: 30 seconds

Audio: Bob Kerrey and Paul Tsongas think they can fool us with misleading, negative attacks. But here are the facts: Bill Clinton is fighting to save the family farm and subsidies. Always has, always will. ... And Clinton supports a middle-class tax cut, paid for by a tax increase on the very rich. That won't add a dime to the deficit.

Background: Clinton is legitimately responding to a Kerrey ad that unfairly assails him on farm policy by quoting the views of an adviser who counsels him only on economic matters. But Clinton inaccurately suggests that Tsongas has also run an attack ad. The Tsongas spot to which Clinton is objecting is a rather mild ad on tax policy.

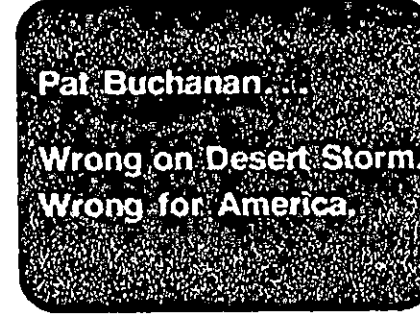


Candidate: Paul Tsongas
Contest: Maryland and Georgia primaries
Producer: Michael Shea and Fred Woods

Time: 30 seconds

Audio: Some candidates want to give you a tax cut of 97 cents a day. Ninety-seven cents a day doesn't do a thing for our productive capacity. (Tsongas on stump:) They are \$400 billion in debt, and they want to give us a tax credit that they're going to have to borrow from my children. I'm not running to be Santa Claus. I'm running to be president, and there's a difference.

Background: Tsongas, positioning himself as a "truth-teller," criticizes Clinton and Kerrey's tax-cut plan as having little economic impact, although both men are promoting it as a matter of fairness. In accusing his rivals of increasing the deficit, Tsongas fails to mention that Clinton and Kerrey would pay for the tax cut by raising taxes on upper-income Americans.



Candidate: President Bush
Contest: Georgia primary
Producers: Mike Murphy, Alex Castellanos and Don Sipple

Time: 30 seconds

Audio: (Retired Gen. P.X. Kelley): When Pat Buchanan opposed Desert Storm, it was a disappointment to all military people. ... And I took it personally. I served with many of the marines who fought in Desert Storm. The last thing we need in the White House is an isolationist like Pat Buchanan. If he doesn't think America should lead the world, how can we trust him to lead America?

Background: Bush, who almost never mentions Buchanan's name, used a retired military man as a surrogate to paint Buchanan as an isolationist and invoke the president's gulf war victory. The ad raises the question of "trust" and subtly denigrates Buchanan's patriotism, although many members of Congress also opposed the war.

—Howard Kurtz

WEDNESDAY, FEBRUARY 26, 1992

The Washington Post

GOP Conservatives Seek Brady Ouster

Legislators Maintain Bush Is Ill-Served by Treasury Secretary

By Ann Devroy and Steven Mufson
Washington Post Staff Writers

Some conservative congressional Republicans, apparently emboldened by the strong showing of conservative challenger Patrick J. Buchanan in last week's New Hampshire primary, have launched a coordinated assault on Treasury Secretary Nicholas F. Brady.

They accuse him of giving President Bush bad economic advice and allowing his department to sabotage administration economic initiatives.

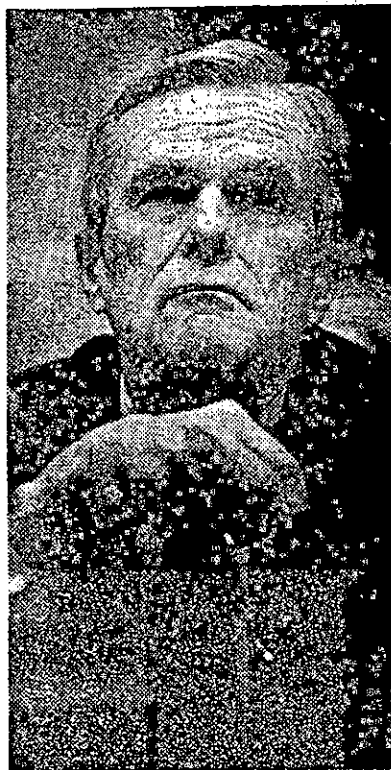
Sen. Connie Mack, a Republican conservative who co-chairs Bush's Florida campaign, called for Brady's resignation on the Senate floor yesterday, a day after a group of House Republicans complained in an Oval Office meeting with Bush that he is being ill-served by Brady.

House Minority Whip Newt Gingrich (R-Ga.) pointedly announced yesterday that Treasury staff members would no longer be allowed to attend House Republican leadership meetings.

Conservatives have long been unhappy with Brady, viewing him as the scion of what one called "Wall Street establishment rich Republican economic policy." But not since the 1990 budget agreement with Congress, when Brady and Budget Director Richard G. Darman were under virtual conservative siege, has Brady come under such direct public attack. In 1990 Gingrich vowed to force Darman's resignation.

The White House dismissed this week's assault. "The president has full confidence in Secretary Brady and believes he is doing a fine job," spokeswoman Judy Smith said. One official, in some exasperation, said the "Gingrich-Mack wing" of the GOP is "never going to be happy. They're always going to find something to complain about." Virtually no one in the administration thinks Bush is prepared to move Brady out of his job to assuage conservative Republicans, whose support he needs for reelection.

According to a Republican source familiar with the effort to oust Brady and one of the president's closest friends, "The formulation is this: President Bush's word was his bond with Republican voters in 1988 and then he broke his word in 1990. Now, when he says in another



NICHOLAS F. BRADY
... White House dismisses criticism

election year he won't raise taxes, his word is not believed. He needs collateral and that collateral is a treasury secretary who is one of us, who has demonstrated a belief in conservative economic positions. Nicholas Brady is not that man."

The current complaint against Brady by conservatives is the proposal that Treasury sent to Congress implementing Bush's State of the Union address. These officials charge that Bush's call for a cut to 15.4 percent in the capital gains tax rate was sabotaged at Treasury and turned into a much higher effective rate. They also accuse "Treasury bureaucrats" of writing into Bush's proposal a collection of revenue-raisers with no support among Republicans and widespread opposition among GOP special interest groups.

In his letter to Bush, Mack said the "message from New Hampshire" was that Americans "want fundamental change and they want it now." The "time has come to ask for Secretary Brady's resignation," Mack stated in the letter, noting he had received the same message while in Florida. Bush, he said, needs to "signal to the country" that he has gotten the message that change is needed by putting in place a new team.

Rep. Robert S. Walker (R-Pa.), one of the House members who met with Bush Monday, said Treasury had "dropped poison pills" into the president's budget proposal and added, "We are not convinced that Treasury is on our team." Conservatives had believed that Bush would put forth a budget proposal that satisfied all their concerns.

Neither Walker nor other House Republicans called for Brady's resignation Monday, but Walker said, "I don't think Brady has sat hard enough on his people. I have to hold responsible the people who are in charge." Rep. Tom DeLay (R-Tex.) said those at the White House meeting Monday complained about the capital gains tax proposal.

Gingrich, who is playing a campaign role in touting Bush's conservative credentials against Buchanan in the March 3 Georgia primary, was circumspect in his complaints. In an interview, Gingrich said, "I am not singling out any individual and I am not getting into personalities. But the Treasury Department is not serving the interests of the president."

Conservative Republicans complain that the new Bush budget proposal includes \$41 billion of tax increases over the next five years, increases that were not mentioned in the president's State of the Union address. The budget package does include some tax increases, mostly for particular groups, such as certain federal, state and local government employees who were not paying the same level of Social Security or Medicare payments. But Bush administration officials assert that spending cuts are twice as big in its proposal as tax increases.

Conservative evangelical groups were angered by a Treasury proposal to require church groups to report the names of all who contribute more than \$500. The Treasury believes billions of dollars in taxes have been avoided by people who overstate contributions.

Among business objections to the plan was one from the life insurance industry that complains about a measure that would end tax exemptions for income on annuity policies. Annuities have been fast-growing and have provided an alternative to tax-free Individual Retirement Accounts.

Kerrey Wins S. Dakota, Harkin 2nd in Setback; 1st Loss for Tsongas

By Edward Walsh
and Marilee Schwartz
Washington Post Staff Writers

SIoux FALLS, S.D., Feb. 25—Sen. Bob Kerrey (D-Neb.) survived a crucial test in the South Dakota primary today, winning a clear-cut victory that dealt a severe setback to the prospects of the second-place finisher, Sen. Tom Harkin (D-Iowa).

In what was widely regarded as a make or break showdown between the two senators from neighboring midwestern states, Kerrey led Harkin 40 to 25 percent with all of the state's 1,010 precincts counted.

Arkansas Gov. Bill Clinton, who had hoped for a stronger finish, was third with 19 percent, far behind Kerrey but well ahead of former Massachusetts senator Paul E. Tsongas, who had 10 percent, former California governor Edmund G. "Jerry" Brown Jr., who had 4 percent, and former Irvine, Calif., mayor Larry Agran who had 1 percent.

The turnout was described as light. There was no contest in the Republican primary, but tonight's results still included another ominous warning of political turbulence for President Bush. Bush's GOP challenger, conservative columnist Patrick J. Buchanan, was not on the South Dakota ballot, but a slate of uncommitted delegates won 31 percent of the GOP vote, a clear message of dissatisfaction to the president.

Buchanan won 37 percent in the New Hampshire primary on Feb. 18, while the president received 53 percent. Buchanan was unsuccessful in his attempt to get his name on the South Dakota ballot.

Kerrey expected to win today and he was the only candidate in the state tonight. He told a cheering group of supporters, "Tonight we struck gold in the Black Hills of See SOUTH DAKOTA, A12, Col. 1

■ Democrats face a test of appeal in Maryland's primary. Page A10

PRIMARY RESULTS

UNOFFICIAL RETURNS FROM SOUTH DAKOTA

Candidate	Votes	Percent
DEMOCRATS		
With all 1,010 precincts reporting:		
Tsongas	5,756	10
Clinton	11,421	19
Kerrey	23,974	40
Harkin	15,153	25
Brown	2,304	4
REPUBLICANS		
With all 1,010 precincts reporting:		
Bush	30,948	69
Uncommitted	13,716	31

SOURCE: Associated Press



Nebraska Sen. Kerrey celebrates his first primary victory in Sioux Falls, S.D.

SOUTH DAKOTA, From A1

South Dakota. . . . And tonight we begin a rush for gold, a rush for delegates in the South, the West and throughout this country."

Kerrey's chief spokesman, Mike McCurry, said he expected the race for the Democratic presidential nomination to evolve quickly into a two-man contest between Kerrey and Clinton, a "war of attrition" to accumulate national convention delegates. Asked about Tsongas, McCurry said he may remain in the race for delegates but added, "There's a real possibility he is a one-state wonder."

Overall, the South Dakota results left the Democratic presidential race almost as muddled as ever. Kerrey desperately needed to win in his home region to survive and maintain his fund-raising base, but his victory here does not guarantee success in the next two states he has targeted, the Georgia and Colorado primaries next week.

Clinton has yet to win anywhere, but he remains the best financed of the Democratic contenders and is assumed to have a strong base in his native South, where most of the March 10 Super Tuesday contests take place.

His most critical test will occur next week in Georgia, where Kerrey is expected to make a major effort.

Mary Ellen Glynn, Clinton's South Dakota press secretary, said she was not disappointed by the results here. "Governor Clinton will walk away with the nomination,

frankly," she said. "He's the only candidate running a nationwide campaign. Look at Tsongas tonight."

A clear loser tonight was Tsongas, the upset winner of the New Hampshire primary. In his first contested venture outside his native New England, Tsongas flopped, a performance that is certain to renew questions about his potential national political appeal.

"Tsongas had a bad night tonight," said Tad Devine, Kerrey's campaign manager. "He wins in New Hampshire and one week later he's [near] single digits. That borders on disaster."

Tsongas's South Dakota campaign director, Pat Halley, said there were "no surprises for Tson-

gas from South Dakota. We said all along this was a regional primary, a battle between Senator Harkin and Senator Kerrey The real question is when will Governor Clinton win his first primary."

Tsongas, who offered his congratulations to Kerrey, said it was "obvious that the negative advertising worked, and we'll take that into consideration."

The other clear loser was Harkin, who needed a win here just as much as Kerrey. The Iowan has vowed to continue through next week's contests, but his cash-starved campaign was struggling even before tonight's disappointing results.

But Harkin refused to acknowledge a setback in South Dakota. In a statement issued by his campaign,

he said he was pleased by his "strong second-place showing" and said the race "is more wide open than ever."

Harkin, who was in Washington tonight, invested heavily here and attacked Kerrey in television commercials. The Kerrey campaign largely ignored Harkin during the South Dakota campaign and Kerrey aides had little to say about him tonight.

Brown's dismal finish posed a direct threat to his access to federal matching funds, which would be a serious blow to his already under-financed campaign. Under Federal Election Commission regulations, a candidate who gets less than 10 percent in two consecutive primaries loses his federal matching

funds unless he wins at least 20 percent in a future primary. Brown won 8 percent of the vote in the first primary in New Hampshire.

He did well in Maine Sunday, where he nearly tied Tsongas but Maine selects its delegates through party caucuses and not through a primary election.

In Los Angeles, Bush campaign aides sought to minimize the votes cast for the uncommitted South Dakota slate. Spokeswoman Torie Clark said the campaign has to "work harder" to get Bush's message out, Associated Press reported. "It's not as though we had the full-court press going on. It's a little bit of the protest feeling you sense in a place hit hard by recession."

Laboring In the Wrong Vineyard

It's bad enough that members of President Bush's Cabinet—who are on the public payroll—were stumping for George Bush during the New Hampshire primary when they ought to have been in Washington working for us.

But the recent report that Labor Secretary Lynn Martin has ordered political appointees of the Labor Department to campaign for the administration has pushed this voter over the edge [Federal Page, Feb. 13].

SCOTT MOCK
Great Falls

At a time of recession, with many Americans out of work, can taxpayers afford a secretary of Labor, Lynn Martin, who instead of working on these problems intends to campaign hard for the president and in the words of *The Post*, quoting a source familiar with her campaign efforts, "sees that as virtually her full-time job"?

LOUISE KEELEY
Washington

Mideast: Politics and Policy

THE CONVENTIONAL wisdom attending the Middle East peace talks is that they are going nowhere fast, what with the fresh violence in the region and the opening of long political campaigns in both the United States and Israel. But this is to misread the evidence across the board.

First the violence. The way that all sides moved to contain and transcend the most recent incidents demonstrated that the strategic and political factors driving the negotiations are deeply rooted. Not even Israel's calculated assassination of Lebanon's Shiite terrorist chief was allowed to interrupt the flow.

The American electoral scene could yet spring surprises. But the early evidence is that, notwithstanding a radical policy departure by the Republican administration, Democrats are going to be slow to make political capital out of it. The departure, taken to establish American credibility as a mediator, is the tough Bush administration line on settlements in the West Bank. In other circumstances, many Democrats might have leaped to the defense of an offended Israeli government. But this time, by careful planning, the administration has sought to render its Mideast policy immune to partisan upset. All Demo-

crats may not laud the policy of standing up to Israel's West Bank settlements challenge, but they appear to believe the time is not right to challenge it head on. This clears away a major obstacle to American diplomacy at a useful time.

Israeli politics are the crucial scene. To those who feel, as we do, that the American peace initiative offers the Middle East its best chance for peace in decades, it is no shock to see Israel pause to consult its electorate. Rather, the pause marks a tentative success of American diplomacy. Just as it was intended to, American support of the negotiation is posing Israelis new options. Already both major parties have responded. Mr. Shamir's ruling Likud has called new elections, meanwhile elevating to a clear No. 2 spot the figure, David Levy, most identified with the talks. The Labor opposition has put its leadership back in the hands of Yitzhak Rabin, the man for tough times of a party committed (as Likud is not) to exchanging land for peace.

In the new context, in short, the intrusion of politics into policy, far from being deplorable, is a potential boon. Slow going or stalemate at the table is bearable if it comes with movement at the deeper political levels.

Berlin Wall No. 2

THE DEFENSE budget is already being cut, but even the president now agrees that it can be cut some more. The question is not whether but how far, and what to do with the proceeds. The 1990 budget agreement, struck before the Soviet Union fell apart, tried to build a wall around defense by ruling that military savings could only be used to reduce the deficit, not to finance tax cuts or domestic spending increases. That was thought to deliver the defense budget from political temptation.

Now, however, the calculus has changed from what you might call theoretical to real. The election is approaching, the economy remains weak, and it looks as if it will be easier than before to make defense savings. The president and most Republicans are therefore saying that they would countenance use of the presumed defense dividend to finance some stimulative tax reduction. For a while, a few leading Democrats—Senate Finance Committee Chairman Lloyd Bentsen and Senate Majority Leader George Mitchell—were unaccountably saying the same thing, but now they have joined the rest of their party in support of reserving defense savings for domestic spending. Of the two, that's clearly the better choice.

This government can't afford a tax cut. It can't meet its basic social obligations even borrowing \$400 billion a year; how can it give up any revenue?

The government is stranded financially; the people who are urging a tax cut for other than short-term political propitiation want to keep it that way. If it's thought that there has to be a tax cut for political reasons, then the right way to finance it is by increasing other taxes. That's what Sens. Mitchell and Bentsen have now agreed to do, and if the offsetting increase causes the president to veto the bill as he has said it will, so much the better.

The harder choice to make is between domestic spending and deficit reduction. But in practical terms that is less of an issue than it sounds, for two reasons. Beginning next year, even under the budget agreement, defense cuts could be used for domestic purposes—and almost surely would be, since the budget rules otherwise would force a large domestic spending cut. So the wall would likely come down next year anyway, and this year any further defense savings are likely to be relatively small, since the defense budget is always slow to turn around.

The real test for the Democrats is, which domestic programs do they want to increase? It's true that one man's pork is another's sound investment in the nation's future, but it's possible to tell the difference. If the Democrats succeed in tearing down the budget wall a year early, how well will they spend the liberated money? That's how to judge them.

David S. Broder

The Bashers of 1992

They are the bashers of 1992, Pat Buchanan and Jerry Brown. Self-styled populists and anti-establishment crusaders, they are the most media-indulged contenders in the Republican and Democratic presidential fields, allowed to define themselves as no other candidates are.

The Washington press corps in particular has been roundheeled for its buddy "Pat," newspaper columnist, star and host of TV talk shows—at least when he is not trashing the press on behalf of some conservative president.

Reporters and broadcasters accepted without challenge the idea that Buchanan's arsenal of extremist views and his service as in-house propagandist for Richard Nixon and Ronald Reagan were sufficient credentials for a presidential race. Duped by bad exit polls that exaggerated his success, they converted Buchanan's 37 percent share of the vote against President Bush in New Hampshire into the lead story of the early 1992 contests.

Now, they are tempted to do the same thing with Brown's close second-place finish behind former Massachusetts senator Paul Tsongas in the Maine caucuses. Prior to New Hampshire, the former two-term governor of California and three-time presidential candidate had been dismissed as an eccentric. His fifth-place finish in

New Hampshire seemed to certify his irrelevance, so his accomplishment in the Maine caucuses is being heralded as a remarkable feat.

In reality, both Brown and Buchanan demonstrate how easy it is, in a time of economic pain and political disillusionment, to round up support by being loud-voiced protest candidates. That three out of eight New Hampshire Republicans and three out of 10 Maine Democrats want to squawk about the way the economic and political system is treating them is not remarkable. Brown and Buchanan are riding a wave neither of them had to create.

When George Bush broke the "no new taxes" pledge that won him the 1988 New Hampshire primary and seemed indifferent to the recession wracking that state and all of New England, he opened the door to Buchanan's kind of challenge. When the Keating Five and the story of the House bank abuses demonstrated the power of big contributors and the self-indulgence of some legislators, an opportunist like Brown saw an opening.

But politics is more than protest. For people's anger to be salved, policies must be put in place that address their needs and right the wrongs of which they properly complain. The problem with populism—Buchanan's right-wing style and Brown's left-wing variety—is that it is long on indignation but notably short on solutions.

Buchanan is peddling a form of economic nationalism and European-stock chauvinism, claiming that America is being threatened by foreign imports and immigration. His call to raise the barriers against both alien peoples and their products has been heard often before in American history. Despite its appeal with some voters, it is unoriginal, and it is unconvincing as a solution to the economic and social challenge of the late 20th century.

International trade is bolstering the American economy, not hurting it. The concept of a homogeneous people, if not racist, is at least unrealistic. Even if we closed the doors to all new immigrants, we would face a huge task in educating and integrating the multicultural population we already have. And Buchanan offers no ideas for doing that.

As a Californian who governed the most trade-dependent and diverse of all states, Brown knows the folly of Buchanan's proposals. But he is preaching his own brand of phony-salvation while denouncing rival politicians for doing the same things he did throughout his political career. Over the last two decades Brown raised millions of dollars for two gubernatorial races, two presidential races and a Senate campaign. I don't know which is more laughable—Mercedes-driving Pat

Buchanan parading his compassion at the jobless support groups or Jerry Brown railing against big-money contributors.

Brown's economics are as simplistic as Buchanan's. Brown says "we can put everybody back to work" on energy-conservation projects that would "pay for themselves" by cutting the nation's fuel bills. We can have a fixed-cost, government-run national health system—without rationing medical care. We can scrap all our taxes and have a simple 13 percent levy on incomes—with special deductions for renters. And, oh yes, we can revive the American shipbuilding industry and merchant marine, at least while campaigning in Maine.

A certain amount of guff and claptrap is inevitable in a political campaign. But the voters this year are telling us that they want a serious discussion of their substantive concerns by candidates who are capable of doing what they promise. In such an environment, the "therapy" Buchanan and Brown provide as vehicles for pure protest is an expensive indulgence.

For all the fireworks they explode, Buchanan and Brown are essentially distractions. The real work of the campaign is being done by the candidates who are attracting more than protest votes.

William Raspberry

Safety in the Center ...

Clip this column and send it to the White House. It might keep President Bush from making a terrible mistake.

The friend whose counsel it contains didn't set out to advise the president. He only wanted to raise a question regarding the impact of Pat Buchanan's challenge of Bush in the Republican primaries.

"The conventional wisdom," says my friend, a Washington-based policy analyst, "is that a Republican candidate, including an incumbent president, who senses danger on his right has to move to the right. As a result, most people in the media are anticipating a sharp rightward movement on Bush's part."

"Well, it's not all that clear to me that that's the direction he needs to move. I'll go further and say I don't think he *can* move very far rightward without tripping into that open sewer constituted by Buchanan's hard-right and racist campaign."

It's a dilemma, of course. If Bush moves to the right to preempt some of Buchanan's support, he abandons the centrist core of his party and also the centrist Democrats, who helped elect him. If he moves left, he justifies Buchanan, who alone would speak to those frightened members of the working (and not-working) class eager for a scapegoat.

But it may not be as big a dilemma as some White House advisers fear. Says my friend:

"Given the odds against Buchanan actually winning the nomination and the likelihood that the economy will be on the upswing by the time of the election, the

probability is that Bush will be reelected whichever direction he moves. The question is how he wants to position himself for the long term and how comfortable he would be with that choice personally.

"It seems to me that if he moves right, he moves into the arms of people who've never embraced him: the ardent antiabortionists, the religious hard right, the anti-civil rights crowd, the ideological opponents of all government regulation, taxes—that crowd. My instinct is that those people—the very ones Buchanan is wooing—are people Bush has never been entirely comfortable with and vice versa."

Of course, the president isn't comfortable with the left, either, but that may not matter. George Bush has lived his political life in the center. He has been criticized for having no particular vision for America, no political philosophy to guide his programs and policies. The downside of that attitude is that he brings no predictable agenda. But the upside is that Bush is always free to compromise, to drift toward the center.

And therein is the opportunity the Buchanan candidacy presents. Buchanan is such an unabashed extremist—so much a David Duke sans bed sheet and pointed hat—that Bush can slide toward the center without moving his feet and maybe help himself in the process.

"I'm not talking winning or losing reelection," says my friend. "I'm talking about Bush's basic character. Any move to compete with Buchanan for the hard-right support would move him perilously

close to Buchanan's rancid sewer of racial resentment. I mean, can't you imagine a debate in which Buchanan accuses Bush of signing a 'quota bill,' and Bush has to say 'I never'? Bush can't act more bigoted than Buchanan, and he shouldn't try."

And what *should* he try? There was a line in the generally ordinary State of the Union message that contains one possibility. He was talking about the debilitating effects of welfare, the necessity for education, for training and for work, the need to improve the system without "scapegoating or finger pointing." Then:

"If you read the papers or watch TV, you know there's been a rise in a certain kind of bitterness, racist comments, anti-semitism, an increased sense of division. Really, this is not us."

The words might sound cynical coming from the man who rode into office on the coattails of Willie Horton. But I believe George Bush would rather unite this country than divide it into exploitable pieces. My sense is that he saw in David Duke's gubernatorial campaign the long-term danger of the Willie Horton approach and, alarmed, signed the Civil Rights Act of 1991.

Bush will never be the choice of those of us who prefer a liberal president. But he'll do for a time if he can learn to counter Buchanan the right way: by talking about the necessity for America (and the Republican Party) to make room for everybody, by reminding Americans of who they are, and who they, at their best, can be.

Rowland Evans and Robert Novak

... Thunder on the Right

Dismay in the conservative movement was made clear the night after President Bush's dreary showing in New Hampshire when a meeting of top-drawer right-wingers pondered whether a Democratic victory might be better for their cause.

Not one conservative present has endorsed Patrick J. Buchanan's insurgent candidacy, and several harbor misgivings about the challenger's ideology. Nevertheless, their mood contradicts the Bush campaign's attitude that only Buchanan's "symbolic" candidacy rains on the president's parade to an orderly nomination.

The Bush campaign, hearing the thunder on the right, thinks Buchanan started it, when in fact it is caused by the president's record. Three years of accelerating resentment, temporarily inhibited by the dazzling success of Desert Storm, have reached a crescendo coincidental with the Buchanan campaign. In the Feb. 19 evening meeting of conservatives, those who felt they should try to ease Buchanan out quickly were outweighed by those who wanted to soften the challenger's rough edges.

The meeting was held in the Washington office of William J. Bennett, Cabinet-level official in the Reagan and Bush administrations and a future aspirant for president. But the session's guiding force was Pete duPont, former governor of Delaware and a presidential candidate in 1988.

What was left unsaid at the meeting was as important as the spoken words.

Fairly or not, there was a presumption that Bennett and duPont felt they had missed the boat by not jumping in before Buchanan did. The feeling was much stronger that duPont, who has conferred with Buchanan emissaries, is on the verge of endorsing the insurgent—becoming the first nationally prominent Republican to raise the flag of rebellion.

No member of Congress was present. Two conservative GOP House leaders—Reps. Newt Gingrich and Vin Weber (supporting Bush, as do all their colleagues)—were invited. Gingrich later told us he didn't know he was asked and would have gone if he had. Weber first accepted but then reneged when asked not to go by Housing Secretary Jack Kemp.

Kemp is widely regarded as the true heir of Reaganism. But his posture as a Bush Cabinet member is uncomfortable, particularly after he blurted out on television his description of tax "gimmicks" in the president's budget. Administration officials contend that Kemp would have been sacked had he not retracted those remarks and that the president has not really forgiven him. Under those conditions, Kemp regretted the invitation, leaving only one administration official who attended: William Kristol, chief of staff to Vice President Dan Quayle.

Two others on hand—Bennett and ex-Reagan political aide Ed Rollins—are also active Bush backers. But Rollins did not hesitate to criticize Bush's record,

and only Kristol voiced a full-throated appeal for the president.

Kristol offered a nightmare tableau of Washington if Bush loses in November, with Rep. Pat Schroeder of Colorado as secretary of defense and Prof. Laurence Tribe of Harvard on the Supreme Court (a preview of what Quayle himself told conservatives two nights later).

But the insinuation at the meeting was that a Democratic interlude might energize the right as it did in 1977-81. Thunderous criticism of the president from Phil Trulock of the increasingly disenchanted Heritage Foundation was surprising. Also unexpected was John O'Sullivan, editor of the *National Review*, calling for Buchanan to be taken in at the table of responsible conservatism rather than anathematized as a heretic—a point widely agreed on.

At the post-New Hampshire session, conservative organizer Paul Weyrich laid out an agenda for Bush to mend fences, including the sacking of John Frohnmayer at the National Endowment for the Arts as demanded by Buchanan. That act, in the cards for a week, was accomplished two days later but is insufficient to bring back outraged conservatives.

While the president's operatives plot ways to get Buchanan out of the campaign before the June 2 primary in California, conservatives wonder whether they really want another four years of George Bush. That is a sentiment that should be more daunting for the White House than Buchanan's rebellion.

© 1992, Creators Syndicate Inc.

WEDNESDAY, FEBRUARY 26, 1992

The Washington Post

Richard Cohen

Million-Dollar Failure

Every time I pick up the paper, it seems, I read a story about how the CIA is looking for something to do now that ol' Evil Empire has collapsed. May I make a suggestion? Find out how much N. J. Nicholas Jr. will get for being fired from Time Warner. The Wall Street Journal puts the figure at anywhere from \$24 million to \$44.5 million. The New York Times says \$6 million to \$20 million and The Post, citing a proxy statement, puts the figure as in excess of \$10 million. I want to know exactly.

I want the CIA to leak me the precise to-the-penny amount so that I can use it in a column. After that, a presidential candidate (there are seven at the moment) will use the figure as a mantra. He will incorporate it in a chant. He will travel the country, and when he even starts to recite the amount—say, “45 million”—the audience will chant it for him. Not since Franklin D. Roosevelt’s “Martin, Barton and Fish” (or George Bush’s “Read my lips” refrain) will the country have seen anything like it.

Until last week, Nick Nicholas was the co-chief executive of Time Warner Inc. The other co-chief executive was Steven J. Ross. It turned out that Ross was a bit more “co” than

Nicholas. When the latter started implying that he had, in effect, supplanted the former (Ross has been ill with cancer, but says he will soon be back to work), the board of directors dumped him. In addition to hubris and a certain inattention to detail, he was accused of coming from the wrong “culture.”

This word, “culture,” appeared in every account of Nicholas’s ouster I read—and I read many of them. Along with “synergy,” it’s one of those terms that no one can quite define but that, nevertheless, is spoken with authority. Lest you misunderstand, do not think that Ross is Serbian and Nicholas Croatian. No. Instead, Ross is Warnerian (hailing from the old Warner entertainment complex) and Nicholas is Lucean. (He had worked for the company Henry Luce founded, Time Inc.) For these reasons, the two men clashed. They had different “strategic visions” without which, as anyone can tell you, synergy is impossible.

But how anyone can say Nicholas and Ross do not share the same culture is beyond me. They are both greedy, spoiled, selfish corporate executives whose sense of entitlement is so great they can reward themselves obscenely while—look it

up—laying off employees. Ross, a favorite punching bag of this august column, took home something like \$80 million last year (note to the CIA: let’s nail this figure down, too) while pink-slipping some 600 employees in the magazine division. Having put the money in his pocket, Ross has acted a bit like the late Capt. Alfred Dreyfus, the innocent victim of a frame-up.

Amazingly, accounts of Nicholas’s fall and his replacement by Gerald M. Levin—“the first real Time Warner person,” someone called him in the Wall Street Journal—cited bad morale as a cause for the executive shakeup. Morale is supposedly particularly bad at the magazine division, where I have some friends. I can confirm the various accounts. For some reason, my friends were angered when their colleagues were laid off while at the same time the ultimate boss (and others) were raiding the safe. They thought that a true leader would have shared the burden, not added to it. Maybe they even thought that compensation ought to be tied to performance. Time Warner just earned its first quarterly profit since its merger in 1989.

You would think that the money Nicholas will get for leaving Time Warner (Gates: can you get

the lead out?) would surface on the campaign trail. You might think that Patrick Buchanan, that tribune of the (white, heterosexual) people would question a compensation system that seems to be disconnected from performance—either personal or corporate—not to mention equity.

You might think that all of the candidates, each and every one of them our champion, would wonder out loud how American workers are going to be led into the 21st century when their leaders are a bunch of greedy men who look after themselves first, the company next and the workers last. Japanese executives, whose companies are pushing ours into bankruptcy, make far less than their American counterparts—20 times the average wage, compared with 160 times here.

So far, though, I have not heard a peep from the campaign trail. Maybe politicians are reluctant to link pay with performance. If so, they are missing a sure bet. It’s both cockeyed and vaguely un-American to give someone anywhere from \$6 million to \$44 million for *failing*. C’mon, CIA, get me that figure. As almost any American can tell you, we’re not out of evil empires yet.

Daniel S. Greenberg

Time for a New NASA

Rather than doing it nicely, the White House took the shabby route in ousting Adm. Richard Truly from the helm of NASA, making it evident that he was forced to resign. Appointed by George Bush, Truly took over the agency while it was still convalescing from the Challenger calamity and got it functioning again.

But the admiral, the first astronaut to head NASA, was part of the old megalomaniac clique that got NASA into trouble in the first place. And though space operations have proceeded relatively smoothly under his regime, the agency remains inbred, provincial and bound for trouble.

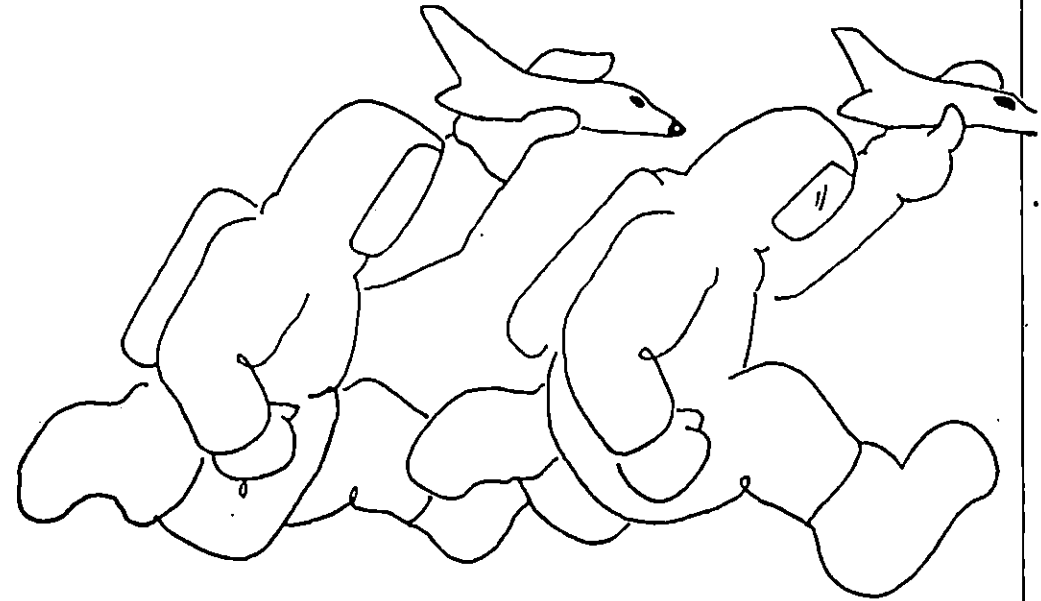
The great failing of NASA has been its enchantment with majestic ventures predicated on the faith that Congress will provide, even after fancifully low price estimates are followed by crushing bills. The prime example is the space shuttle, which will be the centerpiece of NASA operations for years to come, because its ravenous financial needs consumed support for almost all other launch systems. The shuttle provides a classic parable of high technology and government.

When the shuttle was on the drawing boards in the 1970s, NASA assured Congress that the fleet would fly as many as 60 missions a year, thus providing a voluminous cargo capacity that would dramatically reduce the costs of going into space. But as a recent report by the General Accounting Office dryly points out, "Realism forced several downward revisions in annual flight predictions."

The first flight, in 1981, made it clear that the shuttle was a temperamental, fragile and cumbersome craft. In 1985 NASA reduced the projected flight schedule to 24 per year by 1990. In 1986 following the Challenger accident, the planned figure dropped to 16 per year by 1991. Actual flights in that year numbered eight, which is probably the most that NASA can muster, according to the General Accounting Office.

The drop in planned flights, from as many as 60 down to an actual eight, has had calamitous financial effects. At 60 per year, each flight would cost about \$50 million, according to the GAO. At eight per year, the cost per flight works out to \$358 million. The costs of running the shuttle now consume about 25 percent of NASA's budget.

Adm. Truly inherited the shuttle mess and tried to make the best of it, but in the process he was intransigent about shaking NASA loose from its extravagant traditions and looking for other ways to use space. When yet another blue-ribbon commission—this one chaired by Norman Augustine, head of Martin Marietta—advised NASA to focus on science, minimize reliance on the shuttle and develop a new family of expendable launchers, NASA nodded and continued on its way. The space station, conceived with the same fiscal irresponsibility as the shuttle, was finally reined in when Congress demanded a firm price and set tight limits on the growth of annual expenditures.



BY T. GIBSON

Truly's undoing is in large part attributed to the National Space Council, which provides Chairman Dan Quayle with a rare vice presidential opportunity for tangible activity. Quayle has picked up on the theme that NASA has developed a tight little culture that's resistant to outsiders, no matter how bright and innovative their ideas may be. The council has pushed NASA to give serious attention to unconventional approaches to getting into space and working there—such as inflatable spacecraft that would reduce launch weight while still providing the needed volume in space.

The National Academy of Sciences has criticized NASA for neglecting the development of

robots and automated space instruments that could perform research without the costly presence of humans in space. But NASA, still dominated by the romance of humans in space, has adopted a wily tactic in the controversy over man vs. instruments in space. Neglecting research in this area, it contends that machines are still too unsophisticated to do the job.

A warm presidential ceremony was the admiral's due for his service to NASA. It's time to break up the old-boy network at the space agency. But it could have been done nicely.

The writer is editor and publisher of Science & Government Report, a Washington-based newsletter.

Election-Year Deadlock Seen Blocking Tax Bill

Neither Party's Plan Given Much Chance Of Passing This Year

By Eric Pianin
Washington Post Staff Writer

CONGRESS, From A1

Even as the House prepares to vote this week on competing Democratic and Republican proposals to help ease the recession, prospects for enactment of a major tax bill this year are quickly fading.

After weeks of posturing over which party cares more about the middle class and the victims of the recession, many Democrats and Republicans apparently would not mind seeing tax legislation die, as long as they are perceived by the voters as having tried to do something.

"People out there are not stupid and don't want the tax package either party is offering," said Rep. Anthony C. Beilenson (D-Calif.), a member of the House Rules Committee that cleared the way yesterday for the tax-cut votes this week. "We're being forced by politics on both sides to do something that's not good for the country, and I'm sorry to see that happen."

President Bush and Democratic congressional leaders are at odds on how to finance a tax cut. The Democrats insist that the bill increase taxes on the wealthy to provide tax relief for the middle class. Bush, under attack from conservative challenger Patrick J. Buchanan for having broken his vow not to raise taxes, has promised to veto any bill that includes a tax increase.

With many House Democrats still unhappy over their leadership's tax plan, particularly a capital gains provision nearly as generous to the rich as the Republican proposal, there is virtually no chance that the Democrats could override a veto.

"It may be that if the president vetoes the proposal, we will not be able to override that veto," House Speaker Thomas S. Foley (D-Wash.) conceded yesterday. "... That is going to be for his judgment later, and even if he vetoes it, I think we would be better off for having attempted to pass the bill rather than to do nothing."

House Budget Committee Chairman Leon E. Panetta (D-Calif.), who has urged Democratic and Republican leaders to abandon major tax legislation this year to avoid adding to the deficit, called the upcoming debate and votes in the House "the first act in a surrealistic play that may have no ending."

The gloomy outlook is shared by White House lobbyists and many House Republicans, whose seven-

point economic recovery plan, including a reduction in the capital gains tax but no middle-income tax relief, is expected to be rejected today or Thursday after an acrimonious floor fight. Foley predicted the Democratic alternative would be approved.

"Under the current scenario," said an aide to the House Republican leadership, "Congress will not have a bill on the president's desk by March 20, and it's doubtful we'll even get an economic growth bill passed this year."

Sen. Richard G. Lugar (R-Ind.) described the Democrats' effort to link tax breaks for the middle class and investment tax incentives to an increase in the top income tax rate and a surtax on millionaires as a "non-starter."

"This leads me to believe the odds of enacting an anti-recession package are diminishing as the Democrats move towards a class-warfare idea," Lugar said.

House Democratic leaders have been on a fast track to pass a tax package since late January, when President Bush laid down the March 20 deadline in his State of the Union address. Many Democrats, including Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.), have been skeptical about passing a bill now, when a number of economists have testified that it would do little to help end the recession and might add to the federal deficit.

During testimony yesterday before the House Rules Committee on the Democratic tax proposal he essentially wrote, Rostenkowski said, "I'd be the first to admit the people are giving us mixed signals" on how to proceed.

But Foley and House Majority Leader Richard A. Gephardt (D-Mo.) argued persuasively during two contentious Democratic caucuses last week that the White House would unmercifully bash Congress if it failed to act, and that by taking up a tax bill now, Democrats would have the perfect opportunity to define their differences from the Republicans over the "tax fairness" issue. Democrats contend that the tax code should be revised to benefit what they believe to be the long-neglected middle class.

To win over dissenters within their own caucus, House Democratic leaders altered their package last week, dropping a proposed 1 percentage-point reduction in the corporate income tax rate and a 1 percentage-point reduction in the corporate minimum tax rate. It was not enough for some, such as Reps. David R. Obey (D-Wis.), Martin O. Sabo (D-Minn.) and Ronald V. Dellums (D-Calif.), who argued that the capital gains provisions were too

"It's difficult to vote for a package when you're impacting people's taxes adversely."

—Rep. Ed Jenkins (D-Ga.)

generous to the rich and should be dropped as well.

The capital gains provisions were added to attract conservative Democratic support.

"I've ridiculed the trickle-down theory for years, so I'm very uncomfortable with a package that puts money in the pocket of business," Dellums said.

Others agree with their leaders that inequities in the tax code should be addressed for the sake of "tax fairness," but they are unwilling to vote for a tax increase of any sort this year.

"I suspect that in any election year it's difficult to vote for a package when you're impacting people's taxes adversely," said Rep. Ed Jenkins (D-Ga.), a conservative member of the Ways and Means Committee. "A large number intend to play it safe, and the best of all worlds is for them to vote no and for the bill to pass."

"My best judgment is that nothing will be enacted," Jenkins added.

"I'd say the chances are very poor," said Rep. Don J. Pease (D-Ohio), another committee member who foresees a deadlock. "If cooler heads prevail, the White House and Congress will say, 'We tried and couldn't agree, and we won't try again'—which might be the best thing for the country."

By John Carmody
Washington Post Staff Writer

ABC Entertainment yesterday announced a little change for its winning Tuesday lineup—moving "Coach" to the sidelines for a couple of months of well-deserved rest in favor of a new Linda Lavin sitcom, "Room for Two"...

"Coach," ranked sixth among 120 network series seen so far this season, will return in time for the May ratings sweeps with brand-new episodes, an ABC spokesman pledged yesterday...

"Room for Two" stars Lavin as a recently widowed woman who visits her TV producer daughter (Patricia Heaton) in Manhattan, somehow becomes a hit on her show and, despite the daughter's mixed feelings, won't go back home to Ohio...

It will air in the 9:30 timeslot starting Tuesday, March 24. ABC has ordered 13 episodes...

A five-year study of the influence of TV on society claims children are learning racial and sexual prejudices and violent behavior from the programs they watch and are spending more of their time in front of the screen than they are in the classroom...

The study, by nine psychologists, reported that television devalues and stereotypes social groups, especially blacks and women, by either excluding them from shows or giving them negative roles...

The American Psychological Association report, "Big World, Small Screen: The Role of Television in American Society," claims that the average child will have watched 8,000 murders and 100,000 other acts of violence on TV by the time he leaves elementary school...

The study found that violence on television influences viewers, especially children and teenagers, to use violence to resolve conflicts and makes them more accepting of sexual violence and rape...

Saturday morning cartoons designed especially for preschool and elementary-age children have four to five times the amount of violence as programs aired after children are in bed, according to the study...

In Other News

John Degenhard, senior vice president, finance, and chief operating officer at WETA, has resigned, effective May 29, 10 years after he first joined the public TV station...

He wants to complete next year's budget before departing, he told WETA president Sharon Rockefeller...

Degenhard joined WETA as a production controller and was named acting vice president for finances in 1990. A year later he became vice president of finance and administration and was promoted to senior VP this past November...

Rockefeller said yesterday that Degenhard had notified her of his decision last Wednesday following a WETA board meeting...

"I'm extremely disappointed that WETA is going to lose John, a very, very talented executive who is dedicated to public broadcasting"...

She said he had made the "totally understandable" decision to spend more time with his "two young boys under 5" at their Annapolis home. The WETA job costs him two hours in commuting time daily, she pointed out...

"It is a shame for us," said Rockefeller, "but it's the right moral choice." She said WETA would launch a national search for his successor soon...

Degenhard said yesterday in a statement that over the next several months he will "explore my options." He said he most probably will stay in financial services but is "open to other interesting assignments as well"...

Maryland Public Television starts its spring fund-raising drive on Friday, March 6, winding it up on Sunday, March 22...

This year's goal will be \$600,000. We'll detail some of the MPT fund-raising highlights in the future, but keep in mind that on the final night, all pledgers will be eligible for a trip to Switzerland underwritten by Swissair!...

WETA's drive, seeking \$700,000, will fall on the same 17 days...

Tracey Gold, 22, who left "Growing Pains" to fight anorexia nervosa, returned to the series this week to tape the last three episodes for the season. During her absence from the ABC series, her character, Carol Seaver, toured English museums...

"I'm so glad to be back but I still have a long road ahead of me," Gold said. "With all the love and support I've been given from my family, my friends and my fans, I know I will succeed"...

Beth Comstock, formerly of Turner Broad-

casting and onetime media manager for NBC in Washington, has been named director, entertainment publicity, CBS/Broadcast Group...

She replaces Betsy Wagner, who went to Fox last month. Comstock also worked for Arlington Community Television and the National Cable Television Association here...

Monday night, "Crash Landing: The Rescue of Flight 232" on ABC averaged a 17.1 national Nielsen rating and a 26 percent audience share but CBS's comedy lineup won the night, averaging a 16.8/26 from 8 to 11...

Part 1 of "Grass Roots" on NBC did a 13.4/20...

Washington viewers, as previously noted, showed considerably more interest in the Winter Olympic Games than most major markets. CBS averaged a very nice primetime 18.7/29 during the 16 nights of coverage that ended Sunday—after promising advertisers only a 17.0 rating. But CBS affiliate WUSA here averaged a 22.6/34 overall, compared with a primetime average for Feb. 8-23 of 11.4/17 for NBC-owned WRC, a 10.3/15 for ABC affiliate WJLA and a 9.3/14 for FOX affiliate WTTG...

Two more Games footnotes: The ratingzzzz for "CBS Evening News" were up 14 percent during the just-completed Olympics Weeks but "ABC World News Tonight" continued on top...

For the week ending Feb. 21, ABC averaged an 11.0/20, compared with a 10.6/19 for CBS and a 9.2/17 for "NBC Nightly News"...

CBS News's "Face the Nation," missing from the Sunday schedule for the past three weeks, returns Sunday with (1) a new set, (2) new graphics and (3) new music...

TV Ratingzzzz

Following are the top 20 network prime-time shows last week, ranked according to the percentage of the nation's 92.1 million TV households that watched, as measured by the A.C. Nielsen Co. A share represents the percentage of actual sets-in-use tuned to a particular program when it aired.

Rating	Share	Network
1 25.0	40	CBS
2 23.1	38	CBS
3 22.8	35	CBS
4 21.7	32	CBS
5 20.6	29	ABC
6 18.6	27	ABC
7 17.3	26	ABC
8 17.2	25	ABC
9 16.6	25	NBC
10 16.6	25	NBC
11 16.1	28	CBS
12 15.9	24	CBS
13 15.6	25	ABC
14 15.6	24	ABC
15 15.4	24	CBS
16 15.2	23	NBC
17 15.2	22	NBC
18 15.0	25	NBC
19 14.9	23	FOX
20 14.9	22	NBC

ABC's Tuesday comedy schedule finally broke up CBS's Winter Olympics winning streak but the erstwhile Tiffany network did manage to win 15 of the 16 nights it aired the Games...

"Roseanne" and the gang knocked CBS's Tuesday down to 12th place in the weekly rankings. But not to worry, CBS. The network says a record 180 million viewers watched some of the coverage, 10 million more than watched ABC Games coverage at Calgary in 1988 (although CBS's Games ratings were down slightly from the ABC average). There are even reports from CBS that it will make a small profit after weeks of poor-mouthing by rival webs...

In the larger scheme of things, CBS has now won eight straight weeks—for the first time in 10 years—and 17 of the 23 weeks so far of the 1991-92 season. It goes without saying the February ratings sweeps are already salted away...

For the week CBS had an 18.9/30, compared with a 12.9/28 for NBC, a 12.3/19 for ABC and an 8.0/12 for FOX...

FOX, the little network that did, managed to show a slight increase in audience during the Olympics, while both ABC and NBC fell below their season averages...

In other highlights last week, the NBC Monday movie, "Till Death Us Do Part," was 21st; the Sunday Olympics closing ceremonies tied for 26th; NBC's "First Person With Maria Shriver" was 45th; the "Darkman" movie on NBC Friday night was 50th; and ABC's Jaleel White special on Saturday was 61st...

The Final and Almost Without Exception Fatal Five last week was four-fifths FOX. Only NBC's "Hot Country Nights," in 66th, cracked the all-FOX FFAWEFF, which was led by "Hidden Video" in 65th and followed by a "Sunday Comics" special in 67th, a "Beverly Hills 90210" special and Saturday night's "Fox Summer Games" special, dead last among 69 programs ranked for the week ending Feb. 23...



BY HARRY MALCHUK—THE WASHINGTON POST

Tsongas last night, typically excited, comes to economic policy, he speaks our language.
Kerry cited Tsongas's remarkable courage as the basis for his own support: "He's the only presidential candidate who has the courage to wear a bathing suit in a campaign ad."

Paul Tsongas, The Man in Demand

■ How nice to be wanted. Ten months after he carried his own bags into the presidential race, the not-quite-front-runner Paul Tsongas had to elbow his way through a media gridlock into a jammed fund-raiser last night. The Kennedy fellows, Sen. Ted and Rep. Joe, were on hand at the Monocle to lend support. "I'm just going to stand here and absorb the charisma," quipped the milquetoast candidate.
The elder Kennedy effusively praised his Massachusetts compatriot, but when reporters demanded to know if this was an official endorsement, he shot back: "It was a 'wishing him well.'"
Oklahoma Sen. David Boren, who had endorsed Tsongas moments before, enthused to Massachusetts Sen. John Kerry, "I joined your team today!"
"He may not speak with a Southern accent," Boren added, "but when it

WE'VE HEARD THAT...

■ Washington lawyer Len Garment will head to New York's Red Blazer tonight to play a little saxophone with '40s band-mate Johnny Mandel, who won a Grammy last night for his arrangement of Natalie Cole's "Unforgettable." Joining them at the surprise party for their former leader, Henry Jerome, will be baritone David Allyn. Another member of the group, Fed Chairman Alan Greenspan, couldn't make it.
■ Sultry singer Natalie Cole

raised more than \$100,000 for the Apollo Theatre during a benefit performance at the Harlem showplace Friday night.

■ Hillary Clinton apparently wowed a group of L.A. stars and various other Democrats at a meet 'n' greet breakfast yesterday morning. "I wish there was a way to get her on the ticket," said actress Christine Lahti ("The Doctor"), who was among the 400 there.

By G.B. Trudeau

DOONESBURY



HIGHLIGHTS

- The movie "When Harry Met Sally" on WJLA.
- A National Geographic special, "The Mexicans: Through Their Eyes" on WETA.
- And the NBA Bulls vs. the Bulls on WDCA.

Sports

NBA Basketball. Washington Bullets at Chicago Bulls (Channel 20, 8:30 p.m.).

Public Broadcasting

National Geographic Special: "The Mexicans: Through Their Eyes" (CC) (SAP). Edward James Olmos hosts a look at modern Mexico. One hour (Channel 26 at 8).

Primetime Movie

When Harry Met Sally (1989). The friendship of Meg Ryan and Billy Crystal threatens to turn romantic (Channel 7 at 9).

Series

Unsolved Mysteries (CC). Cases include a photo clue to a bank robbery in Henderson, Nev. (Channel 4 at 8).

Dinosaurs (CC). Part II. Earl tries to bring Robbie home from the battlefield and realizes the war will cause enormous changes in their society (Channel 7 at 8).

Davis Rules (CC). Against Gwen's advice, Dwight invests \$3,000 in a clam farm (Channel 9 at 8).

The Wonder Years (CC). Kevin and Winnie get dates for each other but can't resist their mutual attraction during the spring formal (Channel 7, 8:30).

Brooklyn Bridge (R) (CC). Alan and Nathaniel rejoice when left at home alone for a whole weekend (Channel 9, 8:30).

Seinfeld (CC). When George's car breaks down at the airport, Jerry cons a limo driver into a ride, only to discover they're being driven to a rally where violent protesters await neo-Nazis (Channel 4 at 9).

The Golden Girls (CC). Dorothy incenses Sophia after inviting her sister to stay while she looks for a place to live. A second episode follows (Channel 5 at 9).

Jake and the Fatman (CC). McCabe and Jake suspect a city councilman of murder (Channel 9 at 9).

Night Court (CC). Harry's law class bombs the final exam, and Bull discovers a new father (Channel 4, 9:30).

Quantum Leap (CC). Sam becomes a teenage singer who must stop one of her partners from signing an exploitative contract with an oily manager (Channel 4 at 10).

48 Hours (CC). Reports on hate in America, including interviews with a Klansman, a man who believes the Holocaust never happened, and a policeman who deals with hardened criminals (Channel 9 at 10).

Thursday Morning

Today (CC). More on surviving a hospital stay, and a viewer call-in to job advice experts (Channel 4 at 7 a.m.).

Good Morning America (CC). With a report on alleged discrimination in the New Orleans Mardi Gras (Channel 7 at 7).

CBS This Morning (CC). Defense Department spokesman Pete Williams and Walter Cronkite discuss war censorship; plus suggestions on how to avoid a job layoff (Channel 9 at 7).

White House, Eager and Anxious, Wants to Sell 72 F-15's to Saudis

By ERIC SCHMITT
Special to The New York Times

WASHINGTON, Feb. 25 — Eager to keep American defense workers employed in an election year, the Bush Administration is considering going ahead with a sale of 72 advanced F-15 fighter planes to Saudi Arabia.

The Saudi request is not new, but the Administration had shelved it rather than risk a fight with members of Congress who view sales of advanced weaponry to Arab countries as a threat to the security of Israel. The Administration contends that Saudi Arabia needs the planes chiefly to bolster its defenses in light of a threat posed by Iraq.

Administration officials say opposition in Congress may be weakened this year by countervailing concerns about the recession and unemployment, possibly giving the White House an opportunity to proceed with the sale. Congress can block arms sales, and has done so in the past in some cases involving Saudi Arabia.

Without the sale, production lines at the McDonnell Douglas Corporation, which builds the aircraft, will begin closing, possibly as soon as this summer, say Pentagon officials who favor the sale. McDonnell Douglas officials said as many as 7,000 workers, most at a plant in St. Louis, could lose their jobs by 1994. By comparison, the Saudi deal, estimated to be worth \$5 billion, could keep assembly lines open through 1997, a company official said today.

Senior State and Defense Department officials are to appear Wednesday before a closed hearing of the Senate Foreign Relations Committee to explain this year's classified list of all requests for military equipment from foreign countries.

Officials familiar with the document, which was sent to Congress last Friday, said it included a renewed request from the Saudi Government for 24 F-15H's, an aerial combat plane, and 48 F-15E's, an advanced ground-attack aircraft.

Sale Would Be a First

The United States has never sold the F-15E abroad, but in the past three years has sold Riyadh 98 F-15C's and F-15D's, earlier versions of the F-15H and more defensive in design than the F-15E. Air Force and industry officials said that the Administration might consider selling Riyadh a less advanced version of the F-15E.

The Air Force and Pentagon officials are pushing the sale to reward an ally in the Persian Gulf war. There are also concerns that if the United States refuses to sell F-15's to Riyadh, Britain will eagerly sell comparable Tornado attack aircraft.

The Administration has not indicated whether it will submit the Saudi sale

to Congress. Only about 20 percent of the requests on the list are submitted to Congress annually, a Defense Department official said.

War Materiel vs. Peace Talks

State and Defense Department officials are divided over the timing of the proposed sale. Senior State Department and other Administration officials oppose any imminent sale, fearing it would damage the Middle East peace talks, which resumed in Washington this week. "On the whole, selling F-15's will not be a helpful thing in terms of peace process," said a senior Administration official.

The Administration is also walking a political tightrope by backing \$10 billion in loan guarantees to Israel only if Israel agrees to freeze all construction of Jewish settlements in the West Bank and the Gaza Strip. Supporting the Saudi sale now, officials said, could lead to a backlash in favor of the Government of Prime Minister Yitzhak Shamir, and thereby undermine the Administration's strategy on the loan guarantees. Congress is currently considering the loan guarantees as part of its foreign-aid legislation.

Moreover, the Saudi sale would appear to run counter to pledges by the United States, Russia, China, Britain and France since the end of the Persian Gulf war to try to control conventional arms sales to the Middle East. In that time, however, Washington has announced \$6 billion in arms sales to the region, according to the Arms Control Association.

Strong Abroad, Strong at Home?

Senior Administration officials also differ on the degree to which policymakers should consider the long-term health of America's military industry when deciding foreign arms sales.

"It is not the United States Government's policy to sell arms in order to maintain our own defense industrial base," Richard A. Clarke, the Assistant Secretary of State for Politico-Military Affairs, said in a speech last December.

When asked about the issue at a breakfast meeting last week, Ronald F. Lehman 2d, director of the Arms Control and Disarmament Agency, said: "The answer is, it is a factor, it has always been a factor and will probably always be a factor."

Israel's supporters in Congress are already gearing up for a fight. When reports of the sale first surfaced last November, 67 senators signed a letter to Mr. Bush, objecting to the proposal. "If the Administration proposes this sale, it will face a fierce and heated struggle on the Hill," said Representative Mel Levine, a California Democrat.

SENATE PUTS CURB ON CHINA'S TRADE

Continued From Page A1

man rights, opening its markets to American goods and curbing exports of missile and nuclear technology.

The Senate's Democratic leadership insisted on the vote today to force the President and Republicans into the politically awkward position of publicly supporting the Chinese Government in an election year.

Several senators who changed their votes cited concerns about Chinese arms exports. Among them was Senator Jim Exon, a Nebraska Democrat who voted against the legislation last summer because he feared that China might retaliate against American corn exports. He said he voted in favor today because a recent Central Intelligence Agency report made him worry that China sought to replace the former Soviet Union as a superpower and the United States' leading adversary.

Arms exports are "the way you get to be a superpower," he said in an interview after the vote. "You surround yourself with a lot of your supporters, you give them a lot of nuclear armaments and then you become Mr. Big."

Senator George J. Mitchell of Maine, the majority leader and chief sponsor of today's bill, also cited China's occupation of Tibet and its \$12.69 billion trade surplus with the United States last year, the second largest surplus after Japan's. Ten conservative Republican senators voted for the bill.

Five Democrats Vote No

Only five Democrats, all from farm states, crossed party lines to support the Administration. Their leader, Senator Max Baucus, the Montana Democrat who heads the Subcommittee on International Trade, said he supported the use of existing trade laws against specific Chinese exports.

Supporting the bill "is the politically easier course to take," he said. "It's easier to beat up on the Chinese and, for some Democrats, to beat up on the President in an election year."

The Administration lost today's vote despite weeks of strenuous lobbying to persuade Republican senators to vote with it. That effort concluded today with Republican senators meeting over lunch with Secretary of State James A. Baker 3d and Brent Scowcroft, the national security adviser.

Yet so reluctant were Senate Republicans to defend China that Senator Bob Packwood, the Oregon Republican who led the bill's opponents, was unable to find enough senators to fill all the time slots allocated this morning for speeches criticizing the measure. Mr. Packwood yielded the extra time to Democrats.

Senator Bob Dole of Kansas, the Republican minority leader, had argued for weeks without success for a voice vote, which would have allowed Republican senators to support the President without being identified individually as having done so.

Legislation to revoke China's trade status was introduced shortly after the army crackdown in Beijing in June 1989, but no action was taken. The House approved a bill in October 1990 to impose conditions on the annual renewal of China's trade status, but the Senate took no action before that session of Congress expired two months later.

New bills imposing conditions were introduced in the House and the Senate and approved last July, although only in the House were Democrats able to assemble the two-thirds majority needed to override a Presidential veto. It was a compromise bill combining and slightly watering down the two bills that passed the House by a vote of 409 to 21 on Nov. 26 and came before the Senate today.

The most-favored-nation trade status is misleadingly named, referring to very low tariffs imposed on most imports from all but a handful of countries like North Korea and Albania. Under legislation enacted in the early 1970's, the most-favored-nation status of China and other countries that had Communist governments at the time requires annual renewal by the President.

Senate Backs Curbs On Beijing's Access To Markets in U.S.

By KEITH BRADSHAW
Special to The New York Times

WASHINGTON, Feb. 25 — Responding to China's human rights record, soaring trade surplus and continued arms exports to the Middle East, the Senate voted today to impose conditions on the renewal of China's favorable trade status with the United States in June.

The vote sends the legislation to President Bush after nearly three years of political maneuvering. The bill is the first penalizing China's growing exports that has actually emerged from Congress since Beijing's crackdown on dissent in 1989.

The Administration has repeatedly threatened to veto the legislation, and the 59-to-39 vote today fell 8 votes short of the two-thirds majority that would be needed to override a veto if all senators voted. But the margin was wider than in last summer's vote on the same issue, when the Democrats also prevailed, 55 to 44.

The bill, a compromise between separate measures passed by the House and Senate last year, would condition the renewal of China's most-favored-nation trade status on the Chinese Government's accounting for and releasing from prison all citizens accused of expressing their political beliefs nonviolently. It would also require as a condition of renewal that the President certify to Congress that China has made substantial progress in observing hu-

Continued on Page A9, Column 1

Arkansas

Clinton Welcomes Respite From Campaign Trial

By RONALD SMOTHERS
Special to The New York Times

LITTLE ROCK, Ark., Feb. 25 — Gov. Bill Clinton is off the campaign trail today to shepherd new legislation on the protection of children through a special session of his state's Legislature in a move that supporters said held some small risk but far more potential for political benefit.

The Democratic Governor described this time away from the campaign for his party's Presidential nomination as a welcome respite from a world where one lives by the television "sound bite" and words often seem elevated above action.

"I'm glad to be home not only where the reception is warm, but where we are back to some era of political reality and where we are judged not only by what we say but by what we do," Mr.

Clinton knows that the rule in dealing with state legislatures is that you have problems with them when you take them for granted.

Some supporters here said Mr. Clinton was also exposing himself to the possibility of the Legislature's suddenly growing balky just as the national spotlight was focused on Little Rock. The lawmakers could rebel against Mr. Clinton's child protection proposals or any of the other 52 items that he agreed to put on the session's agenda, thereby damaging his image as an effective leader.

But more probably, a special session on an emotional topic like child welfare will give Mr. Clinton an opportunity to show his effectiveness and demonstrate his willingness to temporarily abandon the call of national politics to take care of responsibilities.

Contrast With Cuomo

State Senator Jerry P. Bookout, Democrat of Jonesboro, said that the special session was not choreographed by the Governor and his political strategists, but that it could present a contrast with Gov. Mario M. Cuomo of New York, who last month cited legislative responsibilities at home as among his reasons for not seeking the nomination.

Merle Black, a political science professor at Emory University, agreed, adding that the portrait of the "effective, working, Southern Governor" that could emerge from the time Mr. Clinton spends at home this week could help him in the region's primaries.

The child protection measures that are the main item of business involve the immediate allocation of \$15 million to improve the training of case workers dealing with child abuse cases, hiring more caseworkers and improving measures to prevent abuse in the state's foster-care system. The plan also expands that foster-care program, increases financial assistance to foster families and improves health care for foster children.

The proposals were worked out in months of negotiations to settle a lawsuit brought by child advocacy groups last July. Describing his state's shortcomings in child welfare as not unusual, Mr. Clinton said he chose not to fight the advocates in court and risk court imposed solutions but instead to seize the opportunity to make new policy and "try to do better than other states."

Governor Lobbies Legislature

Judge Joyce Warren of Juvenile Court who heads the Arkansas Children's Council pointed out that Mr. Clinton's administration had been working on deficiencies in the state's foster-care program all along.

"I think he would have done this under any circumstances," she said.

Mr. Clinton appeared unexpectedly at committee meetings today to lobby lawmakers. It was what he usually does, said Representative Bill Walker, Democrat of Little Rock who said Mr. Clinton used "hands-on" style in such matters and added that if anything he was less active this time than he usually was.

He and others predicted that the



Gov. Bill Clinton leaving a state legislative session yesterday at the Arkansas Capitol in Little Rock, where he has been taking a few days off the campaign trail to lobby for passage of child-welfare legislation.

Clinton's chance to show he's conscientious.

Clinton said on Monday night in a speech to open the special session.

The break in campaigning, which began Monday and could last at least through Wednesday, comes shortly before several important primary elections in the South, where Mr. Clinton is considered the strongest of the five Democratic Presidential aspirants, but must win by significant margins to live up to that expectation. The Georgia primary is on March 3 and "Super Tuesday" primaries on March 10 will include five Southern states, plus Missouri and Oklahoma, which both border Arkansas.

Candidate's Own Decision

James Carville, Mr. Clinton's campaign consultant and strategist, said he was not asked about the candidate's return home for the special session and added that he would prefer that Mr. Clinton be campaigning in Georgia.

"If I had been consulted I would have asked if there was some other way to do this, but I understand that being a Governor is a little different from being a Senator," Mr. Carville said. "And I suspect, being the longest-serving

Governor would have little problem when the package came to a vote.

"There is still a strong sense that people here want to be supportive of him and see him succeed in the primaries," Mr. Walker said.

Also cheering Mr. Clinton on and himself actively lobbying for passage of the child welfare reform package was Mr. Clinton's onetime political foe, Lieut. Gov. Jim Guy Tucker. Mr. Tucker said the Governor's running for national office was unprecedented in Arkansas, making this the first time the lieutenant governor had taken the helm

for long period while the Governor was out of state. His hope was that it would continue, he said, and not only because he wishes Mr. Clinton well.

"To a limited degree the situation has given me some opportunities," said the 48 year old Mr. Tucker, who ran against Mr. Clinton in 1982 and was an announced candidate for the job in 1990 until Mr. Clinton decided to seek reelection. "But my political authority as opposed to statutory authority has been limited. But it grows as the Gov. spends more time with the national campaign."

Off Limits, Even for a Senator

Special to The New York Times

RAPID CITY, S.D., Feb. 25 — Senator Bob Kerrey's day in South Dakota had an inauspicious start when he made an early morning visit to Mount Rushmore and received a scolding from a park ranger.

Mr. Kerrey, who rose before dawn and hurried his entourage into the morning chill to reach the famous monument before sunrise, took one long, soulful look at the granite faces set against a pink sky and then decided he wanted to hike closer. "I don't ask you for much," he said to William

Shore when the adviser balked at delaying the schedule.

Mr. Kerrey strode off, starting to climb a rocky trail that is normally closed to the public, followed by Secret Service men, panting aides and reporters.

Park rangers, aghast, hesitated in indecision for a few moments, then put a stop to the escapade. One ranger caught up to Mr. Kerrey and explained that the trail was off-limits. He said that if the trespasser had not been a senator, he would have been fined \$1,000. Mr. Kerrey obediently went down the mountain.

Democrats

Tsongas Picks Up Speed But Loses Some Control

By KAREN DE WITT
Special to The New York Times

BOSTON, Feb. 23 — Before his victory in New Hampshire, Paul E. Tsongas got by with a campaign staff that consisted mostly of old friends and a band of young volunteers who called themselves the "Tsongi."

Now, he has been discovered by political professionals as a potential meal ticket, and with scores of paid employees and volunteers joining the staff, Mr. Tsongas is being buffeted by the loss of control that goes with the move to prime time.

For example, the former Senator from Massachusetts learned from reporters on his plane headed for Sioux Falls, S.D., recently that he was going to be speaking in a stockyard, not to the State Legislature. Mr. Tsongas bolted up to the front and warned his staff that

Success on the primary trail creates its own potholes.

he wanted to be part of the discussion about any scheduling changes.

"In my head, I was preparing to make a speech to the Legislature," he said, a little stunned.

No Place for High Heels

Later, Brad MacKenzle, a member of the original staff, who once put together by hand the few press kits the campaign needed, admitted that the stockyard event had not been a triumph. The candidate's wife, Nikki, who was dressed up for the legislature, was left "standing in a pigeon in high heels," he said.

In the days since New Hampshire, there have been more money and more offers of help.

Nicholas A. Rizzo, the campaign finance director, said that until the New Hampshire primary, raising money for Mr. Tsongas had been "difficult at

best" because his home base, Massachusetts, was in an economic depression and because Mr. Tsongas had been out of public office for eight years.

In all of 1991, the campaign raised \$1.1 million. The day after the New Hampshire primary, it took in \$350,000. Mr. Rizzo said that the amount of funds coming into the campaign after Mr. Tsongas won the primary increased by 400 percent.

"Money follows a winner," Mr. Rizzo said. But, he said, "We are still the underdog financially and politically to Bill Clinton."

Help Is Appreciated

The financial help is appreciated by Christine Naylor, who puts together fund raisers for the campaign. "Before, I would go in to staff the events, get the person to hold the fund raiser, drag in donors, arrange for tickets, and place," she said. "Now I have help."

Ms. Naylor said that she would like to bring in at least \$500,000 a week from fund raisers now, money that would be used in primary states, and particularly on television advertising. "I'm getting fund-raising calls now from people in Georgia, Texas, Florida, Mississippi, Louisiana and North Carolina," said Ms. Naylor. "We're even getting letters from people from other campaigns. They are not jumping ship, but they want their names in the loop."

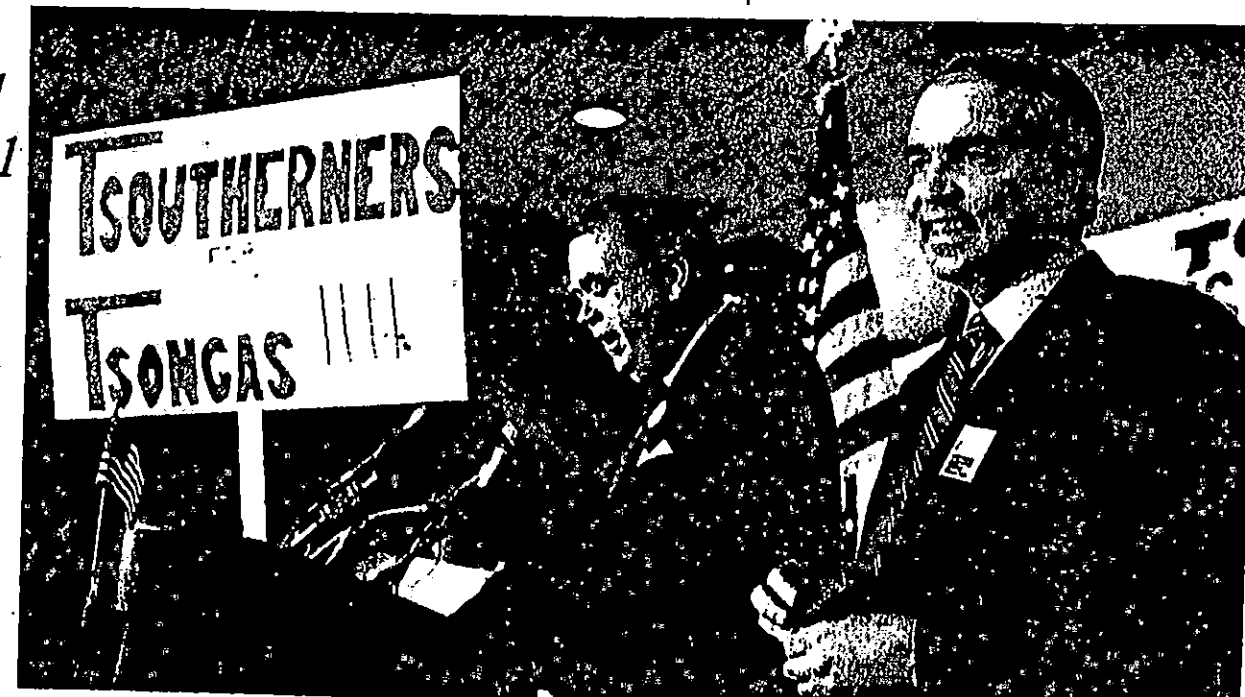
Like many others on the Tsongas campaign, Ms. Naylor had either known or worked for Mr. Tsongas during his years in Congress.

Busy but Not Complaining

"We've gotten a lot of calls, more than we can process," said Dennis Kanin, Mr. Tsongas's campaign manager and longtime friend. "It's an embarrassment of riches, but not something we're going to complain about."

In the week after New Hampshire, the staff has gone from 40 paid members to double that number.

"Now it is more departmentalized," said Dennis Newman, one of two national field directors. "Before, I knew everything. Now an event happens, and I hear about it second or third hand,



Senator David Boren of Oklahoma, center, announcing his endorsement of Paul E. Tsongas, right, at a rally yesterday in Washington. "He may not speak with a Southern accent, but when it comes to his plans to rebuild our economy, he speaks our language," Mr. Boren said.

Everything is moving.

The number of telephone calls to Mr. Tsongas's headquarters here in Boston surged with requests for the candidate's presence, copies of his economic booklet, press kits and offers of help from ordinary citizens and campaign veterans. Since the primary, the campaign headquarters has expanded onto another floor and now has a telephone cable line and two switchboards.

Mr. Tsongas's victory also gave his candidacy the kind of legitimacy that attracts political professionals.

Gerald J. Austin, who helped Senator Paul Wellstone, Democrat of Minnesota, in his long shot 1990 victory and was manager for the Rev. Jesse Jackson's Presidential campaign in 1988, recently joined the Tsongas campaign in an as-yet undefined role.

Ted Van Dyke, a longtime Democratic organizer who once dismissed Mr. Tsongas's candidacy, wrote a recent article for the Op-Ed page of The

Washington Post praising him.

Mr. Kanin said that Mr. Tsongas had also received calls from several high-profile state and national politicians who are flirting with the idea of working for Mr. Tsongas.

But Mr. Kanin said, "Even if we got somebody else involved, we'd still keep our original team." That team includes Nikki Tsongas; Mr. Kanin; Nicholas Rizzo, who handles fund raising; Michael Kall, a lawyer in Washington; Barry White, a managing partner in the law firm in which Mr. Tsongas and Mr. Kanin are partners; Edward Jessor, a White House aide in Jimmy Carter's Administration, and Peggy Connolly, former communications director of the Democratic Congressional Campaign Committee.

Weekly logistical arrangements that once could have been mapped on a napkin now require meetings and daily schedule shifts.

"It was rare I made a call outside

New Hampshire's 603 area code," said Ms. Connolly, the press secretary, showing a visitor a two-page, tightly spaced list of people across the country that she will soon be in touch with.

Andrew Paven, who worked in the 1988 Presidential campaign of Gov. Michael S. Dukakis, once doubled as both Mr. Tsongas's advance person and as the staff member traveling with the candidate to keep him up to the minute on arrangements.

Mr. Paven was fond of the enthusiastic but youthful New Hampshire volunteers who worked for Mr. Tsongas, but once the candidate began to get an entourage of reporters and attract large audiences, he turned to more experienced friends who had done advance work for other candidates.

One of them was James King, chief of staff of Senator John Kerry's Massachusetts office and a veteran of several Presidential campaigns. He was on loan to the Tsongas campaign for sev-

eral days during the primary week to shepherd the press.

Mr. Paven said the change has affected the way he enters events. Instead of "crossing my fingers and walking through the door," Mr. Paven said, he now goes in with some confidence that things will run smoothly.

Still, the Tsongas campaign does not yet have a fully professional gloss. That was apparent at a fund-raising event here Saturday.

Mr. Tsongas told the \$25-a-person audience of cheering supporters in Boston that in Baltimore he had been given what he thought would be the symbol of his campaign: an ear.

Mr. Tsongas waited for an aide to get it for him. "Where is the prop?" he said.

A staff aide called out that it could not be found.

"That's a former staff person," said Mr. Tsongas with his trademark deadpan expression.

Senators Press Baker on Help to Israel

By THOMAS L. FRIEDMAN
Special to The New York Times

WASHINGTON, Feb. 25 — A number of pro-Israeli Senators attacked the Bush Administration today for demanding that the Government of Prime Minister Yitzhak Shamir halt settlement building as a condition for \$10 billion in loan guarantees, but the policy did not seem to be endangered by Congressional opposition.

President Bush today vowed not to soften his terms. "We spelled out our policy," Mr. Bush said on Air Force One on the way to a campaign trip through California. "There it is. It's a proper policy. It's been the policy of the U.S. Government for a long, long time."

Asked if it was politically risky to be confronting Israel in an election season, Mr. Bush replied: "It might be, but I'm not going to shift the foreign policy of this country because of political expediency. I can't do that. I would not have any credibility worldwide."

Secretary of State James A. Baker 3d testified for a second day about the loan-guarantee issue, this time appearing before the Senate Foreign Operations subcommittee, which oversees foreign aid.

Questioning Is Combative

Mr. Baker faced hostile questions from many, but by no means all, the Republican and Democratic Senators on the panel. These critics expressed opposition to the Administration's plans to link support for loan guarantees for Israel to a freeze on Jewish settlements in the West Bank and the Gaza Strip.

Strongly opposing the Administration were Senator Bob Kasten Jr., Republican of Wisconsin; Senator Dennis DeConcini, Democrat of Arizona; Senator J. Bennett Johnston, Democrat of Louisiana; Senator Arlen Specter, Republican of Pennsylvania; Senator Frank R. Lautenberg, Democrat of New Jersey, and Senator Alfonse M. D'Amato, Republican of New York.

Strongly supporting Mr. Baker was the panel's chairman, Senator Patrick J. Leahy, Democrat of Vermont. Several other members did not comment.

The mood of the session today sharply contrasted with that in the House on Monday, where Mr. Baker got a generally receptive hearing. Some Senators present today were up for re-election — Mr. Kasten, Mr. Specter and Mr. D'Amato — and their questioning of Mr. Baker did not seem to reflect a desire to challenge the Administration.

When Mr. Leahy was asked by reporters whether the difference in tone between the House and the Senate could be explained by heavy overnight lobbying by Israeli supporters, he chuckled and said there were often different sentiments expressed on the second day of hearings, after lawmakers had a chance to gather their thoughts.

A Conflict of Basic Policies

Many Senators argued that two policies were in conflict — Israel's desire to get loan guarantees to absorb Russian and other émigré Jews, without having to change its settlement practices in the occupied territories, and

the Administration's insistence that such settlements were an obstacle to peace and had to be halted as a condition for the aid. Weighing those two positions, many came down on the side of Israel.

As Mr. Kasten told Mr. Baker: "We have two longstanding policies. One longstanding policy is that we have a responsibility to Soviet Jewry, to seek their safety and to allow them to freely emigrate from the Soviet Union. We have another U.S. policy vis-à-vis settlements. Those two policies are now in a collision course. We have to choose."

"I believe the United States' responsibility to Soviet Jewry is at least as compelling, possibly more compelling, as the U.S. policy vis-à-vis the settlements."

Despite the appearance of a confrontation, the Administration, Congress and Israel are exploring the possibilities of a compromise. The Administration is interested in a compromise because without the backing of Israel's

sort of halt on settlements.

Most likely, the Administration would wait to negotiate the terms with the new Israeli government that takes office after elections on June 23, one that might be more amenable to a curb on settlements.

Representative Bill Green, Democrat of Manhattan, who is strongly opposed to the Administration's efforts to impose conditions on the Israeli loan guarantees, declared, "There is only one constituency in this country that is going to pass a foreign aid bill, and if the Administration is going to thumb its nose at that group, it should not expect a foreign aid bill that includes its new spending initiatives."

Many of the hostile questions directed to Mr. Baker in the Senate today focused on why he was presenting Israel with a "take-it-or-leave-it" choice on the conditions for loan guarantees, and not applying similar toughness to induce Arab countries to change their behavior.

Has Syria been presented with a "take-it-or-leave-it" statement to stop permitting cocaine and hashish to come out of the Bekaa valley?" asked Senator Dennis DeConcini, Democrat of Arizona. "And have you given a 'take-it-or-leave-it' statement to our friends and allies, the Saudis, on recognizing Israel and eliminating the boycott?"

To all of this, Mr. Baker responded: "We simply believe that if we are going to talk about providing assistance of this magnitude over and above the very generous assistance that is already provided on an annual basis with no conditions whatsoever — that is, the \$3 billion to \$4 billion — then we have a right to know, and, frankly, we have an obligation to the American taxpayer to know, that we're not going to be financing something directly or indirectly that American policy has opposed for over 25 years. That's why."

An overnight lobbying blitz, or just the chance to think again?

supporters in Congress, there will be no foreign aid bill this year, and without a foreign aid bill, it will not get roughly \$600 million in aid it wants for the nations of the former Soviet Union.

Mr. Leahy said at the start of the hearing that he was drawing up a proposal to bridge the gaps between Israel and the Administration, and Administration officials said Secretary Baker has been in close contact with the Senator on this compromise package.

Mr. Leahy's plan is believed to provide that Congress would write into the foreign aid bill a provision for \$10 billion in loan guarantees to Israel, to be disbursed at a pace up to \$2 billion a year for five years.

But this would be subject to a strict formula deducting a dollar of the loan guarantees for every dollar Israel spends on completing settlements in the West Bank and the Gaza Strip that are already under way.

In addition, the bill would leave the Administration in control of setting the terms and conditions over the actual use of the loan guarantees, which would give it flexibility to pursue some sort of a curb on settlements.

The benefit of such a compromise for Israel is that it would put the loan guarantees into law, at least in principle, although making their use subject to a deal with the Administration. This is important because unless the guarantees are written into law now, even if only in principle, there will not be another foreign-aid vehicle for them for another year.

For the Bush Administration, such a deal would mean getting the backing of Israel's supporters, presumably assuring passage of a foreign aid bill, yet still leaving room to negotiate some

Bush's Israel Policy Criticized in Senate

Some members of a Senate panel criticized the Bush Administration for demanding that the Government of Prime Minister Yitzhak Shamir halt settlement building as a condition for \$10 billion in loan guarantees. But the policy did not seem to be endangered by Congressional opposition. President Bush vowed not to soften his terms.

Article, page A8.

U.S. Weighs Bigger Cut In Farm Trade Barriers

WASHINGTON, Feb. 25 (Reuters) — The Bush Administration may push for bigger cuts in agricultural trade barriers than are called for in the current plan to reform world trade, a United States trade official said today.

United States trade officials, appearing before the House Agriculture Committee, endorsed a farm trade reform proposal from Arthur Dunkel, Director General of the General Agreement on Tariffs and Trade, the Geneva-based trade organization.

But Julius L. Katz, deputy United States trade representative, said the plan fell short of the Bush Administration's desire to slash farm export subsidies and trade barriers, and the United States might press for bigger reductions.

"Another concern is that the reduction commitments for export subsidies do not go far enough," Mr. Katz said. "If modifications are made to Mr. Dunkel's text, we will seek improvements in export subsidy commitments."

The Dunkel plan for an agricultural trade agreement calls for reducing export subsidies by an average of 36 percent over six years, starting in 1993.

Those reductions "would be meaningful for a lot of commodities in the U.S.," Mr. Katz said.

Richard Crowder, Agriculture Under Secretary, also at the hearing, said that by rough calculations, United States farmers' net income should increase by about \$1 billion by 1998 as a result of a GATT agreement.

Farm Program Spending

Mr. Crowder said United States agricultural exports would increase by \$4 billion to \$5 billion, and Government spending on farm programs would drop by \$2.5 billion.

But Representative Thomas E. Coleman, Republican of Missouri, said: "American agriculture in general thinks it's very marginal when-

er the Dunkel text helps them or not. We hope that you won't look at the Dunkel text as a success and declare a victory."

Mr. Dunkel offered his plan as a way to revive the talks, which have been deadlocked mainly by differences between the United States and the European Community over farm subsidies.

The talks, which are entering their sixth year, address a broad range of trade issues, but disputes over farm trade have been the sticking point.

If negotiators reach a pact this spring, governments still would have to give final approval and pass laws

GATT pact seen raising farmers' income sharply.

to put the new trade rules into effect. Several United States officials said it was unlikely Congress could do that before 1993.

A Reluctance to Compromise

In another indication of French reluctance to compromise on reductions in agricultural subsidies, Dominique Strauss-Kahn, the French Minister of Industry and International Trade, accused the European Community's negotiators of exceeding their mandate.

The European Community officials have been discussing the possibility of limiting the tonnage, as well as the financing, of subsidized grain exports. Yet the community's member countries have not endorsed the negotiation of any limits on tonnage, Mr. Strauss-Kahn said at a breakfast in Washington sponsored by the European Institute, a public policy group here.

Pressing for Principle in Israel

President Bush, target of repeated primary campaign criticism for convenient flips and flops, deserves respect for sticking to principle on loan guarantees to Israel. "I'm not going to shift the foreign policy of this country because of political expediency," he said yesterday, and the terms that Secretary of State Baker has now spelled out demonstrate his conviction:

The Administration won't support \$10 billion in guarantees for loans to aid absorption of Jews from the former Soviet Union unless Israel agrees to freeze its vigorous construction of new Jewish settlements on the West Bank and in Gaza.

This allays fear that President Bush might, for political reasons, yield to Prime Minister Yitzhak Shamir's refusal to halt new settlements. But a different fear endures. With Israel heading into a June election, is Mr. Baker impermissibly using loan guarantees to influence the outcome?

Linkage — of American aid and foreign behavior — has often caused heartburn. But foreign aid, weapons sales, loans and trade are legitimate ways for the United States to promote its values and interests. With the full concurrence of Congress, successive Presidents have used these carrots to promote human rights, free elections, economic reforms and the emigration of Soviet Jews and other dissidents.

South Africa's mistreatment of its black majority, led to boycotts, an arms embargo and punitive sanctions. In once-Communist Europe, even humanitarian aid has been conditioned on economic reforms. In the case of Pakistan, aid was automatically terminated when Islamabad failed to curb its nuclear weapons program, as required by U.S. law.

Israel, to be sure, is deservedly a special case, for reasons of history, Holocaust and geopolitics. Nowhere else has a democratic nation been threat-

ened with extinction by bigger, well-armed neighbors. America has long rendered generous and indispensable security assistance. No one disputes this broad commitment.

Beyond that continuing aid, Prime Minister Shamir now asks \$10 billion in loan guarantees meaning that, in straitened times, the U.S. Treasury would have to set aside hundreds of millions as a reserve against default.

Even so, the guarantees would be readily offered except for the dispute over settlements in the Israeli-occupied territories. Though originally justified as providing security, new settlements have sprung up for a political purpose: to tighten Israel's hold on contested territory.

Israelis themselves are deeply divided by this far-reaching and costly building drive, which has diverted money from providing jobs and homes to new immigrants. Yitzhak Rabin, the new leader of the opposition Labor Party, vows an end to what he calls "political settlements."

In these circumstances, what are Mr. Bush's options? To remain silent or defer decision would advance Mr. Shamir's partisan interests. He could declare that America was willing to wink at more settlements after all. To speak out, as Mr. Baker has done, risks seeming to favor the Israeli opposition, giving Mr. Shamir a chance to cry foul. Risk for risk, America's interests — and Israel's — are better served by firmness.

Since 1967, when Israel conquered the West Bank and Gaza, every U.S. President has spoken out against settlements as either illegal or an obstacle to peace. To back away from that conviction now would betray more than principle and policy. It would undermine hopes for a compromise in the American-brokered peace talks that have just resumed in Washington.

The President and his Secretary of State are right to hold firm.

The President and the Sewer

When President Bush loaded his recent economic proposals with subsidies for real estate investors, did he have in mind the needs of ordinary citizens? Or was he thinking about the 60 wealthy real estate executives who contributed \$6 million to support his 1988 campaign?

Mr. Bush may only have been seeking a way to promote economic recovery. But the fact that his motives are open to question underscores the urgency of plugging a major loophole in America's system of financing Presidential campaigns. In theory, general election campaigns are funded by public money raised through a voluntary checkoff on tax forms. In practice, there's plenty of room for huge, special-interest private donations.

The problem is summed up in two words: sewer money. Campaign operatives call it "soft money" and talk piously about the "party-building" activities it nominally finances. But semantics can't perfume the fact that, in 1988, big checks from fat-cat donors flowed through the parties to support the Presidential campaigns.

It's not too late to prevent this favor-seeking money from polluting this fall's Presidential campaign. But much will depend on Mr. Bush's willingness to plug the sewer.

Here's how the sewer worked in 1988. To qualify for \$46.1 million in public money, George Bush and Michael Dukakis each promised to forgo private contributions and abide by the spending ceiling. But both brazenly evaded the Federal limits by

dispatching emissaries to hustle huge contributions from wealthy donors, and then channeling the money with a wink to state parties to help pay for Presidential field operations. In all, Mr. Bush's "Team 100" fund-raising effort amassed 249 contributions of \$100,000 or more.

This year the five major Democratic Presidential candidates, responding to questioning by Common Cause, have all pledged not to use this indirect financing if the Republicans also agree. Disappointingly, Mr. Bush and his G.O.P. challenger, Patrick Buchanan, have yet to make the same pledge.

Meanwhile Congress, which has hardly raced to clean up the Presidential sewer much less its own campaign finances, now has a chance to claim some honor. The Senate and the House have both passed broad campaign finance reform bills.

The Senate bill, sponsored by George Mitchell, the Senate majority leader, and Senator David Boren would end party sewer money abuses. If the House accepts the Senate's approach, and the sewer money provisions are made effective immediately, the issue could be on the President's desk in time to make a real difference in this election.

Would Mr. Bush risk looking like a captive of the wealthiest people in America by refusing to give up sewer money? The man who's tried to show his concern for average citizens by buying socks in a department store would be a lot more convincing if he agreed not to chase \$100,000 donors for his campaign.

Mr. Bush's Artless Surrender

To borrow from a bard who probably wrote too bawdily to qualify for a Federal arts grant, nothing in John Frohnmayer's chairmanship of the National Endowment for the Arts became him like leaving it. His job performance was checkered, but he announced his resignation with a song and a defense of the arts against "the lunacy that sees artists as enemies and ideas as demons."

This class act put President Bush to shame for the graceless, naked capitulation to his right-wing challenger, Patrick Buchanan, who had threatened to make Federal support for offensive artworks a campaign issue. The White House cover that Mr. Frohnmayer had agreed to leave months before Mr. Buchanan called for his head only underscored that Mr. Bush has yielded to Endowment critics repeatedly, by refusing to exercise leadership on the arts and by withholding support from his administrator.

The Federal arts program needs defenders but no apologies, for it has been a proud national success. Federal millions in subsidies and challenge grants have stimulated and reinforced private-sector giving to produce a flowering of the arts despite spiraling costs, technological change and shifting appetites in a dynamic society. But President Bush, rather than articulate the need for the program and some latitude for expression within it, has run from every fight.

Was Mr. Frohnmayer's dismissal the inevitable result of providing government support to the arts? Almost certainly not. True, warnings that politics would intervene in artistic judgments were made even before the nation embarked on large-scale Federal arts support in the 1960's. And yes, the paymaster calls the tune and politicians will clash over which claims for art deserve the public's

funds. But those predictions were a quarter-century and millions of dollars ago. Only now have the Endowment's troubles produced a public execution.

Managing the complexities of taxpayer-supported music, drama and other arts has always demanded individuals with rare qualities of political sense, artistic integrity, taste and tolerance. To foster creativity is to generate risk. At creativity's outer limits, demagogues like Pat Buchanan and Senator Jesse Helms patrol, ever ready to denounce a work's impiety or offensiveness. Mr. Frohnmayer could not muster all the strengths the job required. If his experience teaches anything, it's the futility of trying to appease the Buchanans or the Helmses.

A few artists peddling shock played into the hands of the blue-nosed moralists and added to Mr. Frohnmayer's burden. The gutsiest administrator may on occasion need to reject some particularly offensive material with marginal artistic value. But at one juncture when right-wing critics cried obscenity, Mr. Frohnmayer exceeded even their demands by requiring grantees to sign pledges of allegiance to the decency laws. He issued dissembling denials of the pledge requirement, alienating the liberal mainstream.

The program's merits alone won't preserve it. Only courage and culture in the President and management skill in the agency can do the job. Misconceiving his role, President Bush, accepting the chairman's resignation, scolded Mr. Frohnmayer: "Some of the art funded by the N.E.A. does not have my enthusiastic approval." A well-run arts endowment won't always please the President. But the White House needs to nourish and protect a diverse, occasionally bothersome creative world.

COVER STORY

Battle over bills takes center stage

March 20 deadline looms as both sides 'forced to do something'

By Richard Wolf
USA TODAY

The curtain rises in Congress today on a titanic battle of tax packages in which good politics seldom make for good policy.

After spending months hearing from the nation's top economists, lawmakers are rushing to ignore most of their advice and send a multibillion-dollar potpourri of tax hikes and breaks to President Bush.

Never mind the \$400 billion budget deficit. Never mind the spiraling costs of health care. Never mind the pleas for help from strapped state and local governments.

What's driving this debate over your tax dollar isn't the state of the economy. It's a March 20 "deadline" for action, set by a defiant president, and a Nov. 3 date with the voters.

Please see COVER STORY next page ▶

COVER STORY

'This process is doomed'

Continued from 1A

As a result, tax talk dominates Washington. Bush is pushing a plan that relies on crafty bookkeeping without raising the deficit. Democrats demand a middle-income tax cut that will do little for a teetering economy.

"Twenty-five economists have testified before my committee ... that it's better not to have a tax bill," says House Ways and Means Committee Chairman Dan Rostenkowski, D-Ill. "But I think you're going to see a tax bill, regardless."

What both sides offer, economists say, is too much, too late. Left-wing economists attack Bush's prize proposal, a 45% cut in capital gains tax rates, as a giveaway to the rich. Right-wing economists attack the Democrats' battle cry, tax cuts for the middle class, as political pandering that could lead to higher income tax rates for nearly everyone.

Even the actors in this political passion play are reluctant: ▶ Rostenkowski, who backs a \$90 billion tax package, would prefer to see the tax code left largely alone. "The president laid the gauntlet down," he says. "And it's high political theater, I don't deny that."

▶ Senate Finance Committee Chairman Lloyd Bentsen, D-Texas, who unveils his plan this week, originally favored tax cuts only if paid for by the elusive Pentagon "peace dividend."

▶ Then there's Bush, who spent '91 denying the recession. This is how topsy-turvy the tax debate has become: The bill scheduled for House action today and Thursday is disowned by Democrats and Republicans. Each will offer amendments.

If one version emerges — and there's a chance all three will be defeated — it will be vastly changed in the Senate and, ultimately, vetoed by Bush if it includes any tax increases.

"He got burned once by them in '90. He is not going to get burned again," says Rep. Bill Archer, R-Texas. "And so ultimately, this process is doomed to failure."

Before then, however, Congress-watchers will get a bird's-eye view of politics overwhelming policy.

The centerpieces of the House and Senate Democratic plans are tax cuts in 1992 and 1993 for the middle class — about \$1.09 a day for couples under the House bill — that most economists see as benign, if not benign neglect.

"Tax reduction as a remedy for recession is a feeble escape from reality," says liberal economist John Kenneth Galbraith.

The problem: Small tax credits may be saved, used to reduce debt or spent on foreign-made goods — not exactly the elixir for an ailing economy. And tax hikes to pay for them, even on the rich, could neutralize any positive impact.

"Economic stimuli are not a zero-sum game," says Treasury Secretary Nicholas Brady. "It may be a social theory, but it ... is not an economic theory. It doesn't make any sense."

And if the temporary tax cuts were renewed in 1994 — another congressional election year — further tax hikes would be needed to prevent a boost in the burgeoning deficit.

"Is it really worth borrowing from our children to give families an extra 25 cents a day?" Bush said Tuesday. "That two-bit tax cut would make even the tooth fairy blush."

Despite the protestations of Democratic presidential candidate Paul Tsongas, tax cuts are good politics: A private poll relied upon by Democrats in crafting their bill showed 60% believe shifting the tax burden from the middle class to the wealthy would help the economy. "It's nothing but a vote-buying scheme on their part, and it ought to be trashed," says House Minority Leader Robert Michel, R-Ill.

The Bush package, by contrast, gets its political bounce by avoiding tax increases and offering high-profile tax breaks to investors, developers and first-time homebuyers.

But while tax hikes might be ill-timed, they would do more to cut the deficit than Bush proposes. Democrats claim the Bush plan would increase the deficit by \$31.3 billion over five years. Republicans say it's paid for with accounting changes.

Since Bush shelved a \$500-per-child increase in the \$2,300 personal exemption — he couldn't pay its \$24 billion cost — attention has focused on his ideas to spur home ownership.

Analysts say the plan fails in two regards: Most potential first-time homebuyers lack both the down payment needed to take advantage of a proposed \$5,000 tax credit and the Individual Retirement Accounts from which they would be able to withdraw savings without penalty.

Despite the obvious flaws in all the tax-cut plans, Congress is hell-bent on meeting Bush's March 20 deadline — even if the end product gets vetoed — for fear that inaction would be more damaging politically than foolish action.

"We're being forced by politics on both sides to do something which is not good for the country," says Rep. Anthony Benson, D-Calif. "It's a shame that we're not taking the advice of the economists, which basically is to do nothing."

The rush to judgment has left those economists — who painstakingly trekked from all over the country during the past three months to testify before congressional panels — fearing a bidding war and hoping for stalemate.

"The bigger risk now is total political impasse," says Rudolph Penner, an Urban Institute economist and former Congressional Budget Office director. "From an economic point of view, that would be the best of all possible outcomes."

But not from a political point of view. "For our personal hides," says Rep. Guy Vander Jagt, R-Mich., chairman of the National Republican Congressional Committee, "it would be much better if we negotiated our differences and got something done."

Comparing 2 tax plans: The benefits, the breaks

THE BUSH PLAN

- ▶ Cuts capital gains tax rate on assets held at least three years, such as stocks and real estate, from the current 28% to 15.4%; provides an average gain of less than \$500 for those earning up to \$60,000, but more than \$12,000 for those earning above \$200,000.
- ▶ Boosts business tax breaks for investing in equipment by letting companies write off 15% more of their investments the year they occur; expires after 1993.
- ▶ Increases real estate tax breaks by allowing developers to write off rental property losses against ordinary income.
- ▶ Provides \$5,000 tax credit for two years and permits penalty-free withdrawals from Individual Retirement Accounts for first-time home buyers.
- ▶ Delays until later this year a proposed \$500-per-child increase in the personal exemption; the boost could save a family of four \$280 annually.
- ▶ Pays for the tax cuts with bookkeeping changes, including a switch from cash-basis to accrual-basis accounting.

THE DEMOCRATIC PLAN

- ▶ Provides two-year tax credit up to \$400 annually for middle-class couples, \$200 for individuals, based on 20% of their Social Security tax burden; largest credits go to those earning above \$50,000.
- ▶ Creates top 35% tax rate on six-figure incomes, and a 10% surtax on millionaires that would create an effective 38% rate; for those earning above \$100,000 the tax increase would be larger than the tax credit.
- ▶ Indexes capital gains tax rate to exclude inflation, offers 50% exclusion on certain small-business stock; provides up to \$500 on average for those with incomes up to \$60,000 and more than \$8,000 for those earning above \$200,000.
- ▶ Provides similar incentives for business investment and real estate as those included in Bush package, minus the \$5,000 tax credit for first-time home buyers.
- ▶ Caps the allowable business tax deduction for executives' compensation at \$1 million, discouraging larger salaries.
- ▶ Raises about \$14 billion more in tax hikes than spent on tax cuts, with the excess going to deficit reduction.

Bush campaign sends in Marines

By Judy Keen
USA TODAY

President Bush's campaign aimed its big guns at its GOP rival Tuesday, airing TV ads in Georgia criticizing Pat Buchanan's opposition to the Persian Gulf war.

"Pat Buchanan: Wrong on Desert Storm. Wrong for America," is the tag line on the ad in which retired Marine commandant Paul X. Kelley says he took Buchanan's stand against the war "personally."

The White House is betting that Southern voters have enduring goodwill for Bush's leadership during the war and that they'll never forgive Buchanan for opposing it. Southerners are considered more supportive of the military than voters elsewhere. Bush and Buchanan square off in Tuesday's Georgia primary, then in South Carolina March 7.

The tactic could work because it "goes to the core of the Buchanan supporter, which is the flag-waving, patriotic conservative, and sure dilutes the credibility of his charges against Bush," says Atlanta pollster Claibourne Darden.

The strategy also signals Bush's decision to stop ignoring Buchanan — as he did before Buchanan embarrassed him with a strong showing in New Hampshire — and use surrogates to target his vulnerabilities.



By Christopher Bortkey, AP

"As commander in chief during that war, George Bush was excellent." But, "Mr. Bush said, 'Our enemy is not the Iraqi people, it is Saddam Hussein.' And yet the Iraqi economy is destroyed, Iraqi children are starving, and Saddam Hussein sits on his throne."

- Pat Buchanan

critical issue as far as I'm concerned with Pat Buchanan." Tennessee GOP Chairman Tommy Hopper says Southern voters are more worried about the economy. The ad, he says "causes people to wonder why in the world the sitting president of the U.S. is attacking Pat Buchanan. It looks like they're more concerned than they ought to be."

Exit polls in New Hampshire showed only 7% of GOP primary voters said the war was one of the most important issues influencing their vote. In a Jan. 6-9 USA TODAY/CNN/Gallup poll, 78% of Republicans said the gulf situation was worth going to war over.

Buchanan's campaign won't counter the Bush ad, but Buchanan political director Paul Erickson asks: "Isn't P.X. Kelley the same Marine who came back from the barracks bombing in Lebanon and said security was adequate?"

Kelley, a 37-year veteran who won four combat decorations in Vietnam, was appointed Marine commandant by President Reagan in 1983. He went to Lebanon after the October 1983 bombing that killed 241 U.S. troops but was not faulted in a Pentagon investigation.

► South Dakota primary, 1A, 3A

Japan keeps eye on U.S. election

By Judi Hasson
USA TODAY

The Japanese are paying closer attention to this year's U.S. presidential race because of increased "Japan-bashing" on the campaign trail.

The Japanese always keep close tabs on U.S. politics, U.S. and Japanese experts say.

But this year, interest is higher because protectionism and trade barriers are in the debate over U.S. economic woes.

"Who's going to be president is a big issue for the Japanese," says Akio Nomura, bureau chief of Asahi Shimbun, a Tokyo newspaper with a circulation of 8 million daily.

"The first concern we have is whether the candidate is a Japan basher or not," says Masahide Matsuoka, Washington bureau chief of the Fuji Television Network.

"We are concerned about the argument for protectionism and isolationism," says Seiichiro Noboru, minister of economics at the Japanese Embassy in Washington.

"The Japanese are deathly afraid that one of the Democrats will come forward as a front-runner and defeat Bush, who they see on the side of free trade," says Arthur Alexander, president of the Japan Economic Institute of America, which provides information about Japan to Americans.

Japanese reporters are spending more time covering candidates on the stump.

At the Federal Election Commission, there's been a noticeable increase in the number of Japanese looking at the candidates' financial reports, tracking the money of those who favor U.S.-Japanese ties.

Reports already in show no evidence of Japanese contributions to any candidates.

There's no shortage of statements from the candidates to fuel Japanese concern.

► Democratic candidate Bob Kerrey has aired a TV ad stating, "The time for begging is through. I'll tell Japan if we can't sell in their market, they can't sell in ours."

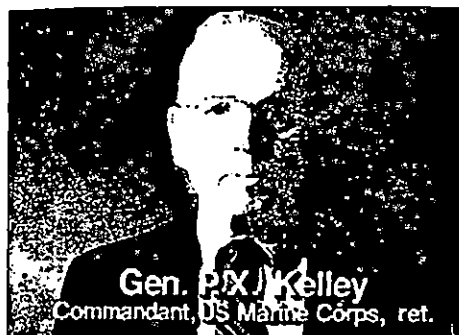
► Republican Pat Buchanan, who's running a campaign called "America First," has hammered away at Japan for what he termed "predatory trade policies."

► Democrat Tom Harkin's ads took a different tack: "What you will hear me do is bash George Bush, because he's also doing what's in Japan's best interest."

The rhetoric hasn't eased Japanese worries. "Japanese have this sense of the world being a foreign and unpleasant place," says Seth Cropsey of the Heritage Foundation. "The process of the U.S. presidential race getting ugly on Japan reinforces an opinion they already have."



By H. Dan Beiser, USA TODAY
NOMURA: U.S. elections 'big issue' for Japanese



ON THE ATTACK: Retired Marine commandant P.X. Kelley

In the name of Desert Storm

In a stark new Bush campaign ad, retired Marine commandant P.X. Kelley says: "When Pat Buchanan opposed Desert Storm, that was a disappointment to all military people, a disappointment to all Americans who supported the gulf war — and I took it personally. ... The last thing we need in the White House is an isolationist like Pat Buchanan."

CAPITAL LINE

USA TODAY'S BRIEFING ON WASHINGTON

CIA: N. Korea on verge of N-weapons

CIA Director Robert Gates said Tuesday that North Korea could have a nuclear weapon in as little as two months to two years under its present program. Gates told the House Foreign Affairs Committee that Pyongyang has nearly completed a facility for producing plutonium but additional steps would be needed to produce nuclear weapons.

"We think a few months to as much as a couple of years to have a nuclear weapon," Gates replied when asked how long that would take. Gates said the CIA has information suggesting that North Korea has a deception plan for hiding its nuclear efforts. He said one reactor at Yongbyon has been operating four years and its sole purpose appears to be to make plutonium, used in nuclear weapons.

Also, Gates ranked instability in the former Soviet Union as the top threat to U.S. foreign interests. "It would be premature to take our sights off a country that still possesses 30,000 nuclear weapons," Gates said. He also described Russian President Boris Yeltsin as, "by far the most skillful politician in Russia today." Without him, Gates said, the former Soviet republic's reform program would likely fail.



USA TODAY
JACKSON: Equal time for candidates

spokesman Frank Watkins, who adds that Jackson plans to give equal time on the campaign trail to all the Democrats.

CALIFORNIA CAMPAIGN: President Bush, in California to kick off six days of politics, visited privately with former President Reagan for 20 minutes at Reagan's home in the Bel Air section of Los Angeles. The visit came as a Washington Post report, written by Reagan's biographer Lou Cannon, said Reagan has told friends Bush doesn't seem to stand for anything. Reagan spokeswoman Kathy Goldberg denied the report. "Anyone close to President Reagan knows he has not and would not make that statement," she said. Asked about the report, Bush said of his former boss, "I don't believe that. He's been quite supportive as you know. He's already endorsed me enthusiastically." (Bush and the election, 1A, 3A, 8A)

ARMS SALES: The Bush administration has told Congress it plans to sell Saudi Arabia 72 jet fighters — F-15E and F-15H Eagles — worth \$5 billion. The Associated Press reported. AP said the administration also told Congress it may sell TOW anti-tank missiles to Saudi Arabia and a half-dozen Patriot air defense batteries to Kuwait.

900 CALLS: The House approved, 381-31, regulation of 900-number pay calls in an effort to protect customers from unexpected and exorbitant phone charges. The measure requires disclosure of costs as soon as the caller connects with the number and parental consent for services aimed at children. It would also prohibit phone companies from disconnecting local service if a customer refuses to pay a 900-number bill. The Senate has passed similar legislation and House-Senate negotiators will now work out final details before presenting both chambers a final bill.

What we lose during presidential elections

COMMENT

The long campaign forces a president to forego vital world leadership for nearly a year, putting U.S. interests at risk.

The quadrennial battle for the presidency is as American as apple pie. But in contrast to the efficiency of the very brief electoral process of the British parliamentary system, our country pays a heavy price during presidential elections. And the price is particularly steep in times of domestic discontent, as is the case today.

If the current recession had arrived a month after President Bush's election in 1988 and had reached its present state in 1990, the domestic actions being proposed by both political parties would be quite different. Without the backdrop of a presidential election, there would exist among the leadership of both parties:

- Greater patience while awaiting the inevitable corrective actions of market forces to restore the economy.

- More limited emergency actions to provide temporary relief for the disadvantaged.

- More reluctance to add to the long-term debt problems we face.

- Greater vision with regard to maintaining hard-core military superiority over Third World dictators or a reconstituted Russian dictatorship.

Today we need more recognition of

the dangers inherent in forcing an incumbent president to forego for nearly a year vital world leadership. That is the aspect that concerns those of us who worry about America's capability to maintain a stable world community in which peaceful change can occur.

This year's electoral process is denying the American people the exercise of the full powers of the presidency on critical issues:

- North Korea's Kim Il Sung, behind a smoke screen of pretended willingness to submit to international inspection, is assembling the technology and producing the plutonium to have nuclear weapons this year.



By Elmo R. Zumwalt, former chief of naval operations, now an Arlington, Va., consultant, and James G. Zumwalt, a Reston, Va., lawyer and Marine reservist.

This development, brought to fruition while our preoccupations are domestic, will endanger the 40,000 U.S. troops in South Korea and make Japan and other Asian nations hostage to nuclear blackmail.

- Syria's Assad, who used his de facto alliance with the West in Desert Storm to complete his clientization of Lebanon, is procuring long-range Scud capability from North Korea. This gives him the capability to bombard Israel from distant Syrian bases, while



HITTING THE TRAIL: President Bush campaigns at Bethesda-Chevy Chase High School in Maryland Monday before heading to California and Texas.

he permits Hezbollah terrorists to use Lebanese bases to attack Israel.

- Bush's personal attention to the Mideast negotiations is vital for success. His time is being diverted to deal with attacks from right and left.

- China continues to sell high-tech weapons to Third World dictators, proliferating missiles and dangerous warheads. Bush's special relationship and ties to Chinese leaders desperately need exercising while instead he must be on the political hustings.

- The republics of the former USSR are in a series of desperate internal struggles to feed their people, convert their economies, eliminate Communist bureaucracies and achieve democratic systems.

- The achievement of a North American common market, with Mexico's entry, is trending water.

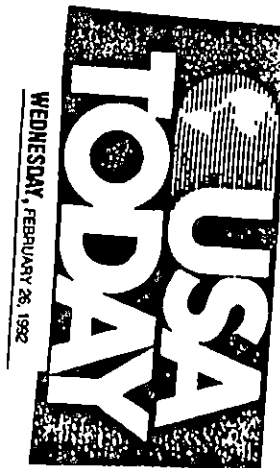
These and other critical affairs ur-

gently require presidential attention. Yet, not only is the president's time to deal with them badly eroded but so also is public support under the shot and shell of opponents crying "come home America." And in this campaign year, liberals in Congress are seeking to undermine the future ability of any president to lead by seeking massive cuts in defense expenditures beyond those recommended by the Pentagon.

We all laud the ability to choose our leaders freely. But wouldn't it be great if the election process were shorter, less shrill and more considerate of long-term national interests?

And wouldn't it be miraculous if all the candidates gave thought to the problems they would have in governing if, as president, they had to be guided by their campaign rhetoric.

► The campaign 1A 7A 9A



Today's debate is about **MIDDLE EAST PEACE**, and giving \$10 billion in loan guarantees to Israel.

Israeli settlements put the peace process at risk

OUR VIEW Israel shouldn't expect U.S. financial help to continue if it continues acting to thwart Mideast peace.

President Bush's ultimatum to Israel this week was the right move at an opportune time to keep the Mideast peace talks on track — if he doesn't negate it with a misstep around the bend.

The USA has protested for decades against Tel Aviv's policy of helping settlers establish themselves in territory Israel controls but Arabs claim.

This week, though, was the first time the USA threatened to put its money where its mouth is: Secretary of State James Baker said Israel would get \$10 billion of needed loan guarantees only if Tel Aviv stopped all settlement work.

From Bush's view, the timing couldn't get much better:

► With the Soviet demise, and new bonds formed by the Gulf War, the USA needs Israel far less as a Mideast ally.

► Israeli Prime Minister Yitzhak Shamir has strong incentives not to cross Bush's latest line in the sand, even though he's led the settlements charge: Israel is in recession. He is to face voters

in four months — and he's already built Israel's next budget in part on assumptions he'll get the loan guarantees.

► U.S. voters dislike foreign aid and tend to consider the settlements oppressive — leaving Congress unwilling to oppose the president.

This all points to an opportunity Bush was smart to see and wise to grasp. Settlements complicate efforts to carve out a Palestinian homeland that lie at the heart of the search for peace.

But bigger challenges lie ahead.

The USA used its Gulf War credits to get Mideast factions to the peace talks. It's kept them there by billing itself as an honest, impartial broker.

Bush's latest move furthers that useful image, even if it does reduce maneuvering room in these delicate negotiations.

Bush now must show equal firmness against any future Arab transgression if he is to remain credible.

If he wants to continue brokering this tenuous peace process, he must act in accord with a prickly reality: that not a single faction came to these talks without culpability — or without merit.

► Peace talks, 5A.

Israeli settlements no risk

OPPOSING VIEW By tying loan guarantees to settlements, the Bush administration tilts the peace process.

This government ... cannot and will not, whether it is before elections or after elections, accept the principle that either settlements are an obstacle for peace or that in one way or another Jews should not have the right to settle in the territories. ...

We still are opening up the entire issue of the territories for a final status settlement in the end of the process of autonomy. ... We still do not pre-judge by this what should be or what would be the final political status of the territories, including the settlements.

If it is an impediment for a Palestinian state, that's something else. ...

We have a peace process that started in 1991 [when] there was a record building of settlements in the territories. ...



The comments of Yosef Olmert, Director of the Israeli govt. press office, are excerpts from a Tuesday interview with the USA TODAY editorial board.

So where is the proof that settlements are an obstacle for peace? They are not. ... But the principle of Jews having a right to live in this territory — this is something that we cannot give up. ...

We are not going to invest even one cent in the territories from this money ... We are going to invest it only in Israel. We basically accept the principle that this money should not be used in order to expand settlements. But when the administration says that nevertheless it will not give the money even if they know we are not going to spend it in the territories because it wants us to stop settlements, that's prejudging the outcome of these negotiations ... a clear contradiction to the American policy of having negotiations without prior conditions.

We are not asking for any more aid. We are asking for money that will be loaned to us so that we can invest it in a way that would also benefit the American economy. ... Knowing the mood in this country about not spending more money on foreign aid, one has to make a clear distinction between foreign aid ... and ... loan guarantees, which is a different situation altogether.

Bush 'proud' of early aid to Iraq

By Lee Michael Katz
and Laurence Jolidon
USA TODAY

President Bush, amid new reports about U.S. aid to Iraq before the Gulf war, said Tuesday that he was "proud to support" Baghdad when he was vice president.

Bush said the Reagan administration's backing of Saddam Hussein was "a balance to a much more aggressive Iran" led by Ayatollah Khomeini.

Rep. Henry Gonzalez, D-Texas, has said Bush played a key role as vice president in persuading the U.S. Export-Import Bank to reverse policy against loans to Iraq. Also:

► A host of internal problems place Saddam "under greater pressure now than he has been at any time since the war," CIA Director Robert Gates told House members. But Gates added he didn't believe "either the Kurdish or the Shiite insurgencies threaten his regime directly."

A meeting of Iraqi opposition groups in Riyadh, Saudi Arabia, this week boosts the hopes of anti-Saddam forces that they can oust the dictator.

Gates also said the CIA thinks Saddam "would have had a workable nuclear device this year." He termed it "a distinct possibility" Saddam would have used it.

► Three officials of a German metallurgical company were charged with selling Iraq missile-making equipment.

► Iraqi officials said they want a guarantee the United Nations will ease trade sanctions in return for full cooperation with U.N. inspectors.

► The United States continued to supply Iraq with satellite intelligence on Iranian troop concentrations up until weeks before Iraq invaded Kuwait, CNN reported.

► Kuwait revisited, 6A



FOR THE MISSING: Women in Kuwait City demonstrate a year after the liberation of Kuwait from Iraq. More than 1,000 Kuwaitis still are missing, some believed held captive in Iraq. Agence France-Press

Anxiety grips kin of missing

By Jack Kelley
USA TODAY

KUWAIT CITY — The Gulf war isn't over for Muna Malek and nearly 1,000 other families here: Their loved ones are among 1,077 Kuwaitis reported missing or who are being held hostage in Iraq.

Worry over their condition has meant no official ceremonies marking Kuwait's liberation one year ago. But tens of thousands of jubilant Kuwaitis brought traffic to a near standstill early today as they celebrated by honking horns and firing guns into the air. For others, there was little reason for joy.

"I know I must be patient but I am dying every minute," said Malek, the 24-year-old wife of Youssef Malallah, 32, who is missing.

All hostages were to be released under the Gulf war cease-fire agreement, but Iraq's President Saddam Hussein hasn't complied, Red Cross officials say.

Of the 1,077 POWs-MIAs, 546 have been seen in Iraq or were seen being abducted from Kuwait. The rest simply disappeared; officials have no information about them. Malallah is among them.

"When (her son Yaqub) sees other sons with their fathers, he asks me 'When is my father coming back?'" Malek said. "I can't think that he's not coming back."

Malallah's brother Yunis was taken hostage and killed in front of his mother. "I want to do everything I can to kill those soldiers," said Yunis' mother, Mariam Hasan, 45.

The POWs include 53 children under the



COME HOME: A grieving Muna Malek and her son Yaqub with a photo of Youssef Malallah, who is missing. By Jack Kelley, USA TODAY

age of 10, the youngest of whom is 6 years old, said the Kuwaiti Association to Defend War Victims. Some POW families charge the U.S. and Kuwaiti governments haven't done enough. "If one of the hostages was from Europe or the USA, it would be different," said Nadia, 42, whose husband Mansour is a POW. She wouldn't give her last name for fear of Iraqi retribution.

War and remembrance: Changes are few in Kuwait

By Jack Kelley
USA TODAY

KUWAIT CITY — The Iraqi tanks have been hauled away, the casualties of war have been buried and the bombed-out buildings repaired. Kuwait's skies, once blackened with oil, are now clear and blue.

This tiny emirate on the shores of the Persian Gulf appears to have returned to its pre-war condition just one year after its liberation.

And that may be Kuwait's biggest problem.

"We just haven't learned," said former planning minister Sultan Mutawa with a sigh. "We should have said 'Never again!' to the old ways. The Kuwait before August 2nd is the same Kuwait after August 2nd." Jubilation one year after the country's liberation from Iraqi occupation has been replaced with dissatisfaction.

► Dreams of a "new Kuwait" where citizens would pitch in to rebuild their country seem to have died.

► Widespread accusations persist of human rights abuses, government corruption, stifling bureaucracy and a ruling family that appears more interested in denying problems than addressing them.

► Women, called "immature" in the Kuwaiti press, still cannot vote.

► Press censorship has been lifted, but the law allows the government to close any newspaper printing stories "harmful to the national interest."

► Detentions, deportations, beatings and rapes of Third World citizens continue, though on a lesser scale than immediately after the war.

Palestinians, whose numbers decreased from 400,000 before the war to 30,000 now, are being deported on the slightest excuse — everything from tuberculosis to traffic violations — because of their support of Iraq during the war.

But efforts to put Kuwait back together physically have prospered, due largely to the U.S. Army Corps of Engineers

and International pressure, Western diplomats say.

One year after Iraqi troops fled — and 1,800 Kuwaitis and tens of thousands of Iraqis and others died — the emirate sparkles under deep blue skies, its white sand beaches clear of debris.

► Smoke has cleared from the country's 727 oil well fires, the last of which was extinguished in December, and vast lakes of residual oil being drained.

► Oil production is back on track. Kuwait is now pumping 600,000 barrels of oil per day and is expected to hit its pre-war level of 1.5 million barrels by the end of the year, said Oil Minister Humoud Rqouba.

► Buildings and roads have been reconstructed at lightning pace, thanks to the Corp of Engineers, which repaired more than 1,000 buildings, including 145 schools.

► Iraqi military debris and ammunition has been cleared from most areas but mines still line local beaches and hundreds of bombed and burned-out tanks and cars still cover the infamous "Highway of Death" leading to Iraq.

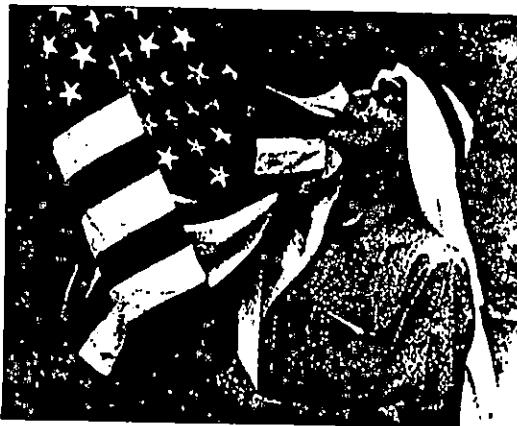
► Stores, restaurants and new car lots are jammed with customers, many offering "Liberation Day specials."

Still, the real lessons from the war haven't been learned by either the government or the people, Mutawa says.

This week, for example, an angry Kuwaiti government denied a USA TODAY report that hundreds of foreign female housekeepers have taken refuge in local embassies after being beaten and raped by their Kuwaiti employers.

"We've just missed a golden opportunity," said Ghanim Najjar, head of the Kuwait Association to Defend War Victims. "We could have used this to change our lifestyle but as long as there is money, nothing will change and arrogance will still be there."

At Kuwait's nightly diwanis, where men gather to socialize and discuss politics, crit-



GRATEFUL: A Kuwaiti citizen kisses the U.S. flag shortly after the end of the war in the Persian Gulf in 1991. Reuters

icism of government policy is at an all-time high. Kuwait's government, which has promised parliamentary elections this fall, is engaged in massive vote buying and payoffs to quell government opposition.

"Some (votes) go for a loaf of bread while others for a quantum of dinars," said opposition leader Ahmed Bishara. Since the end of the war, the Kuwaiti government has written off \$5 billion in consumer loans, \$25 billion in bank loans and is now considering writing off \$465 million in electricity and water bills.

The government calls it "war reimbursement payments." Citizens are a little more blunt. They call it bribery. Whatever it is, the move seems to be working with many.

"Why should we want to change? I'm not for democracy at all," said Kuwait University freshman Suja Abou-Khamseen, 20. "We have it easy right now. This is Utopia."

Citizens are guaranteed government jobs after college, given retirement benefits at age 40, buy subsidized gasoline and enjoy dozens of other perks.

The perks and payments also appear to have killed off

whatever hopes the country had for improving its reputation for laziness. The Sabah government — in exile during the war — said Kuwaitis would rely less on foreign help to run the country.

One study conducted before the war, said Interior Minister Hamoud Sabah, showed that Kuwaitis worked an average of two hours a day. Many say the figure still applies.

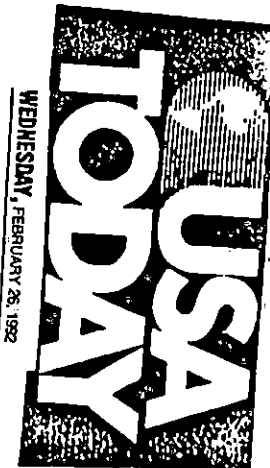
"Why should we work when we're paid not to?" asks Najjar. "We used to be the hardest workers on Earth. We were pearl divers. Then came the discovery of oil and we lost our appetite to work."

As in the past, foreign workers have picked up the slack in Kuwait, doing everything from cooking and cleaning to raising children.

As a result, said Sheikhha Hanan Fahd Hamad Mubarak, a member of Kuwait's ruling family, "our image of Kuwait abroad is (still) Mercedeses and money and fashion."

A Kuwaiti man considers himself a man only when he has a luxurious car, villa, and different accounts in the bank."

► New Iraq controversy, 5A



Consumer confidence at 17-year low

By Beth Belton
USA TODAY

Consumer confidence fell to a 17-year low in February, dragged down by persistent fears about unemployment.

The Conference Board said Tuesday its index of consumer confidence was 46.3, down 4 points from 50.2 in January.

This is the third consecutive monthly decline — and the lowest since December 1974, when it measured 43.2.

The consumer confidence index is a closely watched barometer of consumer spending plans, which account for two-thirds of economic activity. The dive reflects deepening pessimism about the USA's struggling economy.

"We're in the aftermath of recession," says economist David Littmann at Manufacturers Bank of Detroit. "We just haven't reached the other side of the mountain."

Federal Reserve Chairman Alan Greenspan said the report was "quite disturbing," but he still expects a recovery soon.

He pledged Tuesday to cut interest rates further if there's no recovery by early spring.

"If this economy is beginning to move, we should be seeing signs of that within weeks, not months," he told the Senate Banking Committee.

But similar predictions did little to reassure consumers.

"The consumer's prime concern continues to be job security," said Fabian Linden, a Conference Board economist.

Job worries continue, fueled by reports of new layoffs. General Motors Monday announced cutbacks that will cost 16,000 jobs.

Since July 1, an average of eight *Fortune* 1,000 firms announced layoffs or cutbacks weekly, said Littmann.

"You cannot have that kind of constant bombardment of anxiety-producing news without curtailing spending plans." Also in the index:

► 49.3% of respondents said jobs were hard to get in February, up from 33% last February and 47% in January.

► 33.4% said there will be fewer jobs six months from now, up from 30% in January.

There are bright spots. Auto and retail sales have shown modest rebounds.

► Greenspan's stance, 1B
► Market reaction, 3B

Baker warned on Israeli loans

Senators may link them to Russian aid

By Johanna Neuman
USA TODAY

Senators warned Secretary of State James Baker Tuesday that funds earmarked for Russia could be in jeopardy if money for Israeli settlements is linked to Mideast peace.

Lawmakers made the threat one day after Baker warned Israel to stop its settlements policy in the occupied territories or possibly lose U.S. guarantees on \$10 billion in loans for resettling immigrants from the former Soviet Union.

"This administration has made a serious mistake by using a humanitarian program to further our policy in opposition to settlements," said Sen. Robert Kasten, R-Wis.

Kasten urged Baker to resume efforts at a compromise, warning that unless Israel gets the money, Congress will torpedo the foreign aid bill.

And without a bill, the government would continue foreign funding at this year's levels — enacted before the White House request for \$150 million in humanitarian aid for Russia and the new republics.

The Bush administration wants Israel to halt settlements. It fears the land in dispute — the West Bank and Gaza Strip — will soon belong to Israelis, driving Palestinians away from peace talks.

"Without an agreement on loan guarantees, this bill is dead," Kasten told Baker. "Without an agreement on loan guarantees, there will be no aid to the Soviet Union."

Baker, a bit taken aback, repeated that "our commitment to Israel's security is absolute, it's unconditional, it's unyielding." But he added that if Israel wants U.S. guarantees for \$10 billion in loans to settle Soviet Jews, "We have a right to know we're not going to be financing something that we oppose."

Some in Israel also ques-

Blizzard brings snow to desert



JERUSALEM STORM: A Palestinian youth throws a snowball in Jerusalem Tuesday. The city received more than a foot of snow in a winter storm that hit the Mideast and pushed as far south as Saudi Arabia. In Turkey, 19 people were killed in avalanches.

By Jacqueline Arzi, AP

tioned the White House move, charging President Bush with trying to boost Labor Party leader Yitzhak Rabin's chances of ousting Prime Minister Yitzhak Shamir.

"It is a gross interference in the internal affairs of the state of Israel," said Finance Minister Yitzhak Modai.

Bush, en route to campaign

stops in California, said he's willing to risk taking on Israel.

"We spelled out our policy," said Bush, who won 30% of the Jewish vote in 1988.

"It's a proper policy. It's been the policy of the U.S. government for a long, long time."

Away from the rhetoric over U.S. loan guarantees Mideast peace talks continued:

► Israel and Jordan, in the first sign of real progress, neared a decision to split up into committees.

► Palestinians branded as "preposterous" Israel's written outline of steps toward self-rule — but it was a first offer.

► Jordan asked Israel to extend the current round of talks for one week. Israel declined.

Bush hopes summit bolsters drug policy

By Sam Vincent Meddis
USA TODAY

President Bush today hopes to unite Latin American leaders behind his drug strategy, while Washington remains deeply divided over it.

"A little like holding a bucket under a waterfall," is how the strategy is described by Sen. John Kerry, D-Mass., chairman of an anti-narcotics subcommittee.

Drug czar Bob Martinez, says progress is unmistakable, and critics are waging a "battle of disinformation."

Two years after their first summit in Cartagena, Colombia, foreign leaders join Bush in San Antonio to discuss ways of improving cooperation in the drug war.

The two-day summit brings Bush together with leaders of Colombia, Bolivia, Peru, Ecuador, Mexico and Venezuela.

The Bush administration wants to minimize finger pointing — Latin leaders denouncing the USA's voracious cocaine appetite, while U.S. officials complain about their region's coca leaf production.

In Washington, there's more than enough finger pointing.

"What we don't need is a... antiseptic photo opportunity," says Senate Judiciary Committee Chairman Joseph Biden Jr., D-Del. "If you judge the present strategy on results, it's been a failure."

Biden's committee reported Tuesday that although \$700 million has been spent on Andean anti-drug efforts in the past three years, more drugs are being imported from that region now than two years ago.

Result: Cocaine prices in major cities — a key indicator of availability — are dropping, congressional studies say.

In New York, for example, a kilogram of cocaine cost \$23,000 to \$38,500 in the third quarter of 1990. A year later, it fetched \$16,000 to \$24,000.

Kevin Zeese of the non-profit Drug Policy Foundation says the government should focus on reducing demand.

"The drug war tries to attack economic forces with military means," Zeese says. "For many peasant families in the Andean nations, the difference between starvation and survival lies in growing coca."

Battle of the drug statistics

Supporters say the Bush administration's international drug war — highlighted by the \$2.1 billion "Andean Initiative" — is an unqualified success. Opponents say it's fatally flawed. Both sides rely on statistics to make their case.

"After spending nearly \$700 million on an Andean drug-fighting strategy in three years, more drugs are imported from that region today than two years ago."

— Report from Joseph Biden Jr., Senate Judiciary Committee and Caucus on International Narcotics Control



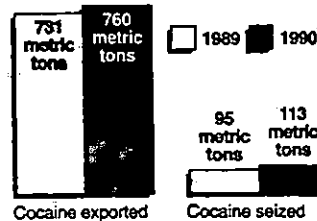
Photos by Tim Dillon, USA TODAY

"We're waging a war to cut the supply lines that bring drugs into this country. But we're battling on the demand side as well. We set a goal to drive down the current adolescent cocaine use by 30 percent. And we've seen a dramatic 60-percent decrease."

— President Bush

Biden: Export up

A new report from Sen. Joseph Biden Jr.'s Judiciary Committee notes increase in cocaine export, and blames the administration's emphasis on military intervention.



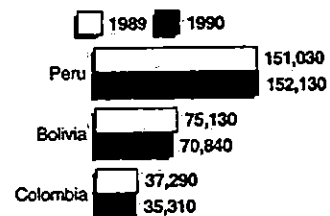
'Andean Initiative'

The Bush administration's 1989 drug-war plan calls for spending \$2.1 billion over five years in military and economic aid to Bolivia, Colombia and Peru — key source for nearly all the world's cocaine. Administration officials say focusing on the source is key to solving the nation's drug problem. Opponents say the administration has overemphasized military solutions, and should focus on reducing the demand for drugs.

Bush: Production down

The administration points to a decline in coca production as key result of drug strategy. Cocaine is made from coca leaves.

Estimated metric tons of coca leaf



Source: Senate Judiciary Committee and Caucus on International Narcotics Control strategy report

USA TODAY

Drug users choose heroin more often

In contrast to an upbeat assessment on the U.S. war against cocaine, CIA Director Robert Gates has a grim view of the nation's heroin problem.

"We are losing ground to the heroin traffickers," Gates testified to the House Foreign Affairs Committee Tuesday.

U.S. intelligence predicts

national heroin supplies "will increase substantially over the next few years," Gates says.

Heroin's popularity is increasing in part, because the Southeast Asian variety is of higher quality and can be smoked, much like crack cocaine.

Colombian cocaine producers have already started

cultivating opium, from which heroin is derived, Gates said.

Meanwhile, heroin emergency room visits are increasing in major cities.

"I think we're facing a major heroin epidemic here," says Raphael Perl, an anti-drug specialist with the Congressional Research Service.

— Sam Vincent Meddis

The administration, which has focused heavily on cutting supplies through emphasis on drug interdiction, cites a National Institute on Drug Abuse household survey as proof their policies are working.

► In 1988, more than 2.9 million people were regular cocaine users; by 1991, more than 1 million were off cocaine.

► Among those ages 12-17,

use of illegal drugs was down more than 25% since 1988.

If efforts to stop cocaine smugglers and producers were abandoned, "I wonder how many more people in this country would be addicted, and what the price would be?" says Martinez.

But Biden argues that the administration is taking credit for trends in drug abuse reduction

during 1988-1991 that began as early as 1986.

Foreign officials are getting tougher on traffickers, says Melvyn Levitsky, the State Department's anti-narcotics chief.

► Colombia and Mexico seized 140 tons of coca products last year, 40 tons more than in 1990.

► Colombian authorities busted 500 cocaine-processing

laboratories in the past two years and made thousands of drug-related arrests.

But in many ways, the focus on cocaine supply has actually made matters worse, says Rep. Charles Schumer, D-N.Y., chairman of the Crime and Criminal Justice Committee.

"It's like squeezing a balloon, it spreads elsewhere."

A recent report by Schumer's office says that since the 1990 drug summit:

► Venezuela has become a significant coca grower.

► Refining labs have been established in Ecuador, Chile, Brazil and Venezuela.

► Five more countries are now drug transit routes: Chile, Suriname, El Salvador, Grenada and Trinidad and Tobago.

The report says the State Department is expected to disclose soon the total area under coca cultivation dropped slightly last year — while cocaine production grew from 836 tons in 1989 to 970 tons last year.

Senate sets up China trade fight

By Marilyn Greene
USA TODAY

The Senate voted Tuesday to slap tough conditions on renewed trade benefits for China — but not with a loud enough voice to overcome President Bush's promised veto.

Citing China's shortcomings in human rights, weapons proliferation and trade policies, the Senate voted 59 to 39 to require improvements before Bush can extend China's most-favored nation trade benefit.

But the Senate margin was eight votes short of the two-thirds needed to override Bush's veto. The House passed the bill by 409 to 21 Nov. 26.

Still, supporters expect a tight battle when both houses get the bill after Bush's veto.

"We're increasing our numbers" toward enough to override, said Rep. Nancy Pelosi, D-Calif., author of the House version. "The override vote is another day."

Congress has been looking

for ways to express its outrage ever since June 1989, when hard-line Chinese leaders sent soldiers into Beijing's Tiananmen Square to crush pro-democracy demonstrations.

Human rights concerns, coupled with reports of China selling nuclear technology to Middle East governments and China's \$13 billion trade surplus with the United States, sent U.S.-China relations to their lowest point in 20 years.

If the veto stands, Bush will extend China the trade benefit for another year, with no strings attached. It gives China the lowest possible tariff rates on goods exported to the USA.

For the American consumer, it means access to more than \$15 billion worth of moderate-priced silk blouses, leather shoes, toys and machine tools. U.S. firms export more than \$5 billion in goods, including wheat, airplanes and fertilizer. Without MFN, tariffs of up to 100% could make those products prohibitively costly.

China trade imbalance

Top U.S. exports to China

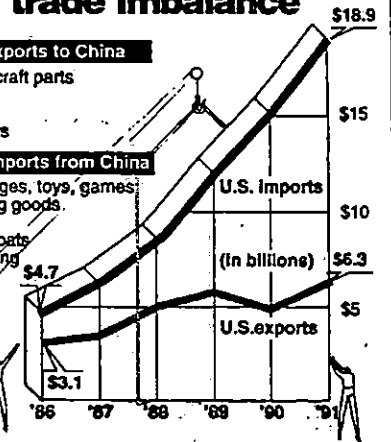
- Aircraft, aircraft parts
- Fertilizers
- Wheat
- Cotton fibers

Top U.S. imports from China

- Baby carriages, toys, games and sporting goods
- Footwear
- Women's coats
- Other clothing



Source: International Trade Administration, Census Bureau



By Rod Little, USA TODAY

Before the vote, Sen. Joseph Biden Jr., D-Del., called for a rare secret session, the 35th in three decades, to review classified CIA documents on report-

ed weapons sales by China to Syria, Iran and Pakistan.

"China's been contributing to the development of an 'Islamic bomb,'" said Sen. John

Glenn, D-Ohio. "I don't see that we have any option (but to end MFN) unless they show they're not proliferators."

Sen. James Exon, D-Neb., decided to support the bill after hearing the report, which he called "chilling." He said the report convinced him "Bush's judgment on China is wrong. The U.S. is going to have to quit acting like a wimp and send a strong signal to China."

The Bush administration, acknowledged China has made little progress on human rights, but insisted "targeted" pressure has paid off. China has agreed to pass patent-protection laws, and promised to adhere to international weapons-control agreements.

Jerome Cohen, New York University Law School expert on Chinese law, says Chinese leaders should take no comfort from the vote. "Many companies are deciding not to get involved in China. It's hurting the Chinese in investments they'll never hear about."

Kerrey wins S. Dakota; Harkin 2nd

By Bob Minzesheimer
USA TODAY

Nebraska Sen. Bob Kerrey won the South Dakota Democratic primary Tuesday, while President Bush lost one-third of the vote although his was the only name on the GOP ballot.

Kerrey's win breathes new life into his campaign. But Bush's showing adds to the embarrassment he suffered last week in New Hampshire.

It was "an anybody-but-Bush" vote, said political analyst Stuart Rothenberg.

In a prelude to contests in 21 states over the next two weeks, South Dakota showed:

► Tom Harkin second.

► Bill Clinton, who is strongest in the South, third.

► Paul Tsongas, who won the New Hampshire primary, and Jerry Brown, who nearly beat Tsongas in the Maine caucus, far behind.

Kerrey and Harkin needed to do well to help fund-raising.

In the GOP race, CNN reported exit polls in which two-thirds of Republicans who voted for the uncommitted state said they wouldn't support Bush in November.

The next contests pitting Bush against challenger Pat Buchanan are Tuesday in Maryland, Colorado and Georgia. Other political news:

► In Georgia, the Bush campaign aired its first TV ad targeting Buchanan. It features former Marine commandant P.X. Kelley criticizing Buchanan's opposition to the Gulf war.

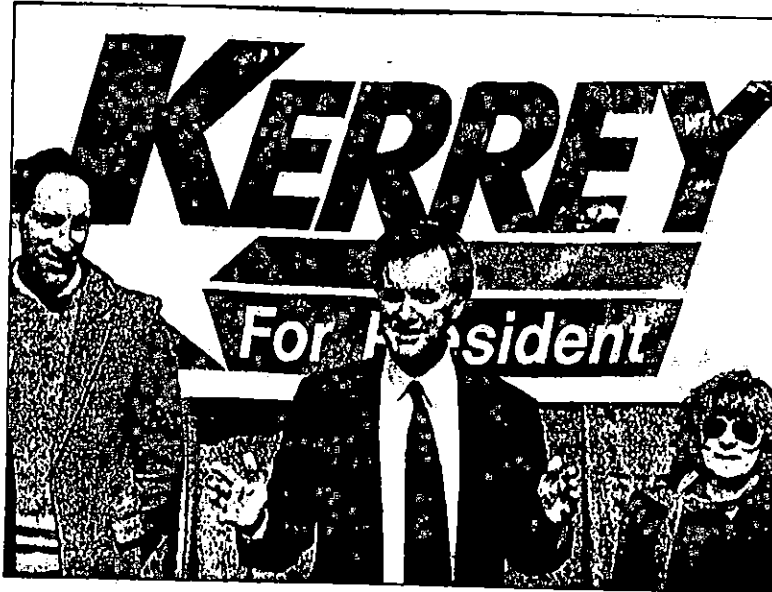
Kelley also asks: "If he doesn't think America should lead the world how can we trust him to lead America?"

► In Nashville, Buchanan mimicked the accent of Japanese Prime Minister Kiichi Miyazawa, who had dismissed Buchanan's 37% result in New Hampshire.

Buchanan told him to "stay out of the internal affairs of our party and our country."

► Results muddy field, 3A
► Betting on war ad, 8A

Kerrey keeps head above water



SEEKING STUDENTS' VOTE: Democrat Bob Kerrey of Nebraska addresses students at the University of Colorado in Boulder on Tuesday afternoon. Colorado holds its primary next Tuesday.

By David Zaslowski, AP

Bush loses 31% to 'protest'

By Bob Minzesheimer
USA TODAY

Last week in New Hampshire, President Bush lost 37% of the vote to Pat Buchanan.

Tuesday in South Dakota, Bush lost nearly one-third of the GOP vote to no one.

Buchanan wasn't named on the ballot but GOP voters had the choice of Bush delegates or an uncommitted state.

"It was an easy protest vote," said University of South Dakota political scientist Alan Clem. It's "an embarrassment to the Republican Party," but "there is always something that isn't going right and the president is the handy one to blame."

Buchanan aide Frank Luntz said the anti-Bush vote shows "discontent doesn't just exist in New Hampshire."

Bush spokeswoman Torie Clarke said: "It's not as though we had the full court press going on. It's a little bit of the protest feeling you sense in a place hit hard by recession. We won. We'll take those wins."

Crucial time for candidates

More than half the delegates needed to nominate both parties' presidential candidates will be selected from Tuesday through the March 10 "Super Tuesday" primaries. What's at stake, and key upcoming dates in the races:

	Democrat	GOP
Delegates chosen before March 3	105	42
Delegates chosen March 3-10	1,287	861
Delegates needed to nominate	2,144	1,104
Total delegates	4,287	2,206

Key dates in the presidential race

Tuesday: Primaries in Utah, Colorado, Georgia and Maryland; caucuses in Minnesota, Idaho and Washington (delegates at stake: 380 Democrat, 247 GOP)

March 7: Primary in South Carolina; caucuses in Arizona and Wyoming (delegates at stake: 97 Democrat, 93 GOP)

March 10: Primaries in Louisiana, Florida, Mississippi, Oklahoma, Rhode Island, Tennessee, Texas and Massachusetts; caucuses in Delaware, Hawaii and Missouri (delegates at stake: 783 Democrat, 500 GOP)

Actually, South Dakota, where unemployment is only 3.1%, hasn't been hit as hard as New Hampshire.

But exit polls cited by CNN show that among Republicans

who rated the economy as poor, a majority voted for uncommitted over Bush.

► Kerrey wins, 1A
► Gulf war ads, 8A

By Adam Nagourney
USA TODAY

Nebraska Sen. Bob Kerrey's decisive win in South Dakota's presidential primary Tuesday night keeps him in the contest and muddles the murky Democratic field even more.

An election that party leaders hoped would pare down the field showed no signs of doing that. Although Iowa Sen. Tom Harkin failed to parlay his credentials as a Midwest neighbor into a much-needed win — his disappointing second-place finish raised serious questions about his ability to stay in the race — he told supporters he would not quit.

"The Democratic presidential primary is more wide open than ever," he said. "There is no front-runner."

Further, heavy TV advertising by the two leading candidates, Arkansas Gov. Bill Clinton and former Massachusetts senator Paul Tsongas, failed to produce good news for either. Clinton ran third, with Tsongas mired at 10%.

"Look, if there were any front-runners, they've been stopped," asserted Bill Shore, a senior Kerrey adviser.

The showing by Tsongas, who was hammered by opponents for his support of a gas tax increase and shaky knowledge of agricultural issues, could reinforce Democrats' fear that he is unable to win outside of his native Northeast.

Tsongas moved to counter that impression hours before South Dakota polls closed, announcing the endorsements of Oklahoma Sen. David Boren and Maryland Gov. William Donald Schaefer.

While Clinton did respectably, the fact remains he has yet to come within eight points of first place in four contests. Tsongas made reference to that in congratulating Kerrey.

"Welcome to the winner's circle," said Tsongas, who won New Hampshire.

Kerrey aides said the win gives him a needed push as he heads West and South, making him a clear alternative to Tsongas and Clinton, who's expected to win in his native region.

Still, Kerrey faces tough going, heading into alien territory against two better-financed

SOUTH DAKOTA

Democrats		
Precincts reporting	100%	
Candidate	Votes	Pct.
Agran	607	(1%)
Brown	2,304	(4%)
Clinton	11,421	(19%)
Harkin	15,153	(25%)
Kerrey	23,974	(40%)
LaRouche	442	(1%)
Tsongas	5,756	(10%)
Others	137	(0%)

Delegates won Tuesday:
Clinton, 3; Kerrey, 7; Tsongas, 0; Harkin, 5

Republicans		
Precincts reporting	100%	
Candidate	Votes	Pct.
Bush	30,948	(89%)
Uncommitted	13,716	(31%)

Delegates won Tuesday:
Bush, 14; Uncommitted, 5

CANDIDATE TOTALS

Delegate totals, including those allocated in S.D. primary:

Democrats	
Brown	8.25
Clinton	95
Harkin	72.25
Kerrey	22.25
Tsongas	20
Other	5
Uncommitted	211.75
Undetermined	9

Republicans	
Buchanan	9
Bush	28
Uncommitted	5

candidates.

Even in Colorado, where he should do well in Tuesday's primary because of ties to former senator Gary Hart, a Denver Post poll last weekend put him at 5%, compared with 26% for both Tsongas and Clinton.

And Kerrey's win in South Dakota came in part because he had a strong get-out-the-vote operation and was a well-known face from a neighboring state who cited his experience as a farm-state governor.

But Shore said Kerrey was prepared to struggle on for as long as a month without a win, accumulating delegates along the way, hoping that Tsongas or Clinton stumbles.

"But obviously, some place there's going to have to be a battleground where we fight it out and win," Shore said.

WEDNESDAY, FEBRUARY 26, 1992
USA TODAY

Elderly Now Spend Over Twice as Much On Health as They Did Before Medicare

By HILARY STOLT

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Elderly Americans are spending more than twice as much on health care, even after accounting for inflation, as they were before the government established Medicare, according to a new report.

The taxpayer-financed Medicare program provides health insurance to 34 million elderly and disabled Americans. Before it began in 1965, many elderly people had a hard time affording medical care or getting private health insurance. But the report suggests that the program has failed to protect elderly people completely from soaring health costs.

According to the new report, the skyrocketing costs of services not covered by Medicare, as well as premiums, deductibles and co-payments under the federal health insurance program, have pushed the average elderly family's out-of-pocket medical costs in 1991 dollars from \$1,589 in 1961 to \$3,305 in 1991. In nominal dollars—which means no adjustment for inflation—these costs were \$347 in 1961.

Families USA, an advocacy group for the elderly that prepared the report, concludes that out-of-pocket health expenses currently consume an average of 17.1% of an elderly family's after-tax income, compared with 10.6% in 1961.

"Medicare has helped our parents and grandparents, but despite Medicare, older Americans are today being squeezed much harder by health costs than during John F. Kennedy's time," said Ron Pollack, executive director of the group.

The report's findings were based primarily on data from the federal government's consumer expenditure survey.

There are a number of reasons why elderly people's out-of-pocket health expenditures have risen despite Medicare. For one, Medicare covers few nursing-home expenses. Seniors' spending on nursing-home care, the biggest chunk of their overall health care expenditures, quadrupled in the past 30 years, even after inflation, according to the report. Medicaid, a health program for low-income people jointly run by the federal government and the states, covers nursing home stays for financially needy people.

The RTC conceded that in the haste of disposing of 140 S&Ls during a three-month period in 1990, local records of thrifts operating under government control weren't reconciled daily with the Denver region's general ledger. Regional accounting records fell woefully behind as the agency sold thrifts with big "put back" provisions, which rapidly moved assets in and out of the agency.

"In some cases, they spent more attention on their own subsidiary balances and ledger, and they didn't worry about the general ledger," said William Roelle, head of operations for the agency.

Eventually, the individual thrift records and the regional ledger, which kept tabs on about \$40 billion in assets, were \$7 billion out of balance. Compounding the problem, the region hired one company to unscramble the records, Financial Management Task Force of Denver. The large contract, consisting of 92 separate work orders, should have been spread among more companies, or else reviewed by senior RTC managers, the agency said.

"They cut a lot of corners in the process," Mr. Roelle said in an interview. "A lot of internal controls fell down, if they were there in the first place. This was not our finest hour." The RTC inspector general is investigating the possibility of fraudulent contract awards, he said, but no wrongdoing has been found.

Sen. John Glenn (D., Ohio), chairman of the Governmental Affairs Committee, is expected to hold a hearing on the record-keeping mess in coming weeks.

So far, the agency has spent \$105 billion on the S&L cleanup. Congress gave the agency \$25 billion at the end of last year, but RTC's mandate to spend the cash expires April 1. The Treasury Department, which oversees the RTC and the cleanup, is seeking an additional \$55 billion, which it contends will cover losses at all remaining failed S&Ls.

House Panel Rips Bush Plan To Save Thrifts

Proposal Is for U.S. to Assist S&Ls Before They Fail; Holders Would Benefit

By PAULETTE THOMAS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — A government proposal to rescue weak savings and loans—along with their shareholders—got a cold reception from the House Banking Committee.

In a hearing yesterday to review the S&L cleanup, lawmakers assailed the plan and questioned the administration's motives. "Propping up sick institutions may look politically appealing in the short term for presidential politics," said Rep. Jim Leach, an Iowa Republican, "but in the long term it could too easily result in an increase in taxpayer liabilities."

Bush administration officials, worried about several large, ailing California S&Ls, are considering a plan to pump government cash into big S&Ls before they fail, then merge them with healthier partners. In exchange for consenting to the early takeover, the S&L's owners would see the value of their shares diluted, but not wiped out. Under current practice, the government typically waits until thrifts fail before taking them over, erasing the interests of shareholders.

Chairman Henry Gonzalez (D., Texas), citing "grave concerns," also opposed the idea. "I thought capitalism meant that stockholders and management assume the risk—not taxpayers," he said. Moreover, he added, the plan would be illegal under provisions of the 1989 S&L bailout law that direct the agency to protect only depositors' interests in thrift takeovers.

The Office of Thrift Supervision, the strongest proponent of the plan, defended it as a sensible way to cut losses to be borne by the taxpayer before they accumulate. The thrift office will seek industry comment on the plan at a hearing next month, but the overwhelmingly negative reaction from lawmakers made further action questionable. "I don't know whether or not this program will fly after this hearing, quite frankly," said Timothy Ryan, director of the thrift office.

The Resolution Trust Corp. meanwhile, renewed its plea for yet another round of funds for the S&L bailout, while conceding that it botched a massive record-keeping job in its Denver office.

Testimony to be delivered today by the General Accounting Office, the investigative arm of Congress, cites faster sales of dead S&Ls and their assets, but admonishes the RTC for faulty record-keeping. In written testimony, Richard Fogel, assistant comptroller general, says the agency's information systems are still "plagued by fundamental problems" including "inaccurate and incomplete data."

Moreover, Medicare doesn't pay for most prescription drugs or eye and dental care, areas that have also seen skyrocketing costs in recent years. In addition, Medicare has gone from charging no premiums to charging \$320 a year. And the cost of private health insurance, which many Medicare beneficiaries purchase to pay for expenses that Medicare doesn't

Health Costs

Out-of-pocket health-care costs for families headed by someone age 65 or older, in 1991 dollars

	1961	1972	1991
Total	\$1,589	\$1,854	\$3,305
Direct	\$1,285	\$1,331	\$2,332
Hospital	228	175	90
Physician	316	184	408
Nursing home	287	582	1,194
Other	454	390	640
Insurance premiums	\$304	\$523	\$973
Private	304	309	653
Medicare	—	214	320

Source: Families USA

cover, has more than doubled in inflation-adjusted dollars.

Health costs have exploded for everyone in the past few decades—particularly in the past 10 years—and people of all ages and incomes have faced ever-increasing out-of-pocket medical expenses. The rocketing prices and growing elderly population have pinched Medicare itself. Its budget is projected to total \$118 billion this fiscal year and nearly \$130 billion in the next fiscal year. For two years now, the Bush administration has proposed tripling the Medicare premium for couples with annual incomes of more than \$125,000 and for individuals with annual incomes of more than \$100,000.

2 Israelis Prove U.S. Could Have Freed Lebanon Hostages

By ANGELO CODEVILLA

When Israeli helicopter gunships ambushed and killed Sheik Abbas Musawi, chief of Hezbollah, last week many Americans cheered. Hezbollah after all is the outfit that blew up 241 U.S. Marines in Beirut in 1983 and tortured American hostages in Lebanon for seven years. The U.S. government, however, issued an embarrassed general condemnation of "the cycle of violence."

The condemnation was embarrassed because, by killing Musawi, the Israelis demolished the Reagan and Bush administrations' main excuse for their policy of appeasing terrorist groups and governments: namely, that U.S. intelligence could not identify or locate the individuals responsible for terrorist violence against Americans.

The Israeli spy network has been largely at the Central Intelligence Agency's disposal. Its strength lies not so much in its deep penetration of terrorist hierarchies as in a very wide net of Lebanese who report what "everyone" in certain circles knows. The National Security Agency's antennas can pick up a significant percentage of telecommunications in Lebanon. So, as the CIA reported to Congress throughout the period in which U.S. hostages were held in Lebanon, every couple of months a combination of these sources would provide mutually confirming reports that the hostages were in a

given sector or city block of West Beirut, or that a leading terrorist personage would hold court in a given villa on Friday and take the main road to the Bekaa valley the day after.

Certainly such information was not specific enough to guarantee that a specific building would contain hostages or a specific car would contain a given chieftain. But the reason such information proved useless has nothing to do with its specificity or reliability, and everything to do with the U.S. government's decision not to do, ask for or even permit any act against terrorist forces in the region.

When the will to act is strong, even highly unspecific information will do. Italian terrorists kidnapped U.S. Army General James Dozier in December 1981. The Italian authorities knew only that Gen. Dozier was being held in the city of Verona. That was enough. They sealed off the city, searched it systematically and interrogated every known leftist. There was no doubt they would find the general and his captors—and they soon did. If between 1981 and 1985, the U.S. had been willing to send helicopter-borne troops to surround a city block in Beirut, the information available on the whereabouts of the hostages would have been more than sufficient to free them.

By the same token, the information available to the U.S. was more than enough to identify, not the meaningless

trigger-pullers, but the individuals ultimately responsible for anti-American terrorism in Lebanon—above all, Syria's dictator, Hafez Assad. No secret intelligence, but only intelligence of the ordinary kind, sufficed to hold him personally responsible for every day our hostages spent chained to walls and for every kick they received. Policy, not lack of information, kept two Republican administrations from telling Mr. Assad, "our hostages alive and their captors handed over to us, or you dead."

And certainly the U.S. had adequate information on which to send bombers, helicopters or highly accurate Tomahawk cruise missiles to kill Hezbollah's guru, Sheik Mohammed Hussein Fadlallah, Sheik Musawi and their like, within their walled villas or on their armed motorcades. Not every sortie would have killed a terrorist bigwig, but every explosion would have blown a hole in the terrorist organization, warned ordinary people that consorting with terrorists is unsafe, and increased the survivors' sense that being nasty to the United States of America has no future. Much as the chiefs of the Shiite terrorist organizations preach martyrdom, they take pains not to practice it.

But the U.S. government did not want these people dead. For better or for worse, U.S. policy consistently has been that, to gain influence in the Arab world, America must accommodate one or more powerful Arab states, even though they sponsor ter-

rorism. Thus, between 1981 and 1989 the U.S. chose to build up Saddam Hussein—during the final week of the Gulf War, President Bush even turned down a request from an air force commander who had located Saddam to kill him.

Since 1982, the U.S. has chosen to build up Mr. Assad. Far from using intelligence to inconvenience him, the Bush administration in late 1990 gave him agent information given to us by Israel, trusting that Mr. Assad would use it to thwart plans by Syria-based terrorists to kill the U.S. ambassador to Jordan. Instead, Mr. Assad told the terrorists, who tracked down and killed the Israeli agents who had infiltrated them. This did not keep President Bush from paying a higher price yet for Hafez Assad's friendship: U.S. acquiescence in Syria's annexation of Lebanon, and an anti-Israel tilt in U.S. foreign policy.

One may debate whether or not the policy of making deals with terrorist chieftains while shooting only at underlings was wise. But it was surely not dictated by any lack of intelligence. While there was not enough evidence to defend against the trigger-pullers, there certainly was enough to take action against their chiefs. Unfortunately, there is never enough information to make up for weak leadership.

The fact that the Bush administration has deplored Israel's killing of Musawi shows that it is not ready to change its basic policy. But the fact that its condemnation is *sotto voce* shows that, perhaps, the administration might be just a little bit ashamed. That would be progress.

Mr. Codevilla, a fellow at the Hoover Institution, served eight years on the staff of the Senate Intelligence Committee. He is the author of the forthcoming "Informing Statecraft, Intelligence for a New Century" (Free Press).

Recessions Aren't All Bad

By JOHN R. BLOCK

The gloom among businessmen who live between Boston and Washington about stagnant real estate markets, sluggish consumer demand and credit problems is strikingly similar to the problems experienced by American farmers in the early and mid-1980s. The 1981-82 recession affected the Farm Belt (where it lingered through the mid-80s) more severely than the coasts; this time, the Midwest is faring much better than the east and west coasts. There are some important lessons to be learned from the downturn in agriculture 10 years ago that might provide some insight to those confronting the recession right now.

What agriculture suffered from 1981 to 1985 was essentially a hangover from the intoxicating flow of cheap, easy money in the late '70s. During that period, farmers leveraged themselves to the hilt as inflation drove land values and commodity prices ever higher. Bankers were eager to lend money to farmers so that farmers could expand their operations; after all, as the saying in farm country went, "no one's making any more of this good black dirt." Farmland values in the Midwest pushed \$3,000 an acre by 1980.

But then the demand for U.S. agricultural exports fell and surpluses mounted. At the same time, the Federal Reserve tightened the supply of money. In some areas land values plummeted by more than 50%. Heavily indebted farmers who driven under. All of a sudden, farmers who once had a healthy balance sheet, at least on paper, found themselves struggling to stay afloat. Dragged down along with them were hundreds of small-town banks. Those rural banks that did survive stopped lending on property values alone, and insisted on a positive cash flow. Farm loans were called in. A proliferation of highly-publicized auctions and foreclosures followed. Even good credit risks had trouble getting loans because lenders turned timid. Cries to bank regulators for forbearance were lost in the wind.

In the early 1980s, agriculture suffered the effects of a free-market economy as it imposed natural but painful adjustments on the industry. Even though the Department of Agriculture had no control over the macroeconomic forces changing farming, farmers looked to the secretary of agriculture to help solve their problems. For too many, help in the form of lower interest rates and more exports arrived too late.

Less than a decade later, a similar real estate crunch is again plaguing the U.S.—only this time the real estate is located mainly on the East Coast and in big cities. The giddy mid-1980s loosened bankers' inhibitions. Easy credit was extended to build more and bigger residential and commercial properties.

But the market for new developments eventually became saturated, particularly in the Northeast, and nervous bankers began calling in their loans. Developers too heavily leveraged to comply with their lenders' demands were driven into bankruptcy, making bankers even more tightfisted. Many financial institutions (especially savings and loans) are teetering on the brink of insolvency or have been pushed over, thanks to bad loans that will never be recovered. Today's downturn never parallels the sorry situation a decade earlier.

The result of the 1980s' agriculture recession, however, wasn't entirely negative. Those farmers who weathered the stormy 1980s are largely in sound financial shape. Overall debt levels among farmers have dropped by an incredible \$200 billion since 1985, or by about one-third, both because farmers have paid off their loans and because bankers have written off bad farm debts.

As interest rates fell and exports grew

in the late 1980s, farm income reached record levels. While it's true that thousands of farmers lost their operations, the exodus from farm to town wasn't appreciably larger than in previous decades. Thanks to improvements in technology, the number of farmers required to feed the country continues to drop. The adverse economic conditions of the early 1980s simply accelerated a largely inevitable process.

Recession is a painful condition, but to a degree it acts as a remedy for some of the economic excesses that pass as successes. In a tight economy, cautious lenders demand that real estate must be more than a speculative pursuit requiring only a few percent down; it must be an investment made prudently. Borrowers must set their sights on what they can actually afford, not on what they want to own in their wildest dreams. And consumers realize that paying off their debts can be as rewarding as borrowing more money, and that burgers and beer can be as satisfying as steak and champagne.

Ultimately, recessions winnow out the wasteful, prune the inefficient and correct excesses. At times the process itself is overly broad and many good people suffer, at home and at work. But those that endure are smarter, more resilient, and more appreciative of good times. As Dr. Robert Schuller once noted, "tough times never last, but tough people do." That lesson may be of little solace for many as tough economic conditions confront much of the nation, but as those of us who survived some very tough times 10 years ago can attest, there are better times ahead for those who persist.

Mr. Block, president of the National American Wholesale Grocers' Association, served as U.S. Secretary of Agriculture from 1981 to 1986. He, his father and his son own a farm in Knox County, Ill.

Just Do It

"I strongly support the line-item veto, because I think it's one of the most powerful weapons we could use in our fight against out-of-control deficit spending."

George Bush or Ronald Reagan didn't say that; Bill Clinton did. As one of 43 state Governors who now have and use the line-item veto, the Arkansan has made it a plank in his presidential campaign. He understands, even if Congress and most of the media still don't, that the line-item debate is about accountability in spending, not partisanship.

Former California Governor Jerry Brown also supports the item veto. Paul Tsongas calls it "an effective way of reducing waste in government." Republican Pat Buchanan as usual goes even further, saying, "I won't beg for a line-item veto. I will use the line-item veto the President already possesses." The National Taxpayers Union has found that the only presidential candidates who don't support the item veto are the two denizens of Congress, Senators Bob Kerrey and Tom Harkin. Could this be... a coincidence?

But the two Senators have a chance to make amends this week, when Senators John McCain of Arizona and Dan Coats of Indiana offer their annual item-veto amendment. They have 28 other co-sponsors, including Democrats Jim Exon of Nebraska and David Boren of Oklahoma.

More precisely, the Coats-McCain proposal would revive a President's power to "rescind," or delete, egregious spending items. That constitutional power has been dormant since 1974, when Congress steamrolled a President weakened by Watergate to eliminate the long-established power to impound funds. A President can still send up a package of pork for rescission, but the money is spent unless

Congress votes not to; of course it never does. The Coats-McCain amendment would make the rescission itself automatic; Congress would have to override if it still wanted the most outrageous pork.

The threat this poses to logrolling-as-usual can be seen in the fanatic opposition it inspires in Democrat Robert Byrd and Republican Mark Hatfield. They are the two ranking Members of the Appropriations Committee, a.k.a. Pig Heaven. Mr. Byrd has lately devoted his energy to trying to move much of the U.S. government out of Washington to his state of West Virginia.

Mr. Byrd will argue that every Senator likes pork, which is exactly why the item veto is needed. Like any addict, Senators need to be stopped before they spend again. An item veto puts the President back into the spending game in a way that restores accountability. It's true that an item veto couldn't touch entitlements, but it at least would give a President more bargaining power with the Senate's Big Byrds.

President Bush agrees with scholars who say the Constitution already gives him the power to use an item veto, and claims to be looking for the right item to strike. If he is serious, Mr. Bush has a great opportunity now. If he asserts his item-veto power, Congress will be forced to defend its pork in public. The matter would go to the courts, which might side with Congress, but that would leave matters no worse than they are now. Moreover, Mr. Bush would at least have focused public attention on the main problem, congressional spending.

Mr. Bush's tax-pledge reversal has left him with a credibility problem; the public won't believe his promises unless he shows he's also willing to act. Just do it, Mr. President.

The NEA Loses Its Head

John Frohnmayer's forced departure as chairman of the National Endowment for the Arts leaves us with some useful lessons—and some revolutionary possibilities. It seems that this administration is finally learning that it is possible to fire people. This is a heartening turn of events, which should serve to send a strong message to other out-of-control agency chiefs.

Mr. Frohnmayer's own route to resignation began to seem inevitable soon after George Bush chose the Oregon attorney to be head of the NEA in the fall of 1989. His tenure was marked by a series of highly vocal confrontations between what's come to be known as the arts "community" and assorted critics of the questionable art funded by the NEA. In so insistently drawing attention to itself, the remarkably mono-minded arts "community" may have killed the goose that lays the golden grants.

There was first of all the matter of Robert Mapplethorpe's now-famed homoerotic photographs on exhibit at the Cincinnati art museum, (funded by the NEA). The sexually explicit sadomasochism in some of these photos was such that hardly any of the elite media busy cheerleading the fight against censorship in Cincinnati could find the courage to describe the show's actual details. In our devoutly liberated age, that is saying quite a lot about an event.

Then there was the tumult over four performance artists whose artistic specialties included urinating into the audience, or, as one did, smearing her nude body with chocolate (serving as an excrement substitute). Though the NEA at first deferred and seemed to reject grants for the famous four—which raised the usual hue and cry from the usual quarters, warning that fascism had arrived in America (again)—Chairman Frohnmayer found a way to hand out grant money to some of them anyway.

Senior Deputy Chairman of the agency Alvin Felzenberg got himself into trouble for warning Mr. Frohnmayer about some of the highly dubious projects coming up for funding. When stories about some of the more notorious grants began to circulate in the press, Mr. Frohnmayer decided the way to handle this was to fire Mr. Felzenberg, an arts administrator with a distinguished record.

Mr. Frohnmayer is properly held responsible for what occurred on his watch. But he is not the issue, nor did the agency's problems begin with him. The issue is the NEA itself, and the question of government funding for the arts. When the day arrives that a tax-and-spend journalist like

Sam Donaldson pronounces on Sunday morning that government shouldn't be in the business of funding the arts, it's clear the NEA's troubles have taken their toll.

There is also the tougher question of standards, and whether a government agency has the right to judge what is and isn't art worthy of funding before it plunks down taxpayer money.

This wasn't much of a question in saner times. The NEA was created in 1965 to foster appreciation for the arts. It was meant to educate and enlighten by making available to the broad public art that is representative of the highest values of civilization. The NEA, as it has evolved, is clearly a space age away from its original goals.

The agency hasn't seemed to try very hard to control who is giving money to whom. People serving as NEA judges sit on the same panels that make grants to their own institutions. This is analogous to what is known in the business community as self-dealing, which is frowned upon.

Mainly, however, the NEA's problem is that it conceded the arts community's preposterous stance that being "judgmental" is anathema, that somehow "art" is a superior enterprise that need not be accountable to anything or anyone. But of course someone's judgment was indeed being imposed on the process. It's long been an open secret that the art with the best chance of getting NEA funding is art with a social or political message that speaks for some group that sees itself as embattled.

Notwithstanding the clique that seems to view endowment funding as a political "right," we think that a government agency that puts its money on the line has the right to make judgments about a work's value. We're also of the opinion that it's absurd to equate questions about a work's artistic merit with an attack on the First Amendment.

But perhaps it's premature to dump the NEA. It may be that all these artists need is the kind of chairman who can cut through the niceties and talk to a urine or excrement artist on his or her own terms. We nominate former drug czar William Bennett. Or the administration might want to wait till after the election and give the post to Pat Buchanan, an unfailingly creative prose artist who recently dubbed the agency the "upholstered playpen of the arts and crafts wing of the Democratic Party." If all else fails, we can always call in Dr. Kevorkian for a merciful final funding.

Radio Industry Deregulation Recommended

By MARY LU CARNEVALE

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Federal Communications Commission staff recommended major deregulation of the troubled radio industry, including abolishing a rule that sets national limits on the number of stations that can be owned by a single broadcaster.

In a confidential memorandum to Chairman Alfred Sikes and the four commissioners, Roy Stewart, chief of the agency's mass media bureau, recommended that the national caps be replaced by ownership limits within local markets.

Under current rules, a broadcaster can own no more than 12 AM, 12 FM and 12 television stations. The memorandum said the current limits "no longer serve the commission's traditional concerns regarding economic concentration and diversity."

To Shore Up Industry

The proposed rule changes, which have the backing of Chairman Sikes, are aimed at shoring up the faltering radio industry. In an earlier private memorandum to the commission, the mass media bureau said that over the past 12 months, 153 radio stations—mostly AM stations—have, in industry parlance, gone dark. More than half of the nation's AM and FM stations, the bureau said, are unprofitable.

The latest memo didn't address television ownership, which is the subject of a separate FCC proceeding. But the commissioners' vote on radio deregulation is generally viewed as a strong indication of the direction they will take on easing TV industry rules.

The commission is expected to take up the issue of radio rules—and perhaps authorize a study into new ways of financing radio stations—at its next meeting, March 12. Staff suggestions are generally made after consultations with the chairman's office and other commissioners' staffs, and the final vote often closely resembles staff recommendations.

Conflicting Pressures

This time, however, the commissioners are under conflicting pressures from the White House and Capitol Hill. The White House, concerned about President Bush's reputation as having reversed the Reagan revolution, has been pushing for more deregulation. But Congress and public inter-

Please Turn to Page B5, Column 1

FCC Staff Proposes Deregulation Of the Faltering Radio Industry

Continued From Page B1

est groups have taken issue with the staff approach and are concerned that it will lead to industry concentration.

"With today's troubled radio market, some relaxation of rules is justified," said Commissioner James Quello, a former broadcaster. "However, the FCC must consider all policy and public interest perspectives, including giving special consideration to concerns expressed by Congress."

Mr. Stewart wasn't available for comment. In his memo, he noted that the industry isn't concentrated, as more than 10,000 companies have stakes in the radio business, with the top 30 companies accounting for less than 30% of the industry's revenues.

The memo also suggested that in large markets with nine or more radio stations, broadcasters should be allowed to own any number of stations in the market as long as their audience share doesn't exceed 20% to 25%. And if audience share grows beyond that limit over time, the FCC shouldn't require a broadcaster to sell stations to stay within the limit, Mr. Stewart wrote. In markets with eight or fewer stations, a single broadcaster could own half the stations, regardless of market

share.

One issue that is certain to raise congressional ire—particularly of Chairman John Dingell (D., Mich.) of the House Energy and Commerce Committee and Chairman Ernest Hollings (D., S.C.) of the Senate Commerce Committee—is the FCC staff's recommendation to allow joint-venture agreements to continue unrestricted. Such agreements could allow some local radio station owners to control far more programming within their market than the local ownership limits suggest.

That is because the commission has been allowing radio stations to cooperate on advertising sales, programming and technical facilities. In recent years, a growing number of radio stations have begun selling blocks of air time to brokers or other licensees who provide programming during that time and even sell ad spots. In addition, troubled stations have turned to local management agreements, in which one station sells identical programming to another station in the same market.

Legislation has been introduced in the House that would curb time-brokerage arrangements, but the FCC staff took the view that such a measure was too restrictive. While Rep. Dingell has suggested some easing of rules may help the industry, he is watching that the commission doesn't go too far, an aide said.

Nevertheless, opponents of rapid deregulation expressed alarm. "The solution for problems caused by deregulation is more deregulation," complained Andrew Schwartzman, executive director of Media Access Project, a public interest law firm in Washington. "I would suggest that the FCC vote while seated six abreast in a stuffy airliner stuck over Kennedy Airport. They could then understand the benefit of deregulation."

House Passes Bill To Protect People From 900 Numbers

By MARY LU CARNEVALE

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The House overwhelmingly passed legislation aimed at protecting consumers from 900-number abuses.

The bill, which was approved by a 381-31 vote, requires pay-per-call services to disclose costs before consumers begin ringing up charges. It also would bar local telephone companies from disconnecting the service of customers who don't pay disputed charges for 900-number services.

The legislation passed yesterday is tougher than regulations adopted last fall by the Federal Communications Commission. The agency's rules apply only to calls that cost more than \$2.

Rep. Edward Markey (D., Mass.), chairman of the House Energy and Commerce Committee's telecommunications panel and a co-sponsor of the House bill, said its goal is to curb consumer rip-offs.

The final bill was a combination of legislation introduced by Rep. Markey and Rep. Al Swift (D., Wash.), chairman of the transportation subcommittee, which oversees the Federal Trade Commission.

Information services using 900 numbers have proliferated, and the industry is expected to approach the \$1 billion level this year. But the growth has been accompanied by consumer complaints about unscrupulous service providers touting phony credit-card offers, employment services or free vacations. Also, phone companies have had to contend with irate customers whose children have rung up huge bills by repeatedly dialing 900 numbers.

The Information Industry Association, the largest trade group representing information providers, generally welcomed the legislation as an opportunity to restore consumer confidence. But it raised concerns about a provision that sets up procedures to resolve billing disputes. The group complained that the "elaborate rules" for settling disputes will drive up industry costs but won't give consumers "any meaningful additional protection."

Under the House bill, 900-number services would be required to provide a brief message explaining the costs and allow callers to hang up before incurring charges. Advertisers would have to disclose costs at the beginning of each call as well. Further, customers would be allowed to block access to 900-number services.

For 900-number services aimed at children, service providers would have to include parental consent notices. The bill also would bar any radio or television ad that emits the telephone tones that automatically dial a 900 service—a tactic once used to help small children dial a "Call Santa" line.

The bill also would require service providers to disclose the odds of winning lotteries, contests or games of chance.

The Senate passed similar legislation in October, and differences must be ironed out. The Senate bill, sponsored by Daniel Inouye (D., Hawaii), doesn't contain a dispute-resolution provision.

Senate Imposes Curbs on China's Trade Status

Move Could Lead to Battle With Bush, Who Seeks Unconditional Renewal

By EDUARDO LACHICA

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Senate voted to impose conditions on China's retention of most-favored-nation trading status, possibly setting the stage for another congressional fracas with President Bush over trade policy.

The bill, which the Senate approved by a 59-39 vote, cleared the House in November, so it next goes to the White House. Mr. Bush announced this year his decision to renew China's trade status unconditionally, so a presidential veto and a battle to sustain the veto are distinct possibilities.

The measure would bar the president from renewing China's MFN status for another 12-month period after this June unless China improves its behavior on human rights, removes a multitude of barriers to U.S. exports and cooperates with Western countries in preventing the proliferation of long-range missiles and nuclear and chemical weapons.

Most-favored-nation status is the trade treatment the U.S. confers on nations with whom it is on good terms; most trading partners have that status.

In 1990, Mr. Bush's veto threat was enough to put off Senate action on the same measure, although the House had approved it 384-30. The odds are somewhat tougher for the White House this year. The House vote was an overwhelming 409-21. Yesterday's winning Senate majority, although not veto-proof, was enlarged by votes from lawmakers worried about the impact on U.S. jobs of China's record \$12.7 billion trade surplus with the U.S. last year.

Majority Leader George Mitchell, the bill's prime mover in the Senate, charged that Mr. Bush's policy of negotiating for political reforms in China has failed. "It is time for a stronger policy," he said.

Minority Leader Robert Dole, insisting that China "is on the way to economic reform," led the debate for the administration.

The bill's list of specific conditions is long, and probably unacceptable to Beijing's hard-liners. The Chinese are being asked, among other things, to release non-violent dissidents, end religious persecution in Tibet, and guarantee freedom of assembly and of the media.

The bill also would set civil penalties of up to \$1 million for any person violating a longstanding U.S. law against importing goods made with prison labor. Several congressmen suspect that some convict-made Chinese goods are landing in the U.S. despite Beijing's claims to the contrary.

The administration has been pressing for reforms in China's behavior, but it insists that stripping that country of its most-favored-nation status would be the "wrong instrument." A U.S. trade official called the legislation an "undiscriminating blockbuster that hurts friends and foes alike."

The administration contends that loss of most-favored-nation status would be a "body blow" to Hong Kong, depriving it of the benefit of handling \$4.6 billion in shipments of goods from China annually and turning much of its investments in southern China sour.

The administration also warns that U.S. consumers would suffer from a U.S. reversion to high tariffs on Chinese goods that date back to the protectionist 1930s. Without most-favored-nation status, for instance, duties on Chinese footwear would rise to 35% from 6%, duties on Chinese sweaters would jump to 60% from 6%, and those on Chinese stuffed toys would rise to 70% from 6.8%.

Before yesterday's vote, the Senate went into closed session to hear an hour-and-a-half intelligence briefing on China.

Murdoch Plays Role of Hollywood Mogul

By LAURA LANDRO
And JENNIE L. ROBERTS
Staff Reporters of THE WALL STREET JOURNAL

After pulling News Corp. out of the jaws of financial ruin, Rupert Murdoch wants to tackle an even bigger challenge—going Hollywood.

This week's announcement that Barry Diller was leaving his post as chairman of News Corp.'s Fox Inc. was excused in stock value only by the accompanying announcement that Mr. Murdoch would take over his duties at the studio. But after spending the last two years knee-deep in a crucial restructuring of News Corp., Mr. Murdoch says he wants to plunge back into operations—and there is much he wants to do at Fox.

"Fox is in great shape, but it's our fastest-expanding business, and we're just beginning here," Mr. Murdoch said in a telephone interview yesterday. Top on his agenda is a plan to expand the Fox network from its current four nights of programming to seven nights a week, possibly within the next year. He also has ambitious plans to develop cable television networks to fill expanding channel capacity in the next few years.

For most of the last two years, the Australian-born Mr. Murdoch, now a U.S. citizen, has been consumed by efforts to pull News Corp. out of near-collapse. After a breakneck expansion in the 1980s, the company was staggering under a crushing debt load; with the advertising industry heading into a global recession, values of media properties were plunging as the need to sell assets was greatest.

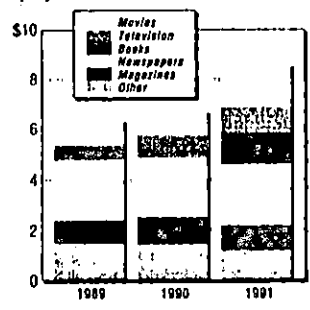
But in the last nine months, Mr. Murdoch managed to pull off a drastic restructuring, raising nearly \$2 billion through a combination of asset sales and new offerings of debt and equity. Though hardly out of the woods yet, the death watch is over for News Corp., and some of its riskiest ventures—including the Fox network and the British satellite television operation—are turning into valuable assets with real moneymaking potential.

With everything going so smoothly, the departure of Mr. Diller came as a rude surprise to investors: News Corp. American depositary receipts dropped \$1 yesterday to \$25 in late New York Stock Exchange trading, as analysts fretted over the implications of Mr. Diller's departure to pursue other business ventures. Mr. Murdoch, who has virtually no direct expe-

News Corp.'s Brighter Picture

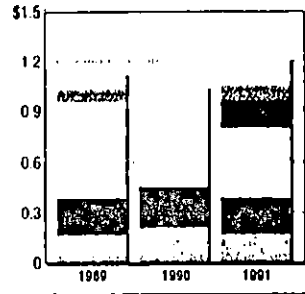
Revenue Is Growing ...

By segment in billions of U.S. dollars*



So Are Profits

Operating income by segment in billions of U.S. dollars*



*Data are for years ending in June; amounts have been translated from Australian dollars at each year's average exchange rate

rience in Hollywood, also raised eyebrows by insisting he would plunge into Mr. Diller's job himself.

But Mr. Diller leaves Fox with a solid management team in place and one of the most valuable new franchises in Hollywood, the Fox television network. "Barry is a very important executive, and you hate to see a guy like that leave the management of a company," says Gordon Crawford of Capital Group Inc., the money management concern that owns about 10% of News Corp. stock. "But Fox is in great shape, and News Corp. is a big global diversified company with a lot of assets. Life goes on."

News Corp. remains hobbled to some extent by its \$7.2 billion in current debt and by the continuing bleak outlook for advertising at its U.S., U.K. and Australian publishing operations and at its television stations. Mr. Murdoch was forced to sell many of his prized magazine properties, and he is limited by bank agreements to only minor acquisitions in the future. But Mr. Crawford of Capital Group says Mr. Murdoch is a realist. "Rupert remains convinced that the recovery is not happening so fast, and he's going to have to continue to sell assets and cut costs," he says.

News Corp. has until February of 1991 before it's next big debt hurdle: a \$2.4 billion balloon payment. According to Stanley Shuman, a News Corp. director and a partner at its financial adviser Allen & Co., roughly half of that debt will be repaid from cash flow, with the remainder raised in the debt markets or through sale of non-strategic assets. In 1995, 1996 and 1997, respectively, another \$500 million, \$800 million and \$1.9 billion come due. That total,

\$3.2 billion, was originally scheduled to be repaid in 1994. In light of the restructuring, "that debt now will be comfortably serviced by the company, with all options to deal with it," Mr. Shuman says.

News Corp.'s profit outlook, despite the rough economic environment, also is much improved. Analysts expect News Corp. to post a 30% to 40% increase in net income before abnormal items for the year, with results jumping to between \$435 million and \$460 million from about \$323 million last year—and that's assuming no improvement in the advertising climate.

Though the company sold nine magazines last year, it still has the profitable TV Guide, acquired as part of Triangle Publications Inc. for \$3 billion in 1988. However, last year, TV Guide's ad pages fell 19%, one of the largest drops by any major magazine. Its average weekly circulation, once around 18 million, is now about 15 million.

Analysts are heartened by the turnaround at British Sky Broadcasting Ltd., the direct broadcasting operation which has produced more than \$1.2 billion of losses. News Corp. and its chief rival merged their operations, leaving News Corp. with a 48% interest in that business. The heavy losses have been written off, and some analysts value the asset at \$2 billion. Although the operation will report a slight loss for the full year, it's expected to post a profit for the first time in the fourth quarter, the company said.

If Mr. Murdoch has any trepidation about his ability to oversee Fox directly, he certainly isn't acknowledging it. Although he has focused most intensely on

Please Turn to Page B5, Column 4

Murdoch Plays Role Of Hollywood Mogul At News Corp.'s Fox

Continued From Page B1

publishing for most of his career, he's somewhat defensive about the suggestion that his lack of hands-on experience in movies and television will be a problem. "I've been a party to every decision made for the last seven years" since News Corp. acquired Fox, he says. "It's not just as if I'm coming in cold."

Indeed, Mr. Murdoch has been no stranger to Hollywood. In 1986, he and his wife paid a reported \$7 million for the Beverly Hills estate of Jules Stein, the late founder of MCA Inc., now a Matsushita Electric Co. unit, and spent heavily to refurbish it. Mr. Murdoch, whose primary residence was in New York, moved full time to the West Coast last year. He said yesterday his itinerary will be much like Mr. Diller's, spending about three weeks of each month in Los Angeles.

Mr. Murdoch can claim at least one direct credit for a film already: He produced the 1981 Australian film, "Gallipoli." He says he has no plans to get involved in creative decisions, however. Mr. Murdoch is reading scripts, but mostly with an eye to the budget. "I'm not going to be casting movies," Mr. Murdoch said. "All the pressures in Hollywood are for costs to get higher, and my job is to see that the costs are absolutely kept under control. We have to be realistic, such as passing on a movie that we might love to make but don't think will be worth it at \$40 million."

The 60-year-old Mr. Murdoch says he is no longer interested in finding a foreign investor, such as a large Japanese company, to partner up with Fox Film. "We wasted about six months back in 1989 looking for a Japanese partner, but we may have been too late then," he says. "We won't be going back—we're fully capitalized now and just fine on our own."

Mr. Murdoch says that he has no plans to bring in an executive between him and the operating heads. Yesterday, he promoted Chase Carey, a financial executive, to the post of chief operating officer, but division heads will report to Mr. Murdoch. Mr. Murdoch, for example, gave a strong vote of confidence to Fox Film Chairman Joe Roth. Although Mr. Roth championed a couple of expensive disappointments, notably "For The Boys," the studio had the best profits in its history last year, and this year is expected to be close behind. Mr. Roth, who was a movie producer before he joined Fox, is considered one of the most talented young executives in Hollywood.

Mr. Roth says Mr. Diller's resignation came as a shock, but he anticipates no problems working directly for Mr. Murdoch. "I have every intention of staying, and though I don't know what [Mr. Murdoch] will do day-to-day, I expect the company to be operated the way it was when Barry was here overseeing the movies philosophically."

But Mr. Roth adds, "These movies—good, bad or indifferent—were movies I greenlit and supervised." And Fox's rela-

tionships with movie makers, such as director Barry Levinson, "are [with] people who are connected to me," Mr. Roth says.

Mr. Murdoch is likely to spend even more time expanding the Fox network and developing new ideas for cable programming. Although he declines to say what the latter might include, "we see several gaps" in programming among the current offerings, he says. "A few years ago, there were just 20 to 30 channels on every cable system, but that is fast changing."

As for the Fox network, its earnings and ratings continue to grow, and it's expected to post an operating profit of at least \$10 million in the fiscal year ending in June. Mr. Murdoch says Fox is ready to mount a challenge to the full schedule of its three major competitors. It has already grabbed an increasing share of the younger audience with such shows as "Beverly Hills 90210" and "The Simpsons." Crows Mr. Murdoch, "We're in great shape."

Secret of Tsongas's Success? Think

In his Feb. 12 editorial-page article, "The Unlikeliest Democrat," Paul A. Gigot suggests Paul Tsongas has been moving up in the polls because several of his positions agree with those of the editorial board of The Wall Street Journal. I would suggest that the reasons are more basic than that.

Mr. Tsongas's rise points out the difference between leadership and management. Leadership in politics has often been confused with the ability to give a rousing speech. Or it may be taken to imply a slavish adherence to some liberal or conservative ideology, such as George Bush is accused of deviating from Reaganite orthodoxy or various Democratic candidates with being untrue to Roosevelt or Truman.

Leadership requires a vision, the identification of major problems or goals and a coherent approach to attack these problems, and the ability to communicate that vision. Management, by contrast, involves the ability to organize and successfully complete a series of tasks. Both leadership and management must work in tandem if a president (whether of a country or a company) is to be successful.

In the Gulf War, George Bush showed he could be a superb manager when properly motivated. But most of the time, particularly on domestic issues, he gives the impression of having little sense of vision as to the direction the country should take. By contrast, Mr. Tsongas has convinced many people that he has seriously thought about what he would do if elected.

Today the election process has become so complex and time-consuming that candidates must be full-time professionals at getting elected and often have no time, energy or inclination to think about governing. As a result, we have people in leadership who haven't the foggiest idea of what they want to do, beyond getting elected. One could imagine what would happen to industry if getting a job were so complex that management education consisted primarily of job-interviewing and resume-writing.

Lacking a vision, they look to public-opinion polls for guidance. Or they attempt to cobble together a majority by appealing to the hot buttons of a sufficient number of interest groups.

In having a compass, Mr. Tsongas is refreshing whether or not one agrees with each of his particular positions. The real test for him will come if it looks as if he could win the nomination. Then the challenge will be to resist well-meaning advice to modify one or another position to try to appeal to particular interest groups.

BRUCE R. THOMPSON
Professor, Graduate Studies
Milwaukee School of Engineering
Milwaukee

Mr. Gigot's profile of Paul Tsongas is generally on target, but his characterization of Mr. Tsongas as a previously "orthodox tax-and-spend liberal," now reformed, suggests Mr. Tsongas has just changed with the times, in search of political popularity. In fact, his thoughtful, balanced approach to business and government is longstanding, preceding even his days in the Senate.

In 1975, when Mr. Tsongas was a first-term congressman, I worked for him as a young summer intern, drafting responses to constituent letters. Mr. Tsongas had received a letter arguing in favor of additional regulation of residential real-estate transactions. As a new intern, I assumed Mr. Tsongas must be in favor of what appeared to be pro-consumer, anti-business legislation and quickly drafted a letter agreeing with the constituent. To my surprise, before signing the letter Mr. Tsongas did a little research of his own, including calling a local real-estate broker back home, and determined that the legislation might help a small fraction of home buyers, but would add a great deal of unnecessary costs and complications on top of the vast majority of transactions. I had to rewrite the letter to the constituent, explaining why Mr. Tsongas could not agree with the letter writer's position.

In a similar fashion, I observed Mr. Tsongas using the bully pulpit of his congressional seat to enlist private investment in Lowell, Mass., to drive the city's renaissance. Yes, limited government support was needed as a catalyst, but Mr. Tsongas recognized from the beginning that the city's future was not viable without a strong private sector, investing in the city, not as philanthropists, but as self-interested, profit-seeking businesses.

Mr. Tsongas's approach, from his first arrival in Washington, and as I observed it closely for a few months 17 years ago, reflected a pragmatic, business-friendly philosophy, differentiating him noticeably from several of his "knee-jerk" Massachusetts congressional colleagues.

ROBERT RUSSMAN HALPERIN
Lexington, Mass.

Mr. Gigot's article reminded me of my own remarks about the senator 11 years ago, when, fresh from having served as adviser to President Carter on inflation, I published an article in the *Economist* under the title "Can Liberalism Survive Inflation?" (March 7, 1981).

"It was already clear, long before the debacle of November 4th, that America's Democratic Party, and especially its liberal wing, was in for a long period of soul-searching. In his valiant fight for its nomination, Senator Kennedy accused President Carter of abandoning the liberal traditions of Roosevelt, Truman, Kennedy and Johnson for the economics of Herbert Hoover. From the standpoint of the president and his supporters, the real question was—and is—whether the economic assumptions and platform of the New and all the later Deals and Societies make contact with the economic realities of the 1980s. Nowhere was this issue more dramatically posed than in the remarkable speech before the annual convention of the ADA—Americans for Democratic Action—by the unarguably liberal Senator Paul Tsongas of Massachusetts, who, while supporting his senior senator for the nomination, in effect repudiated all the portions of the Kennedy economic platform that differed from President Carter's."

This is not the place to summarize the argument of my article except to point out how similar it was to the positions that Mr. Tsongas is taking today:

"At the same time, and for the same reasons, liberalism has tended to be comparatively indifferent to what it is today nauseatingly fashionable to refer to, often very fuzzily and as though it were the product of some epiphany, as the 'supply side.' It has tended to ignore society's needs for savings; to take investment and the provision of productive capacity for granted; and has generally been more concerned with redistributing the benefits and mitigating the costs of economic progress than with protecting its wellsprings."

I hasten to point out my recognition of the fact that, despite my efforts in that article to display my qualifications for continuing to be regarded as a "liberal," some modern-day liberals would, of course, dissent from the *Economist's* description of me—and mine of Mr. Tsongas—as a "liberal supply-sider."

ALFRED E. KAHN
Professor Emeritus
Political Economy
Cornell University

House Democratic Leaders Back Aspin's Defense Cuts

By a WALL STREET JOURNAL Staff Reporter
WASHINGTON — House Democratic leaders embraced a six-year package of more than \$90 billion in proposed Pentagon spending cuts, including substantially deeper personnel reductions than the White House advocates.

The package, drafted by House Armed Services Committee Chairman Les Aspin (D., Wis.), calls for at least \$5 billion more in cuts than proposed by the White House for the fiscal year starting Oct. 1. By the fall of 1997, it envisions active-duty military personnel dropping to about 1.4 million, or some 215,000 below Bush administration projections.

Praising Rep. Aspin's effort as a "responsible and well-schooled approach" for shaping a post-Cold War military, House Speaker Thomas Foley of Washington told reporters: "I think it will definitely be part of our budget next week. I support his position."

The package has a good chance of getting through the House without major surgery, despite anticipated stiff opposition from liberal and conservative factions. But so far, Senate Armed Services Committee Chairman Sam Nunn of Georgia and other Senate Democratic leaders have declined to endorse any of the specifics in Rep. Aspin's package.

The High Costs of Dying

By NIVOLA CLARK

Before he died last month, 90-year-old Patient M spent 41 days in the intensive care unit of New York City's St. Luke's-Roosevelt Hospital. Patient M suffered from severe bilateral pneumonia, a fractured hip, and gradual respiratory, kidney and heart failure. From the outset, his doctor didn't believe he would survive. Still, Patient M received aggressive care. In the end, the cost of keeping him alive in his final days—the respirator, heart monitor, feeding tubes, antibiotics, X-rays, blood tests, and sedatives—amounted to, in one preliminary total, \$93,111.

Was it worth it? Most Americans still feel every person—regardless of age, income, or level of insurance—deserves life-prolonging care. But as President Bush and the Democrats go after the health-care issue in this election year, there is a statistic they must contemplate: One in every seven health-care dollars being spent each year is on the last six months of someone's life. Is this really the most effective way to allocate health-care resources?

To visit St. Luke's-Roosevelt Hospital is to get a close look at the problem of end-of-life care. Nearly a quarter of the hospital's annual budget of \$450 million is devoted to critical care. During Patient M's stay, 11 of the 18 beds at the intensive-care unit were filled by people over the age of 65. The hospital reports that the average age for unit patients is somewhere between 85 and 90.

"Sinkhole for Resources"

The budgeting figures, though, don't reflect hidden costs. For example, in the intensive care unit where Patient M died, the average daily charges amount to \$2,271. But the hospital doesn't bill separately for the time of the respiratory therapists, radiologists, pharmacists and nutritionists, who are available around the clock, every day.

"Critical care is a sinkhole for resources," says the hospital's critical-care director, David Finley. What St. Luke's-Roosevelt bills its patients, he explains, "is just the tip of the iceberg of what it really costs."

Dr. Finley laments the effects this has on his ability to best allocate the resources at his disposal: "End-stage care is just not what [the ICU] is intended for," he says. "It was originally supposed to be for people with treatable illnesses and a reasonable chance of recovery."

Whenever possible, patients who can be removed from respirators and feeding tubes are moved out of the ICU and into a convalescent ward where they remain until they die or space opens up in a nursing

home. But that, by itself, is not a solution. "Some are here six, seven, eight months, going nowhere," says Dr. Finley. "This is not a job for an acute-care facility. . . . We don't have enough resources for these people."

St. Luke's-Roosevelt's problem is not unique. According to the most recent study by the Health Care Financing Administration (HCFA), 28% of the nation's Medicare budget is spent in reimbursements to people over age 65 in their last year of life, and the bulk of that is spent in the final 30 days. That's about \$30 billion, or approximately 16 times what was spent in 1989 on

than a dozen bacterial cultures and five blood transfusions before she died after 18 days.

"It's a lot like exploring outer space," explains Daniel Callahan, director of the Hastings Center, a bioethical think tank outside New York City. "The capacity of medicine to provide ever-advanced technologies is endless. No matter how much you spend, you can always spend more."

The crusade of cost containment collides head-on with the proliferation of million-dollar diagnostic equipment that can add thousands of dollars to a dying patient's bills. For the hopelessly ill, these

One in every seven health-care dollars being spent each year is on the last six months of someone's life. Is this the most effective way to allocate resources?

all public maternal and child health programs. The most liberal estimates suggest that this sum could account for at least two-thirds of the cost of providing health insurance for the 37 million uninsured Americans through a tax-credit approach like the one proposed by the president.

Approximately 70% of all people who die each year in the U.S. are elderly. Today 12.5% of the American population is over age 65—up from 9.8% in 1970. That makes this group by far the most intensive consumer of end-of-life care. Medicare and Medicaid already insure more than 95% of the elderly against the costs of hospital and medical care until death, at an annual cost of \$92.3 billion. This sum can be expected to grow dramatically in the next 20 to 30 years, when the baby-boom generation—20% of Americans by then—enters retirement, and indefinitely thereafter as life-expectancies continue to climb.

Another problem is what economists call the "intensification of services." The heightened use of new diagnostic and life-prolonging technologies accounts for as much as 25% of annual cost inflation.

On admission to the ICU, Patient M had a Swan Ganz catheter inserted into his pulmonary artery to record cardiac output and an arterial line to monitor blood pressure (a \$13 procedure). Before he died, he had 70 arterial blood gas analyses and 156 other blood tests (\$22 to \$42 each), 38 X-rays (\$70 to \$310 each), a cardiac ultrasound (\$230), and 13 blood transfusions (\$90 each). At least 80% of those costs were carried by Medicare. In the same month, an irreversibly brain-damaged patient in a nearby bed received 50 blood tests, 16 X-rays, a CT-scan (\$585), two abdominal ultrasounds (\$187 each), more

machines provide what is at best "marginally useless" care. Procedures like MRIs and CT-scans, blood gas analyses and even biopsies—some performed multiple times—often fail to provide physicians with really life-saving information. HCFA data show that Medicare reimbursements are consistently six times higher for decedents than for survivors of a hospitalization—a fact attributable to the intensity of high-tech services provided to the dying in their final weeks of life.

Public expectations and "moral standards" also make cost containment difficult. As alarming as the cost of care for patients like Patient M may be, the high price tag doesn't always persuade them or their families to decrease their demands for intervention.

Take Patient M's niece, for instance. "I can't see why the doctors shouldn't [have done] as much as possible for him," she says. "Cost as a factor should never enter in."

At the same time, however, she recognizes that health-care costs in the U.S. are formidably high. Whether she is aware of it or not, the hospital's commitment to provide every patient, on demand, with the kind of unlimited, aggressive care she designated for her uncle perpetuates the inflation of aggregate health-care costs. This type of public confusion makes the conflict between expectations about end-of-life care and the need to control costs, if not socially optimal, at least understandable. But if health-care consumers are unable to curb these expectations, there is no incentive for providers to keep the costs down.

"My primary role is to maximize patient care, not to control costs," says Dr. Finley. "You can't ask me to . . . provide

everything for everybody and then come back and say 'hey, you're spending too much money.'"

The solution, according to Dr. Finley, is to develop hard-and-fast outcome criteria for the critically ill based on survival-rate statistics, so as to determine early on those treatments that are of only marginal benefit to the patient. He is averse to using the term "rationing," but in a sense it is the same thing: "People who are likely to go back into full, functional recovery should be the [first] ones to receive aggressive care," he says.

Dr. Finley would also like to see physicians be more forthcoming with patients about their prognoses and about their advance-directive rights according to the Federal Patient Self-Determination Act. He believes—perhaps too optimistically—that the majority of patients, if made aware of their right to decline certain treatments, would choose not to prolong their deaths, once death was determined to be medically imminent. "Often physicians aren't sincere about offering patients the choice and honoring that choice," he says.

Broader Needs

Rationing life-extending care strictly according to age is a more drastic proposal put forward by Dr. Callahan. "We as individuals need to learn to live within set limits," he says. Similar thinking has already made its way into the halls of at least one state legislature. In July, Oregon will implement a bold experiment with its Medicaid program that aims to more equitably allocate health-care resources. The state has ranked the funding of a number of treatments in favor of preventive, prenatal and pediatric care. It intends to ration costly life-extending procedures, most notably organ transplants.

Perhaps public health policy has become so focused on interventional strategies for the individual that we have lost sight of the broader needs of the community. Government-funded health care is a zero-sum game: One patient's use of health-care resources does restrict the resources available to others. The costs become painfully clear when discussing end-of-life care.

Meanwhile, the intensive care unit at St. Luke's-Roosevelt is filled to capacity with patients like Patient M. The hospital plans to expand the number of beds in the ICU to 32 by 1993.

"You can bet they'll all be filled too," says Dr. Finley.

Ms. Clark works on the editorial page of The Wall Street Journal.

Sen. Kerrey Gets Much-Needed Boost With Victory in South Dakota Primary

By DAVID ROBERS

Staff Reporter of THE WALL STREET JOURNAL

Sen. Bob Kerrey won the South Dakota Democratic primary and a chance to jumpstart his presidential campaign as it heads into the South and West.

"Tonight, we've struck gold in the black hills of South Dakota," said the Nebraska senator, who captured almost 40% of the vote. With most returns in, Iowa Sen. Tom Harkin was finishing second with about 27%, while Arkansas Gov. Bill Clinton was a distant third at 19%. Former Massachusetts Sen. Paul Tsongas, with 8%, trailed badly and placed only slightly ahead of former California Gov. Jerry Brown, whose slim 4% showing jeopardizes his eligibility for federal matching campaign funds.

President Bush won the Republican primary easily but encountered a larger protest vote than his camp had predicted, in what amounted to a referendum on his administration. Without conservative challenger Patrick Buchanan on the ballot, about 30% of the voters were returned as "uncommitted," according to reports.

Among Democrats, yesterday's results underscore the uncertainty of the race and the failure of any single candidate to dominate the field. Mr. Clinton, the best-named of the five, came away again without a win and Mr. Tsongas's lackluster showing adds to the pressure on him to show he can compete outside New England.

The results are a setback for Mr. Harkin. As the two farm-state senators in the race, he and Sen. Kerrey have struggled for position, and yesterday's contest was their most telling head-to-head confrontation yet. Recent labor endorsements will help carry the Iowa into Minnesota and Maryland contests next week, but yesterday's loss makes it harder to find money to compete in the rich Super Tuesday primaries March 10.

For Mr. Kerrey, the triumph is a much-needed moment in the sun after weeks of his own frustrations. Despite heavy advertising in New Hampshire this month, he didn't achieve the visibility he wanted and suffered from his own missteps and from daily published polls, which led many to ignore his candidacy even when he began finding his stride.

With his back to the wall in South Dakota, the former governor and decorated Vietnam War hero was more aggressive in challenging Gov. Clinton and Mr. Tsongas. He campaigned as a neighbor and "President from the Great Plains," and his self-deprecating humor contrasted well with Mr. Harkin's harsher, often negative style.

He knows he must move quickly to cap-

italize on his victory and will travel today to Georgia, which holds its primary next Tuesday and has been converted into a virtual fire-support base for Clinton forces in the South. In recent days, Mr. Kerrey has courted leaders of Jesse Jackson's old Rainbow Coalition who are wary of Mr. Clinton because of his position on labor issues and the recent execution of a black inmate in Arkansas.

Among more conservative Southerners, the senator's Medal of Honor and Vietnam record are powerful symbols, given the controversy over Mr. Clinton's avoidance of the draft during the same period. Fellow veterans from Navy special forces are campaigning in Georgia, and though Mr. Clinton has the backing of most of the political establishment, Mr. Kerrey will have help from Secretary of State Max Baucus, a Vietnam veteran.

Beyond Georgia, South Carolina's primary is a potential site to ambush Mr. Clinton going into Super Tuesday. In the West, Colorado next week and the Arizona caucuses March 7 are targets, but Mr. Kerrey can't afford to open too many fronts given his limited resources.

"Our tiger has a bronze and a gold," said Sen. Daniel Moynihan (D., N.Y.) of Sen. Kerrey's third-place finish in New Hampshire and victory in South Dakota. "He's getting his sea legs, he listens, he learns."

U.S. Jews' Split Over Shamir's Settlements Comes At a Bad Time for Israel, a Good Time for Bush

By ROBERT S. GREENBERGER
Staff Reporter of THE WALL STREET JOURNAL

A battle over supporting hard-line Israeli policies is shaking the U.S. Jewish community, and it couldn't come at a worse time for Israel or a better time for George Bush.

The Jewish leaders of Portland, Ore., for example, recently split as never before. When a half-dozen members of the city's Board of Rabbis held their regular meeting last month, Rabbi Emanuel Rose offered what he thought was a simple proposal. Why not, he asked, simply issue a statement underscoring the importance of the \$10 billion in loan guarantees that Israel is seeking from the U.S. to help it absorb hundreds of thousands of Jews emigrating from the former Soviet Union?

Across the narrow rectangular table, Rabbi Joshua Stampfer bristled. Born in Jerusalem 70 years ago, he had defended Israel vigorously from the time he fought in its 1948 war of independence. But Israel's recent hard-line behavior has soured him. No, he insisted, any statement must say that Israel should receive the guarantees only if it agrees to stop building settlements in the occupied West Bank and Gaza Strip.

Rabbi Rose, with an icy edge to his voice, responded: "If we can't agree to a statement on this, we can't agree to anything."

U.S. Jews increasingly are questioning Israeli policies. Although they are upset with President Bush's rough handling of Israel, their anger is directed primarily at

his ground, rather than accept the U.S. terms and suffer a humiliating defeat before his right-wing supporters.

Of course, a considerable number of American Jews support Israel's right to build settlements. Others agree with Mr. Shamir's contention that Israel's settlements policy is an issue to be negotiated with Palestinians, not decided unilaterally by the U.S. "The U.S. is holding Israel's humanitarian request hostage to the administration's vision of a Middle East peace settlement," complains the Anti-Defamation League. And a newly formed group that includes a number of Jews, has scheduled a news conference today to call for approval of the loan guarantees without preconditions involving settlements.

The split in the U.S. Jewish community is making it far easier for President Bush to be tough in U.S. negotiations with Israel over the loan guarantees. There have always been complaints about Israeli policies from a small segment of U.S. Jews. But now these divisions are coming up in the mainstream, where community leaders are speaking out critically for the first time.

Kenneth Colvin, a 67-year-old San Francisco businessman, has always been a pillar of the U.S. Jewish community. He has been a believer in Israel since 1945, when his U.S. Army unit liberated the Nazi concentration camp in Mauthausen, Austria, and a skeletal survivor said he had been kept alive by the dream that someday there would be a Jewish state. Mr. Colvin was honored in 1979 with the Israeli Prime Minister's Medal. But he has come to believe that the current prime minister has "lost sight of what peace can mean to his state."

If Israel continues expanding its settlements, he says, it will jeopardize not only the loan guarantees, but the nascent Arab-Israeli peace process. "I've worked too hard for too many years for the state of Israel to see this one opportunity for peace destroyed because of these settlements," says Mr. Colvin.

The change didn't happen overnight. The pressure began building a decade ago, when Israel's hard-line Likud government ordered the invasion of Lebanon. Then the harsh treatment of Palestinians during the Intifada—the four-year-old Palestinian uprising against Israeli occupation—provoked further re-examination.

Now, at a crucial moment for Israel, the Shamir government's aggressive settlements policy is pushing this discontent to the crisis point. This is primarily because of the mass exodus of Jews from the former Soviet Union, which many of their brethren in the U.S. and elsewhere see in almost Biblical terms. And they are outraged that Israeli Prime Minister Yitzhak Shamir appears more concerned about building settlements—and so strengthening Israel's hold on the West Bank of the Jordan River—than he is with settling Soviet Jews.

The cracking of support of Israel among U.S. Jews comes at a time when the end of the Cold War has reduced the strategic importance of Israel's role as an ally in the Middle East. Also, recession in the U.S. has produced a wave of isolationism and the backlash against foreign aid. Now, for

the first time, a U.S. president has put conditions on assistance to Israel—and probably will succeed, in part because of the changing mood of U.S. Jews.

To be sure, whatever the outcome, Israel will continue to enjoy a special status in U.S. politics. Even the squabble over the loan guarantee underscores that: At a time when the U.S. says it has little money for the former Soviet Union, Israel is demanding aid with no conditions attached. U.S. Jews still give hundreds of millions of dollars annually to Israel, and donations haven't fallen off. But there are other signs of an erosion of support, most important the muted reaction to President Bush's stance.

Some of those feeling aggrieved by both Mr. Bush and Mr. Shamir are letting their silence speak for them. Indeed, several prominent Jewish leaders interviewed for

this story said they weren't willing to discuss their unhappiness publicly.

And when some leaders do go public, they are puzzled by the response. When Alan Goldman made his valedictory speech as chairman of the Union of American Hebrew Congregations last fall, he planned to drop a bombshell: He questioned whether Israel should get the loan guarantees if it insisted on a hard-line settlements policy.

Only a few years ago, such talk about an issue vital to Israel would have been considered radical heresy. But there were no hoots or boos, and hardly any comments, recalls Mr. Goldman, a Los Angeles attorney. "I expected a heated emotional reaction, but what's out there is mostly angst," he says.

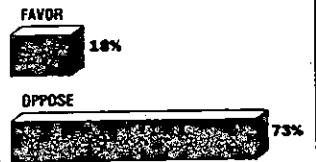
A 120-day postponement of congressional consideration of the guarantees was pushed by Mr. Bush and unsuccessfully opposed by Israel. Now that time has expired, as Israel and the U.S. are in the midst of negotiations over the loan guarantees, more and more people like Bruce Fetter, a Harvard-educated historian at the University of Wisconsin, are going pub-

lic with their anger at the Israeli government. Mr. Fetter, who had been Milwaukee chapter chairman of the American Jewish Committee, recently wrote a public letter of resignation. He was leaving, he wrote, "because I reject your policy of abstaining from public criticism of the Israeli government."

And as the U.S. and Israel head toward a bitter confrontation, anguish among U.S.

Jews grows daily. "What makes me angry is that I am part of a generation that never knew a world without a state of Israel, but has never known an Israel living in safety and prosperity," says Rabbi Joy Levitt of the Reconstructionist Synagogue on Long Island's North Shore. "To see the prospect of peace and prosperity at hand and to see Israel's leaders saying 'No' is outrageous."

"Do you favor or oppose the U.S. providing \$10 billion in loan guarantees to Israel in order to finance the settlement of Jewish immigrants from the former Soviet Union?"



NOTE: Asked Jan 17-21

THE WALL STREET JOURNAL/NBC NEWS POLL

Israeli Prime Minister Yitzhak Shamir's unrelenting policy of expanding Jewish settlements in the occupied West Bank and Gaza. The Bush administration opposes such expansion, which it says is an obstacle to Mideast peace. By defying the U.S. president Mr. Shamir is risking losing U.S. assistance in absorbing the Soviet Jews.

Earlier this week, Secretary of State James Baker for the first time publicly highlighted the choice confronting Israel: The U.S. will back the \$10 billion in loan guarantees Israel is requesting only if settlements-construction activity is stopped.

With both U.S. and Israeli national elections coming this year, a clash between the U.S. and its longtime ally seems inevitable. In the U.S., where foreign aid is extremely unpopular, President Bush's tough stance toward Israel is scoring political points. In Israel, Mr. Shamir is standing

Greenspan Expects Good Economic Data In 'Weeks,' Hints at Rate Cut Otherwise

By RICK WARTZMAN
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Federal Reserve Chairman Alan Greenspan said he expects the economy to exhibit clear signs of gaining steam "within weeks, not months."

The implication was that if the Fed doesn't see such indications shortly, it would again cut interest rates.

The Fed chairman, appearing before the Senate Banking Committee, was pressed by lawmakers as to why the Fed hasn't already seen fit to lower interest rates. Mr. Greenspan responded, as he and other government officials have recently, that for the moment "monetary policy is working."

"The question basically is, are we having enough of an effect, and is more required?" he said.

Specifically, Mr. Greenspan said that interest-rate cuts made since 1989 are now strengthening business and household balance sheets, which should help fuel new economic activity. He also cited recent gains by the housing industry.

But the chairman, confronted by senators pointing to plant closings at General Motors Corp. and record low consumer confidence, also made clear that "if the need should arise, I would say that we would probably" move to cut rates anew. The last major interest-rate reduction came in December.

Mr. Greenspan added that he was looking "very soon" for "definite signs" of an economic turnaround to emerge, "so it's not an ambiguous recovery."

For the past month, the message from Mr. Greenspan has been the same, with slight gradations. Last week, when he appeared before a relatively docile House Banking subcommittee, the chairman stressed that the economy was starting to see "stirrings" of improvement. Yesterday, under tougher questioning, he seemed to emphasize that "in the current context, the outlook remains particularly uncertain."

'Little Downside Risk'

Given that uncertainty, several members of the committee asked what the harm would be in cutting interest rates im-

mediately. "It seems to me there's very little downside risk of trying to move the rates," Sen. Paul Sarbanes (D., Md.) said, as he held up a newspaper story heralding the GM cutbacks.

"Don't you at some point have to concede that something more needs to be done here?" added Sen. Donald Riegle (D., Mich.), the panel's chairman.

But Mr. Greenspan explained that the Fed must "make certain that we create a degree of stability in the financial system" by not moving impetuously.

Nonetheless, several lawmakers remained unsatisfied that the Fed is doing enough. Mr. Riegle noted that the committee will vote later this week on Mr. Greenspan's reappointment as Fed chairman. "You're going to be confirmed" by the panel, Sen. Riegle said, but if "there were a public referendum on it... they might well vote you out" because "they don't see the policies working."

Brady Under Fire

Invoking a similar theme yesterday, Sen. Connie Mack (R., Fla.) called on President Bush to fire Treasury Secretary Nicholas Brady. The senator said that firing the Treasury secretary would be the clearest way for the president to show he has "heard the message of the American people" about the need for more aggressive policies to spur the economy. Mr. Mack, also a member of the banking committee, favors a sharper cut in the capital gains tax rate than the administration has proposed.

In response to questions from the committee, Mr. Greenspan also yesterday: — Said "there is no evidence yet that we've hit bottom" in the commercial real estate sector. There is nothing, the chairman said, to indicate "that commercial values are stabilizing and are even remotely showing signs of turning up."

— Urged Congress to decide promptly whether to adopt a tax credit for first-time home buyers, because uncertainty may be causing people to hold back on purchasing houses.

— Said he doesn't see that a global economic downturn would hurt the U.S. Mr. Greenspan said that while the domestic economy is weak, as is that of Canada and Britain, stability in Germany and relative strength in Japan are helping to mitigate the potential for such a problem.

Another Anti-Thomas Leaker Likely to Evade Justice

Take the backstabbing of TV's "L.A. Law," add the courthouse drama of "To Kill a Mockingbird" and you've got some idea of the blood being spilled on the marble corridors of the federal appeals court in Washington. Someone in the courthouse wanted to stop the nomination of Clarence Thomas so badly that he divulged how a case would be decided before the written opinion was released. After the opinion was published last week, the liberal chief judge of the court denied a request by conservative judges for an investigation to learn who leaked and why.

Back in September, before anyone leaked Anita Hill's allegations, the most effective smear of Justice Thomas was a report in *Legal Times*, a Washington newspaper. This said he had ruled in a case in a way that would anger feminist groups. Worse, the newspaper suggested that he

that sharp differences in the majority and dissenting opinions help explain the delay. Judge Thomas's majority opinion and Judge Abner Mikva's dissent include unusually tough language about each other's reasoning; Judge Thomas at one point wrote, "We doubt that our colleague seriously means what he says."

Also, Judge Thomas's opinion includes a cite to a Dec. 20 ruling in another case. This indicates that the final draft was completed after he was confirmed.

The more explosive question is who leaked Judge Thomas's conclusions in the case. Judge James Buckley wrote a concurring opinion in *Lumprecht* agreeing with Judge Thomas that the FCC policy discriminated against men, but adding an unprecedented request that the court "initiate a formal investigation" into the "willful breach of trust" that resulted in the leak. Judge Buckley, a former Republican senator, wrote that it is "essential that we prevent this disease from invading the judiciary."

Five judges issued a statement supporting Judge Buckley. "Without expressing any view on the issues litigated in *Lumprecht v. FCC*, decided today, we, the undersigned members of this court, express our strong agreement with Judge Buckley's call for a formal investigation as set forth in his concurring opinion."

This was signed by conservative Judges Laurence Silberman, Stephen Williams, Douglas Ginsburg, David Sentelle and Karen Henderson. The fact that this statement was prepared for release the day *Lumprecht* was issued suggests there was already a liberal-conservative split over whether there should be an investigation.

The math suggests there should be an inquiry. There are 11 judges on the appeals court, and we know that six judges wanted an investigation. If majority rules, there should be an investigation, though there are whispers in the courthouse that a semi-retired judge was allowed a vote, making

it a tie. There are no hard and fast rules in such matters, not even on the authority of the chief judge, who is selected by seniority, to decide the matter.

The chief judge happens to be Judge Mikva, the dissenter in *Lumprecht* and a former Democratic congressman. The day after the call for a formal investigation, he issued his own three-page statement. "A formal investigation would do no good and much harm," he said, arguing that too many people could have been the source of the leak to make an investigation worthwhile. Judge Mikva blamed Judge Thomas's clerks for discussing the case with other clerks—the court has three dozen of these recent law-school graduates—though this is common practice especially in complex cases.

The demand for an investigation is being blocked by the minority of judges whose clerks are the leading suspects.

Judge Mikva made one intriguing comment. He said that he learned about the leak when a *Legal Times* reporter, Garry Sturgess, called him before the article was published. Judge Mikva wrote, "I told the reporter that in light of the manner in which he conducted his inquiry (including false statements to the former clerks he had contacted), I considered him *persona non grata* in my chambers." Judge Mikva's reference to "former clerks [the reporter] had contacted" suggests that one of his clerks spoke with the reporter, though Judge Mikva said he questioned his own clerks "to satisfy myself that none of them were the source of the leak."

Judge Mikva also said that he asked Judge Sentelle "to find out who else could have had access to the drafts." Based on

this information, Judge Mikva said he concluded that "a formal investigation would be ill-advised" because so many clerks might have seen Judge Thomas's draft.

The plot thickened the day after the Mikva statement when Judge Sentelle issued a statement denying any suggestion that he had fully investigated the leak. "As my name was invoked in a statement issued by a colleague," Judge Sentelle said, "I wish to offer the following clarification. Any inquiry that I conducted in this matter was preliminary in nature. All findings that are reported to the chief judge were preliminary and tentative in nature and were intended by me as the basis for a possible investigation, not the result of one." Judge Sentelle is one of the judges demanding a formal investigation.

Judge Mikva is correct that many judges and clerks had the opportunity to leak. But the number of people with a political motive to embarrass nominee Thomas is smaller and certainly doesn't include Judge Thomas's clerks.

Cover-up may be too strong a word for what is going on here, but this depends on who breached the secrecy rules. At least trying to discover the truth would do less damage to the reputation of the court than letting matters stand as they are.

Judge Mikva is in an especially awkward position. He was the dissenter in *Lumprecht*; his clerks may have spoken with *Legal Times*; his account of the investigation so far has been questioned by Judge Sentelle, and he refuses the request for a formal investigation.

Whoever leaked the result in this case committed the courtroom equivalent of insider trading, in the hopes of blocking a nomination to the Supreme Court. The most uncomfortable irony is that the demand for a formal investigation by a majority of judges is being blocked by the minority of judges whose clerks are the leading suspects in the courtroom contribution to the smearing of Clarence Thomas.

Rule of Law

By L. Gordon Crovitz

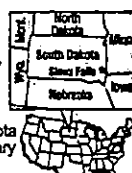
deliberately withheld the release of his opinion pending his confirmation hearing.

No one was surprised that then-Judge Thomas thought the Federal Communications Commission couldn't give the same preference to women for broadcast licenses that it gives to blacks. At the oral argument in *Lumprecht v. FCC*, Judge Thomas elicited a fatal admission against the agency's justification that women broadcast owners would mean more diversity in programming. An FCC lawyer admitted that this claim "doesn't have any basis in fact."

But when *Legal Times* cited "three sources close to the case" saying that Judge Thomas had finished but was withholding his opinion pending his nomination hearings, several anti-Thomas lobbyists accused him of playing politics. A reading of the just-released 2-1 opinion suggests

SOUTH DAKOTA PRIMARY

The latest unofficial returns in the South Dakota presidential primary yesterday.



Democrats

425 of 1,010 precincts reporting - 42 percent

Bob Kerrey	7,338	37%
Tom Harkin	5,942	30%
Bill Clinton	3,693	19%
Paul Tsongas	1,771	9%
Jerry Brown	737	4%
Lyndon Larouche	206	1%
Larry Agran	156	0%
Douglas Wilder	70	0%

Republicans

422 of 1,010 precincts reporting - 42 percent

George Bush	9,842	69%
Uncommitted	4,522	31%

Story on A3.

The Washington Times

Clinton facing a minefield in South on military issue

By Ronald A. Taylor
THE WASHINGTON TIMES

ATLANTA — Despite his commanding lead in campaign money and local endorsements, Arkansas Gov. Bill Clinton is missing one vital political ingredient in this region — an honorable discharge.

An honorable record of military service is traditionally venerated here, a sign of true patriotism in a state that is home to an estimated 660,000 veterans, including 350,000 who served during the Vietnam War.

"I have a problem with anyone who would knowingly and willingly go to some extreme to avoid military service," said Alan Imes, a registered Democrat and a retired Army lieutenant colonel who served three



tours of duty in Vietnam.

"I'm not one of those guys who thinks that if you didn't serve, you're an SOB," said Mr. Imes, who runs the junior ROTC program at Griffin High School. "What gives me heartburn are those people who pulled strings to avoid it while others didn't."

A similar reaction was common among two dozen men and 12 women — all Democrats — who were interviewed recently in Atlanta, the state's urban center, in Macon, a small city near Warner-Robbins Air Force Base, and in Griffin, a small hamlet described by Kiwanis Club bumper stickers as "the most patriotic city in the country."

Some said they didn't like the revelations that Mr. Clinton dodged the draft during the Vietnam War but said it was not likely to seriously hurt the Arkansas governor in next week's presidential primary.

"It should not hurt him. The character question is something of the past," said Atlanta Rep. John Lewis.

see CLINTON, page A8

CLINTON

From page A1

"It's not going to bother the average voter."

In Griffin, a bedroom community midway between Macon and Atlanta, military service is a major component of the electability question at a daily gathering at the local Burger King, where a group of men gather for an hour of coffee and conversation each morning.

To Dr. John W. "Billy" Baldwin, a 45-year-old optometrist and a member of what he calls the "coffee club," assertions of draft evasion are a major shortcoming.

"I have problems with someone who has problems staying faithful to his wife. And I have problems with someone who lies about whether he will join ROTC," Dr. Baldwin said.

Although members of the informal group are willing to bypass the rumors of Mr. Clinton's marital infidelity, military service is another matter.

Dr. Baldwin, who earned an officer's commission in 1970 as a student at Georgia State University, was stationed at Walter Reed Army Medical Hospital during the Vietnam War.

"In terms of electability and the ability to carry the South, you've got to be able to figure in the military vote," said Georgia Secretary of State Max Cleland, a Vietnam veteran and triple amputee who ran the Veterans Administration under President Carter.

In Macon, 120 miles from Atlanta, such things matter for a national political figure even if military service is irrelevant for a local officeholder, said state Sen. Robert Brown.

"For a national candidate it is important. The military presence is so pervasive throughout the population," said the 42-year-old lawmaker, who said he was never summoned for military service.

He also noted that none of the other Democratic candidates "have

really caught fire" in Macon.

Alone among the field of Democratic presidential candidates — which includes a Medal of Honor winner, a Navy veteran and a Peace Corps volunteer — Mr. Clinton opposed the war and tried to avoid the draft.

In a letter written while he was still a college student, Mr. Clinton explained his war opposition and detailed his efforts to avoid being drafted. The letter surfaced during the New Hampshire primary campaign.

More than allegations of adultery, Mr. Clinton's attitude about military service could alienate Southern male voters, especially the white ones, just as the party is trying to woo back Democrats who have voted Republican, Mr. Cleland said.

"You've got to go through the South to get to the White House," he said, "and the Southern white male tends to serve his country when his country calls on him."

The women interviewed were

more willing to forgive both the marital infidelity allegations and the draft evasion than men.

Deana Wornack, a Marietta labor union official, said her focus is "on jobs, not character."

"Over the years, we have matured and become more sophisticated," said Claire Johnson, a DeKalb County Democrat. "Plus, we've had 12 years of Republicans, and that's enough."

But in a state where there are 59,000 residents on active military duty somewhere in the world, the prospect of a president without military service is not well received.

"For the first time you have the angst of the 1960s played out on the national level with candidates of that generation," Mr. Cleland said.

That kind of vulnerability is not limited to Democrats, either. "If Bush wasn't running, Dan Quayle would have a hell of a time over this question," he said. "In terms of electability and the ability to carry the South, you've got to be able to figure

in the military vote."

"I think he will run into a buzzsaw for not having served," Mr. Cleland said.

"A candidate like Bob Kerrey has no apologies to make," he said of the candidate he supports. "He served in the war of his generation."

Mr. Kerrey was a Vietnam veteran who lost part of a leg in combat and received the Medal of Honor.

In Atlanta, political analyst and regional pollster Claiborne Darden said the Clinton military question casts a pall over an already dismal field of candidates.

He predicts a traditionally low turnout Tuesday, with blue-collar voters skipping the contest.

"Bubba don't vote in primaries. Bubba votes in November," he said.

He said that, although polls have not been conducted of the average voter in the state, his reading is that Mr. Clinton "is mortally wounded."

"They're saying down in South Georgia that they're not sure about Elvis, but they're sure Bill Clinton is dead."

Bush resolute on ultimatum to Israelis

By Michael Hedges
THE WASHINGTON TIMES

President Bush, conceding that he was taking a political gamble by opposing an ally with many American friends, said he would not be moved from his decision to link loan guarantees to Israel with a freeze on housing in occupied territory.

"I'm not going to shift the foreign policy of this country because of political expediency," Mr. Bush told reporters aboard Air Force One yesterday.

"I can't do that. I would not have any credibility worldwide," the president said. Asked to describe that policy, Mr. Bush referred to Secretary of State James A. Baker III's statements before congressional committees yesterday and Monday.

"We spelled out our policy," he said. "It's a proper policy. It's been the policy of the U.S. government for a long, long time."

The president was backed by Sen. Patrick Leahy, chairman of the Senate Appropriations subcommittee considering Israel's request for \$10 billion in loan guarantees over the next five years. Israeli officials said the money is needed to help settle Jewish immigrants from the former Soviet Union.

Mr. Leahy said yesterday he wanted to help Israel deal with immigrants, "but I will not support this assistance unless it is consistent with American policy of opposing further settlement building in the occupied territories prior to a negotiated resolution of the status of those territories."

In Senate testimony yesterday, Mr. Baker stuck to positions outlined earlier in the week.

He was asked by Sen. Robert Kasten, Wisconsin Republican, why a U.S. administration was willing to make an aid request by Israel conditional for the first time since the 1950s.

Mr. Baker noted that the United States gives Israel \$3 billion to \$4 billion yearly in aid without any of the conditions routinely attached to aid to other countries.

To go beyond that, he said, "frankly, we have an obligation to the American taxpayer to know that we're not financing something directly or indirectly that American policy has opposed for 25 years."

The Israeli government has refused to stop building settlements in territories it occupied after a war with Arab nations in 1967. United Nations and U.S. policy since the late 1960s has been to negotiate an Israeli withdrawal from the occupied lands.

Mr. Baker denied the characterization in some press reports that his position was "take it or leave it." He said, "I'm still meeting with the am-



It's a proper policy: President Bush reaffirms his position on Israel to reporters aboard Air Force One.

Arabs deliver their own demand

By Martin Sieff
THE WASHINGTON TIMES

The Palestinians served notice yesterday that they will not negotiate autonomy plans for the Israeli-occupied territories until Israel stops its crash program to build Jewish settlements there.

But Israeli spokesmen in Jerusalem and Washington bristled, making it clear the Jewish state will not freeze settlement activity as demanded by the United States in return for \$10 billion in housing loan guarantees.

The new Palestinian position emerged within 24 hours of a Bush administration ultimatum to Israel that was delivered by Secretary of State James A. Baker III at a House panel hearing. He said Israel will not get the guarantees unless it stops building settlements.

"The government cannot budge and will not budge over the principle of the right of Jews to settle in the territories," Yosef Olmert, director of the Israeli government press office and a close adviser to Prime

see ISRAEL, page A10

ISRAEL

From page A1

Minister Yitzhak Shamir, told editors of The Washington Times.

"This is a basic platform of the [ruling] Likud Party," Mr. Olmert said. "We are still rejecting any linkage between the loan guarantees and the peace process."

Such a linkage would only encourage hard-line Arab positions, which Israel would refuse to agree to, further undermining the peace process, he said.

The Palestinians said they wouldn't back down either.

"Nothing can be discussed until we resolve the two issues that are busy creating facts, undermining the peace process and making it meaningless — the settlement issue and the human rights violations," Palestinian spokeswoman Hanan Ashrawi told a news conference at Round 4 of the Arab-Israeli peace talks.

She said the Palestinians would be prepared to address other issues in the negotiations — such as self-rule for the 1.75 million Arabs of the occupied West Bank and Gaza Strip — only after they are satisfied on these two key points.

Israel presented the Palestinians with a paper on limited self-rule Monday. But Mrs. Ashrawi said it was "an insult to anybody's intelligence" because "it is just an attempt at regulating the occupation... and, in a sense, it is trying to legitimize the occupation."

Israel argues that it will only discuss settlements at a much later stage of negotiations.

"Our right to live wherever people find it appropriate cannot be doubted," Israeli negotiator Elyakim Rubinstein said. "This is a policy that is both legal and fair. We have no reason to believe it hampers anybody else's right."

It was a day of hardening attitudes on all sides in the sometimes acrimonious peace efforts. President Bush said aboard Air Force One en route to California that his administration would not back down in the face of pro-Israel pressure on the issue.

The Bush administration's tough line rang a chord with the American public. Calls to the offices of congressmen and senators were overwhelmingly supportive of Mr. Baker's ultimatum, congressional

sources said.

Mr. Baker told the Senate Appropriations foreign aid subcommittee yesterday that U.S. demands for a settlement freeze would not jeopardize Jews in the former Soviet Union seeking to emigrate to Israel, who would be the beneficiaries of the loan guarantees. Israel, he said, could ensure the success of the emigration by forswearing new settlements.

Meanwhile, in Israel, government leaders hung tough.

Foreign Minister David Levy said Israel's nationalist government, the most hard-line in the history of the Jewish state, would not bow to the U.S. conditions.

"No one should think Israel will cave in," he said.

Finance Minister Yitzhak Modai, who has described absorbing the immigrants as a \$50 billion enterprise, had previously sought a compromise on the loan guarantees. But he, too, rejected Mr. Baker's conditions.

"It is a gross interference in the internal affairs of the state of Israel," Mr. Modai told Israel radio.

Addressing high school students,

Mr. Modai said that to accept the U.S. ultimatum would invite more pressure.

"What will be the next condition?" he asked. "Maybe less security for the state of Israel?"

The main headline in the popular Tel Aviv newspaper Yedioth Aharnoth yesterday warned of "an American-Israeli crisis."

The newspaper's analyst Shimon Schiffer wrote that Israelis viewed Mr. Baker's move as an effort to interfere in their elections.

"All the signs are showing that Bush and Baker have decided to interfere in the election campaign in Israel," wrote Mr. Schiffer. "At any price: to bring down Shamir."

Meanwhile, negotiations between Israel and Syria remained deadlocked.

Syrian spokeswoman Bushra Kanafani said Israel continued to reject Syrian demands that it withdraw from the Golan Heights, used by Syria as a base to bombard Israeli settlements before its conquest in the 1967 Six-Day War.

• This article is based in part on wire service reports.

POLICY

From page A1

bassador of Israel. And I... hope that somehow we can work this out on a basis, however, that is consistent with and supports and does not betray long-standing United States policy."

Israeli officials and their supporters in Congress have been seeking to avoid a linkage between the loan guarantees and the issue of settlements in the occupied territories.

Yesterday, those officials were sending conflicting messages.

"We think that we are still in a negotiating process," Israeli Ambassador Zalmann Shoval said in an interview on NBC-TV's "Today" show. "If we can work out some sort of compromise, I think it would be good for both countries. I believe there is room for compromise."

But Benjamin Netanyahu, deputy prime minister, said in a CNN interview from Jerusalem that Israel would not accept linking the loan guarantees to a freeze on settlements. "We simply can't mix apples and oranges," he said.

The debate is playing itself out in the shadow of the latest round of Middle East peace talks in Washington.

The Palestinian delegation said yesterday that continued settlements by Israel in the occupied territories not only violate international law, but also jeopardize the current peace process.

"While the settlements are going on, while the bulldozers are leveling our land, it is very clear that Israel is trying to dig the grave of the peace process," Palestinian spokeswoman Hanan Ashrawi said yesterday.

Abdul Salam Majali, head of the Jordanian delegation to the peace talks, said the Bush administration's position on settlements was "a very encouraging step."

Congressional hearings have marked the first time since the 1950s that an Israeli request for aid has been strongly contested, observers said.

The hearings have provided an overview of U.S. aid to Israel since the late 1940s.

"Israel has been the leading recipient in terms of annual appropriations of U.S. foreign assistance during the post-World War II period, receiving approximately 13 percent of American foreign aid since 1946," said Larry Nowels of the Congressional Research Service.

Mr. Nowels was called as a witness Friday by Democratic Rep. David Obey of Wisconsin, who chaired the House hearing. He was asked to put U.S. aid to Israel in perspective.

"In real terms, using constant 1991 dollars that take into account the effect of inflation, total U.S. assistance to Israel during this period [since 1951] has been about \$81 billion," Mr. Nowels said.

He said that was roughly what the United States spent in military and economic aid to South Vietnam during the Vietnam War.

But the amount is "considerably larger than other leading recipients of U.S. assistance," he said. In 1991 dollars, he said, South Korea has received \$54 billion, Marshall Plan assistance to Great Britain was \$53 billion, and Egypt has received \$47 billion.

The Bush administration yesterday also announced plans to sell 72 F-15-E and F-15-H fighter jets and long-range anti-tank missiles to Saudi Arabia, a sale that would net U.S. arms companies \$5 billion.

Israel has long opposed such sales. It argues that selling arms to Arab nations endangers the advantage Israel gets from U.S. military assistance.

Some U.S. manufacturers support the sales as a way to protect jobs in the arms industry and bolster the U.S. economy.

see POLICY, page A10

PAUL CRAIG ROBERTS

BEN WATTENBERG

President Bush is again proving that he just doesn't get it. New Hampshire gives his Republican challenger 37 percent of the vote, and Mr. Bush concludes that he needs to attack Pat Buchanan rather than to identify with the concerns that are depriving his own candidacy of strength. If Mr. Bush were an intelligent politician, he would be asking himself how he

Paul Craig Roberts, an economist at the Center for Strategic and International Studies, is a columnist for The Washington Times and is nationally syndicated.

Real people . . . inquiring Martians

managed to so utterly destroy the Republican coalition that elected him overwhelmingly in 1988 as Ronald Reagan's heir.

The answer is simple. Unlike Mr. Reagan, who believed in the American people, Mr. Bush believes in the American government. Mr. Bush and his team were horrified by Mr. Reagan's hostility toward government and by his strategy of governing by appealing to the people rather than to the government. Mr. Bush is

atavistic in his naive belief that the government knows what's right for the country and will do the right thing.

Mr. Bush set out to reverse Mr. Reagan's reign by being kinder and gentler to the Washington establishment and the interest groups it feeds. Everything Mr. Bush has done has weakened the power of the people and strengthened the power of government. He has raised taxes, flooded people with new reg-

ulations, devalued the citizenship of white males by signing a "civil rights" bill that permits reverse discrimination, and behaved timidly toward surging independence movements in former communist lands.

The Wall Street Journal editorialized recently that George Bush's problem is that he is running against George Bush. There is some truth in this observation, but Mr. Bush's problem is much greater. For the past three years in office, Mr. Bush has been running against Ronald Reagan. That's why he is in trouble and that's why not even the Democrats will be able to save him.

Many commentators have noted that not even three years of economic stagnation have caused Mr. Bush to devise a coherent economic program for America. The administration is paralyzed, because anything that would work would mean reviving the Reaganite formula — something the Republican establishment cannot bring itself to do. Mr. Bush's problem is that he and his team do not want to defeat the Democrats; spiteful, they want to discredit the Reagan presidency.

No one believes in government any more than Budget Director Richard Darman, which is why he produces budget agreements that escalate spending and please the government. Treasury Secretary Nicholas Brady has the attitude that taxpayers should finance whatever size government Washington de-

A silly friend of mine, from Mars, is confused about American politics, both Republican and Democratic.

Why, the foolish Martian asked me, was Pat Buchanan declared a winner when he only received 37 percent of the New Hampshire vote? Hadn't the pundits said he had to break 40 percent to make a dent? Didn't George Bush beat him by 16 percent?

I explained: There was a faulty exit poll early on election day that showed Mr. Buchanan and Mr. Bush running almost even. The journalists got all excited by the flawed data.

Oh, the Martian asked absurdly, why didn't the journalists correct their stories later? Isn't there a big difference between running almost even and losing by 16 points?

Then my Martian friend, who doesn't understand our ways, asked another dumb question: Why is Mr. Buchanan's claim accepted that he is the heir to Reagan conservatism, when he opposes Mr. Reagan's views on trade, isolationism, immigration, the Middle East, the magic of the market, foreign aid — and even tax increases? (The Martian knew how many times Ronald Reagan in-

see WATTENBERG, page F4

Ben J. Wattenberg, a senior fellow at the American Enterprise Institute, is a nationally syndicated columnist.



WATTENBERG

From page F1

creased taxes, even after promising not to.) Hadn't Mr. Reagan made American conservatism inclusive, and isn't Mr. Buchanan doing the opposite?

This mindless Martian has a problem with Mr. Buchanan. He asked more questions: Was it true that Mr. Buchanan wrote columns attacking democracy and praising fascists? Did he like democracy better now that he was a practitioner?

Enough, I said. I asked if he had any inane questions about the Democrats.

Well, yes, he said. Why is Paul Tsongas only a regional candidate? Why is he uncharismatic? Why won't he travel well in other primary contests?

That's obvious, I said. He's regional because he comes from a region. He's uncharismatic because he challenged the liberal Democratic orthodoxy on economic matters, because he beat cancer, because he ran for the presidency when it was said he had no chance. And he won't travel well because he's a regional candidate and he's uncharismatic.

My witless Martian friend kept asking questions: If Mr. Tsongas has no appeal nationally, how come he's almost even with Bill Clinton in the

national polls? Don't most of the Super Tuesday states border on Arkansas? Does that make Mr. Clinton regional? Isn't Maryland a Southern state, according to the Census Bureau? Does that mean that Mr. Tsongas won't do well there? Does Jerry Brown's good showing in Maine make him a national candidate?

Look, I said to my asinine Martian buddy, you just don't get it. Mr. Clinton made a comeback. He called himself "The Comeback Kid." I explained that he spun his results better than Mr. Tsongas.

Martian: Didn't he lose?

Me: Mr. Clinton says his message gave him a comeback.

Martian: What was his message?

Me: He broke with the liberal orthodoxy on some social issues, like welfare. He stressed personal responsibility. But he stopped giving that message when he became a front-runner.

Martian: So how did that give him a comeback?

That nutty Martian went on and on. You should have heard some of his other crazy questions:

Why don't Democrats ever say anything nice about America? Why do they always say "Bush" when they are referring to the president? Doesn't that show disrespect for the office? Why don't Democrats smile? If Mr. Tsongas is so smart, how come he says he favors giving out condoms in high schools without further qualifying it? Why doesn't Mr. Clinton go back to his message? What does it mean if many Southern women won't vote for Mr. Clinton? Won't race — in the form of welfare, quotas and crime — still be a big issue?

Why is it said President Lyndon Johnson was "forced out" in New Hampshire in 1968 when, in fact, he didn't put his name on the ballot and told friends months earlier that he wouldn't run?

Why can't George Bush sum up what he believes? What do moderate conservatives stand for, anyway? Why are all Bush Republicans so boring?

Silly stuff. Then this dumb old Martian asked a real lulu: If Mr. Tsongas gains by challenging the liberal economic orthodoxy, and Mr. Clinton gains by challenging the liberal social orthodoxy, why don't the Democrats ever nominate someone who challenges both?

That was the last straw. I got angry and said: Why don't you just go back where you came from!

Those folks on Mars aren't ready for serious democracy.

ROBERTS

From page F1

cides it wants, which is why he neutered the capital gains tax cut with the alternative minimum tax and permits the permanent bureaucracy to run Treasury's tax policy.

It is clear as day that Treasury has the regulatory authority to define the cost basis of capital gains and the power to index the basis for inflation — just as the Commerce Department does for imports when computing "fair market value" under the anti-dumping provision of the Tariff Act. But Mr. Brady reports to the White House that Treasury lawyers say they can't do for Americans what the Commerce Department routinely does for foreigners.

Whatever the spectacle of a president taking his marching orders from Treasury lawyers while dying on the political vine, it certainly isn't leadership.

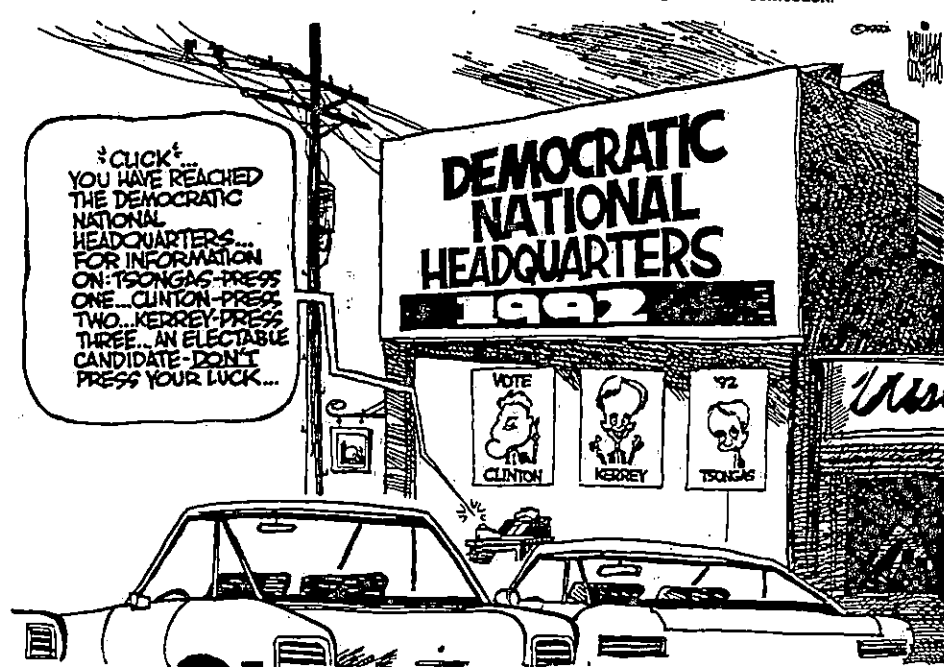
We come back to the question: Why can't Mr. Bush lead? The whole world from Mexico to Russia is going in Mr. Reagan's direction, while Mr. Bush wants to go back to the past where Washington decides what the country needs and sends us its bill. No one has this kind of confidence in government any more except George Bush.

Pat Buchanan did well in New Hampshire because of his sharp corners, not despite them. It is obvious that Mr. Buchanan is a leader. He knows who he is and where he wants the country to go. No one can imagine Mr. Buchanan saying one thing and doing another. Mr. Buchanan has another strength that Mr. Bush doesn't, and that is a lack of confidence in secular "new world orders." Thoroughly trained in one of the great faiths, Mr. Buchanan understands religion, a force that is going to be a bigger player on the world scene than it was in the postwar era that has ended.

Mr. Buchanan could make the transition from protest candidate to Reagan heir by making it clear that he represents all upright citizens against the depredations of the state. There is nothing wrong with welcoming foreigners to our shores as long as we do not bring them in as "preferred minorities" with special entitlements to jobs and lawsuits that are denied to native-born U.S. citizens.

And there is nothing wrong with leading the world as long as we do not sacrifice our values and our interests as the price of leadership.

As the political outsider, Pat Buchanan should make it clear that he stands for everyone who values individual responsibility and the freedom, liberty and opportunity that come with it. Mr. Bush is the Washington establishment's candidate — just as he was when Mr. Reagan beat him.



RICHARD
GRENIER

France's way with culture

The Bush administration, facing elections, is in a fit of anxiety, and the first head to roll is the most popularly despised figure in government: John Frohnmayer, head of the National Endowment for the Arts.

But French President Francois Mitterrand, even more anxious, facing regional elections next month likely to inflict a humiliating defeat on his Socialist Party, would as soon part with his minister of culture as he'd part with an arm or a leg.

For while Mr. Mitterrand's approval rating is running in the low 30s, and his prime minister, Edith Cresson (who's taken to boasting of a married woman's right to have wild and crazy love affairs), is in the low 20s, the approval rating of his culture minister, Jack Lang, which fluctuates, is often higher than any member of France's Socialist government.

What's going on here? From the public's viewpoint at least, the guy

see GRENIER, page F4

Richard Grenier is a columnist
for The Washington Times.

GRENIER

From page F1

must be doing something right. But what might that be? The contrast between Paris and Washington approaches the grotesque when one imagines President Bush sending John Frohnmayer — who never saw a woman screeching obscenities or exposing her private parts on stage that he didn't think was art — as a surrogate in the coming Southern primaries to boost the Bush vote against that bare-knuckle fighter Pat Buchanan.

In state support for the arts, America is a babe-in-arms compared to the great European nations, which have always subsidized art on a huge scale. France is only the most obvious example. But when all the hollering began in America under the Kennedy administration for government support, there was an almost willful turning of a blind eye to the fact that in France — where government money supports art in proportions absolutely unimaginable in America — this public money never escapes public control.

French funds, under every government, conservative or Socialist, are spent to enhance what the party in power perceives to be the national interest, a national purpose, or sometimes simply national pride. Nor would the French ever call refusing state funds to an artistic project "censorship" — something which the French also have, but that's another matter.

France's culture minister might lavish public monies on a new Paris Opera that many Frenchmen consider hideous, or on a modern art museum that looks like an oil refinery. But no French taxpayers' money goes to photographers or "performance artists" whose purpose, in the judgment of the Culture Ministry, is to destroy "bourgeois" conventions, to desecrate what the French call their "national patrimony," or to condemn a public policy — such as French nuclear testing in the Pacific.

A French artist or writer can rant and rave all he wants about the Greenpeace incident some years ago, but he must do so on his own money. Under the vainglorious watchword of "artistic freedom," the French government will not give him one centime to rant.

Culture Minister Jack Lang came to American attention a decade ago when he attended a conference held in Mexico City by the U.N. Educational, Scientific and Cultural Organization and vigorously attacked America's "cultural hegemony." Although Andre Malraux, Mr. Lang's predecessor, was not a Socialist but a Gaullist, Mr. Malraux's and Gen. de Gaulle's demagogical fulminations against American "hegemony" in all areas never lost them any votes. To the contrary. Nor did such fulminations lose Mr. Lang any votes.

Whereupon, lo and behold, over the succeeding years — under the guise of "bringing art to the people" — Jack Lang has become the champion of a grand-scale cultural popularization rather than the model of American popular culture, with state support for everything from rock concerts to fashion shows. The bizarrely costumed opening ceremonies at the Albertville Olympics were his doing.

Mr. Lang, in consequence, has recently come under attack from a new quarter. Defenders of France's "high" culture such as Marc Fumaroli, in his best selling "L'Etat Culturel" ("The Cultural State"), have accused him of vulgarizing and debasing French culture beyond recognition. But, now suddenly an American-style cultural vulgarian, Jack Lang apparently hasn't lost any votes in this fight either.

At the heart of the matter lies a perception I owe to Ambassador Jeane Kirkpatrick. It was Mrs. Kirkpatrick's experience, when in conflict with diplomats of various European powers, that they were all deeply impregnated with a strong sense of what they felt to be their country's national interest, a sense she found lacking in American career diplomats. And what is lacking in U.S. diplomats, she suggests, might well be exactly what is lacking in America's cultural establishment.

John Frohnmayer, who wouldn't know a work of art if it punched him in the face, is one of the most pathetic creatures to have served this country in any capacity. Early in his tenure at the NEA, he was asked if he saw any difference between turning down a grant "on merit and censorship." He answered that he saw no difference. In other words, no matter how talentless, vicious, ludicrous or just plain silly a project, it would be "censorship" to deny its author a grant. Should a man who can't tell a dog from a cat be hired as dog-catcher?

At a highly emotional farewell to his staff last week, Mr. Frohnmayer, I understand, sang a Shaker hymn. Judging by his record in the arts, I suspect it might be embarrassing to examine Mr. Frohnmayer on Shaker doctrine. Does he believe in Mother Ann as the Deity's female principle as Jesus is His male principle? Does he believe in open confession of sins, withdrawal from the world, total celibacy?

For the Shakers, you will note, are all but extinct. So perhaps Mr. Frohnmayer, in the direction he was taking art in America, was a Shaker at heart after all.

CAL THOMAS

PHYLLIS SCHLAFLY

John Frohnmayer, the chairman of the National Endowment for the Arts, has been fired. White House insiders say the director of presidential personnel, Constance Horner, was primarily responsible for the dismissal. Mrs. Horner's ears were recently singed by callers to a satellite television program on which she appeared, hosted by conservative leader Paul Weyrich.

Callers expressed outrage that the NEA, under Mr. Frohnmayer, spent tax dollars to support homoerotic and blasphemous art. But the real issue transcends Mr. Frohnmayer.

Even before his tenure, the NEA channeled money to groups that created works that had less to do with art than with attacking religious and moral beliefs. A White House official told me the president "needed to flex a muscle," and Mr. Frohnmayer was on the receiving end of that flex. But the official said it was impossible to predict whether the next NEA chairman would, or could, guarantee that no tax dollars would in the future go to anti-religious and sexually offensive works.

The NEA should never have been established. If artists have a work

Frohnmayer's final exit

that interests the public, they should market it like any other product. If there are buyers, they prosper. If no one is interested, they find another line of work. That is what the rest of us must do, including columnists. What makes these so-called "artists" — who photograph such subjects as a crucifix submerged in urine — think they are deserving of public funds?

In the debate over school vouchers, opponents argue that no government money can be associated with anything that is "religious." So where is the justification for spending federal funds on things that clearly are anti-religious?

As the controversy increased, the "artists" began creating works that portrayed Jesus Christ as a homosexual and in other roles designed to

offend their critics in the Christian community.

Some NEA grants go directly to the "artists," but others are filtered through several organizations, providing the NEA the opportunity to sometimes deny direct funding.

A recent film titled "Jesus Christ Condom" is one example. The NEA, under John Frohnmayer, awarded \$637,000 to the New York State Arts Council, which gave \$167,000 to Women Make Movies, Inc., which gave \$12,000 to the New Festival, Inc., which sponsored the Third Annual New York International Festival of Lesbian and Gay Films.

In "Jesus Christ Condom," an AIDS activist opens a 30-minute tirade against Christianity by dressing like Jesus, standing on the steps of St. Patrick's Cathedral in New York and announcing that Cardinal John O'Connor will be exposed for his "slanders and lies." At another point an ACT-UP member takes the Eucharist, which is revered by Catholics as the body of Christ, crumbles it, throws it on the floor and steps on it. The actor portraying Jesus says, "My Mom was a virgin and boy did she miss out." Later, he says, "Make sure your second coming [ejaculation] is a safe one. Use condoms."

Supporters of the NEA falsely charge censorship by critics. It is not censorship. Artists should be free to create anything they wish, including pornographic and blasphemous works. But they have no right to subsidies from the public purse to pursue their objectives.

The Bush administration is to be commended for dismissing John Frohnmayer, but unless it establishes guidelines that will keep federal dollars from going to people whose objective is to trash the moral and spiritual values of most of the country, the entire agency should be abolished and the money saved used to reduce the deficit.

William Faulkner, the Nobel Prize-winning author who had talent and didn't need a federal grant, observed: "The artist doesn't need economic freedom. All he needs is a pencil and paper. I've never known anything good in writing to come from having accepted any free gift of money. The good writer never applies to a foundation. He's too busy writing something."

Pulitzer Prize-winning novelist John Updike said it even better: "I would rather have as my patron a host of anonymous citizens dipping into their own pocket for the price of a book or a magazine than a small body of enlightened and responsible men administering public funds."

The government should follow the advice of Messrs. Faulkner and Updike, two genuine artists whose works endure on their own with no help from taxpayers.

The with-no-regrets termination of John Frohnmayer as chairman of the National Endowment for the Arts was long overdue. But one swallow does not a summer make, and now is the time for a total basement-to-attic housecleaning at the agency that has been an acute embarrassment to the Bush administration for three years.

Although as chief art commissar, Mr. Frohnmayer must take final responsibility, the dozens of dirty and disgusting materials that the NEA funded with taxpayers' money were not selected by Mr. Frohnmayer.

So, now is the time to fire all those up and down the line who selected for cash awards Karen (dressed only in chocolate) Finley, Robert ("bull-whip") Mapplethorpe, Andres ("Piss Christ") Serrano, and other offensive materials. Now is the time to restructure the entire buddy system that greased those grants.

The whole idea of having a Federal Ministry of Culture vested with the power to decide which art should be taxpayer-financed, and which should not, is offensive to Americans. This agency was a sideshow of Lyndon Johnson's Great Society, and it has produced a new class of self-styled "artists," living in the culture of dependency and loudly demanding the next installment of their "entitlements."

It may be hard for young people to believe, but America survived its first two centuries without any art dole from the federal government. That fact alone proves it isn't needed because we certainly had plenty of fine art in the pre-LBJ era, and the \$176 million spent this year by the NEA is a drop in the bucket compared to the billions spent annually by individuals on art and entertainment.

It is patently unjust to American taxpayers for the NEA to give their money to individuals for their personal enrichment and reputation enhancement. That is clearly a taking of public money for private gain. We don't even know what the money will be spent for until the artsy handout hunter has completed his bizarre imaginings.

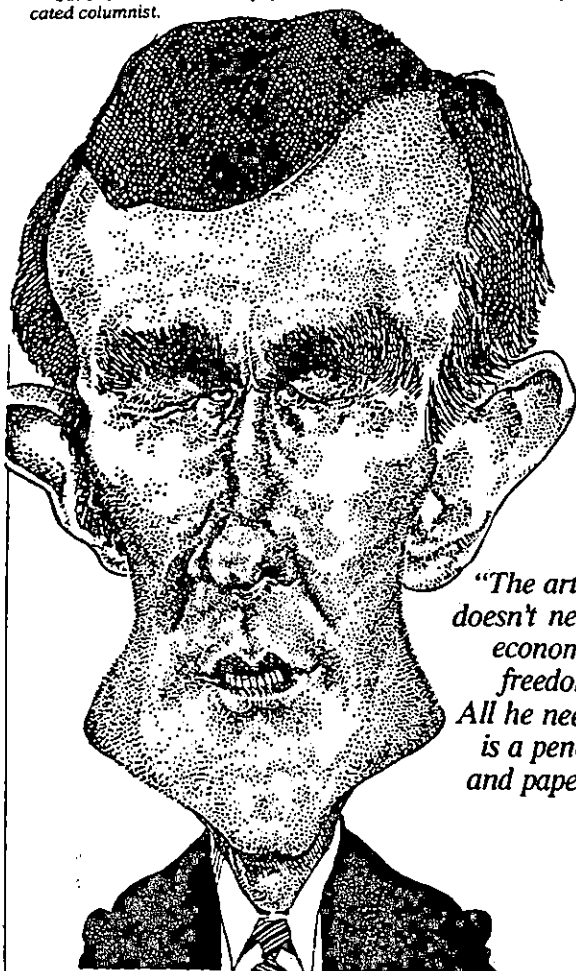
The process of allowing "artists" to sit on the peer panels and approve each other's grants is so corrupt that it wouldn't be tolerated in any other agency. This back-scratching racket makes sure that only those who get their pals on the panels have a chance of feeding from the NEA gravy train.

Bad as Mr. Frohnmayer's judg-

see SCHLAFLY, page F4

Phyllis Schlafly is a nationally syndicated columnist.

Cal Thomas is a nationally syndicated columnist.



"The artist doesn't need economic freedom. All he needs is a pencil and paper."

SCHLAFLY

From page F1

ment has been, the peer panels under him are more decadent. A "performance space" called the Franklin Furnace, which received NEA grants every year for the last 16 years, was recommended by a peer panel for a 1992 grant on the basis of a video in which an artist named "Scarlet O" strips down to a garter belt and lets a man from the audience rub lotion between her legs. In a rare burst of concern for "artistic merit," the NEA's advisory council vetoed this grant, but the disappointed "artists" are organizing to get that decision overturned.

Another frequent performer in the "theaters" and "performance

spaces" funded by the NEA is Annie Sprinkle, described by the Washington Post as "former triple-X queen, former hooker" who has appeared in 150 porn flicks. Her latest "art" consists of smearing her breasts with ink and selling "tit prints."

Miss Sprinkle's new video show, "The Sluts and Goddesses of Transformation Salon," was shown at "The Kitchen," a so-called theater that has received several NEA grants. The video guides the viewer through a 45-minute performance featuring such pleasure simulators as flagellation by oak leaves, genderbending, body shaving, body painting, menstrual blood, rhythmic deep breathing, and passionate safe sex.

Other NEA recipients in recent months include two filthy books called "Live Sex Acts" and "Queer

City." The latter is not only outrageously blasphemous about Christ, but it exalts the fun of wanting to kill a woman and of running through the park for sex, saying "Let's get a female jogger."

Congress tried last fall to call a halt to these outrages. On Sept. 19, the Senate voted 68 to 28 for Sen. Jesse Helms' amendment to restrain the NEA from spending taxpayer dollars for "patently offensive" artworks, or for stage performances "depicting sexual or excretory activities." On Oct. 16-17, the House voted 286 to 135 and 287 to 133, respectively, for Rep. William Dannemeyer's motion to support the Helms amendment.

Then, the Senate-House confer-

ence committee devised a backroom package that dropped the dirty art restrictions along with a continuation of low grazing fees on public lands, which Western congressmen had to vote for. After Congress approved the "corn for porn" deal, the next day Mr. Frohnmayer awarded additional grants to two controversial people whom The Washington Post called "sexually explicit performance artists" — Tim Miller and Holly Hughes.

The media are reporting that President Bush ousted Mr. Frohnmayer because of one sentence about the NEA in Pat Buchanan's speech last week. I hope that wasn't the only reason. In any event, giving Mr. Frohnmayer his walking papers should be only the first step in a desperately needed spring housecleaning.

Bush visits his old boss in California

By Frank J. Murray
THE WASHINGTON TIMES

LOS ANGELES — On the day his campaign launched a TV blitz against Pat Buchanan in Georgia, President Bush was running hard against resurgent Democrats in California.

Before mingling with movie stars, a disbelieving president visited privately with predecessor Ronald Reagan, who was quoted as questioning Mr. Bush's electability in 1992.

"He doesn't seem to stand for anything," the former president complained earlier to friends, according to unidentified sources quoted by The Washington Post yesterday.

Asked about the quote, Mr. Bush said, "I don't believe it." He noted Mr. Reagan's endorsement, adding it is too early for discussions on whether the former president will campaign for the ticket.

Several hours later, an unscheduled house call on Mr. Reagan and his wife, Nancy, was announced. Prior commitments reportedly kept Mr. Reagan away from a later fund-raiser in Century City.

In Georgia, meanwhile, the first Bush campaign attack ad had a retired Marine general flailing Mr. Buchanan as "a disappointment" for opposing military intervention in Iraq.

Mr. Bush said the ad was meant to "define differences in position." Another



Reagan

Kelley

ad, which characterizes Buchanan charges as lies, was being re-edited and may not be used, according to campaign press secretary Torie Clarke.

While confident about Georgia's Tuesday primary, White House advisers acknowledged doubts about general election chances in California, which every GOP president has won since World War II.

Mr. Bush sounded a bit more confident about winning the state's 54 electoral votes, which he captured in 1988 with a 51 percent victory. "I think we'll be all right in California," he told reporters.

He suggested his troubles rise from problems plaguing the state's real estate and aerospace industries. "As president you have to take the heat on the economy," he said.

At a San Francisco luncheon, Mr. Bush said he is trying to save perhaps \$40 billion in defense spending and uncounted thousands of California jobs by resisting Democratic calls to "gut" defense budgets by another \$200 billion.

Before the trip, Chief of Staff Sam Skinner also anticipated California would be a tough election. "California is going through some tough economic times. People tend to vote their pocketbooks," he said Monday.

At that same time, Mr. Skinner said there would be no so-called negative ads, although the first ad made available by campaign officials here and broadcast last night seemed to meet that definition.

"Pat Buchanan. Wrong on Desert Storm. Wrong for America," said the closing frame of a 30-second spot in which retired Marine Commandant Gen. P.K. Kelley called Mr. Buchanan's opposition disappointing to all Americans.

"The last thing we need in the White House is an isolationist like Pat Buchanan. If he doesn't think America should lead the world, how can we trust him to lead America?" Gen. Kelley asked.

A second ad aired last night showed Mr. Bush working at his desk as an announcer praised his leadership and promised he will "make the able-bodied [welfare recipient] work" and restore the economy.

The Bush ad being held up reportedly

characterizes as a lie Mr. Buchanan's charge that the president abandoned his State of the Union call to increase the personal income tax exemption \$500 for each dependent child.

The decision to start airing the first negative ad in the evening news block followed long vacillation over when and whether to play hardball against a candidate whom aides dismissed as not being serious.

Although Mr. Buchanan is not expected to campaign in California's June 2 primary, state GOP Chairman James Dignan is sponsoring a pre-emptive move to endorse the president at the party convention Sunday.

Mr. Bush netted \$500,000 for the ticket at yesterday's luncheon and \$1 million more at a dinner in Los Angeles where he shared a head table with Bob Hope, Cheryl Ladd and other stars.

Mr. Bush also made an announcement meant to please California's environmentally conscious voters and reduce one point of congressional opposition to the proposed North American Free Trade Agreement.

Mr. Bush announced agreement with Mexico to reduce air and water pollution from both sides of the border. Mexican President Carlos Salinas de Gortari made a simultaneous announcement in Mexico. The two men will meet today in San Antonio.



But who's bashing Israel now?

Pat Buchanan's words can't hurt the Israelis, but betrayal by faithless friends, like sticks and stones, certainly can.

So where does the White House get off portraying Pat Buchanan as an enemy of the Jews when the president himself — egged on by Jim Baker, the secretary of state — has set out deliberately to cripple Israel when it must struggle harder than ever merely to survive?

Cries of "anti-Semite" and "racist" and "bigot," like "pinko" in an earlier time, are nearly always thrown around with little regard for accuracy, but scuttling the interests of our most steadfast ally in the Middle East, by denying promised loan guarantees, is more than a mere semantic assault.

The Israelis can no longer think of the American government as the honest broker in the Middle East, because the Israelis aren't fools. And you can't blame the Palestinians for drooling at the prospect of resuming the so-called peace-process talks next week in Washington. If they're as grateful as they should be, the Palestinians will make room for Mr. Baker on their side of the table.

Hanan Ashrawi, the semi-yummy spokeswoman for the Palestinians who has become a Western media favorite, describes Israel's proposal to craft some sort of Palestinian self-government as "an insult to our intelligence" because Israel would continue to occupy the West Bank and Gaza, and build new settlements there.

The Palestinians finally have an American government where they have always wanted an American government, separated from its real friends by diplomatic double-dealing that will rupture friendships for a long time to come. The Palestinians achieved this at no cost, since self-government is the last thing any of the Arab governments in the Middle East want for the Palestinians.



James Baker

They don't want it for themselves, either. Self-government is an alien poison, and if you're determined to preserve a brutal satrap the last thing you want next door is a working democracy that might give some of your own people funny ideas.

Israel's Arab tormentors are single-minded and determined, and their persistence has matched the resistance of the Israelis. In league with the Arabist cabal inside the State Department, the tormentors have finally wrecked the long-held policy of the U.S. government to give aid and comfort to its Jewish ally. The Arab dream of getting the United States to do for them what they have not been able to do for themselves, to retrieve the lands they lost in the war they started in 1967, seems within sight at last.

"While the settlements are going on, while the bulldozers are leveling our land," says Miss Ashrawi, "it is very clear that Israel is trying to dig the grave of the peace process."

Peace process? Surely the lady jests. This is the kind of distortion of the facts that often succeeds in insinuating itself into the mind of a public that has neither the interest nor the patience to keep itself informed of the day-by-day twists and turns of events, or even of the history of how the present day came to pass. History may not be bunk, but it's a lot of trouble to keep up with.

Some of us remember: The Jordanians gambled, recklessly, in 1967. With their allies, they figured they could crush Israel, to redeem the long-held dream of throwing the Jews into the sea, and reclaim the land that Jordan had itself seized in 1947. When the Jordanians and their allies were licked, almost as thoroughly as Saddam's Republican Guard was licked in the desert, the Jordanians gave up territory. That happens when you lose wars. Some people in the West have never forgiven the Jews for winning, and have been trying to make it up to the losers since.

Even if it were as bellicose as its enemies say it is, Israel nevertheless behaves like any other state under siege. Like, you might say, the United States in its infancy (which may be the reason Israelis remind us so much of ourselves). Now Israel's enemies think they sniff blood. Piling on is the fashion, often by people who have been waiting for years to settle scores — if not with Israel, with the Jews. Shame on George Bush for joining them.

CPAC aftershocks

The rumblings are still being heard after the Conservative Political Action Conference last week, particularly regarding the tension evident between partisans of President Bush and those of rival Pat Buchanan.

One subject of continuing discussion is how Jeff Wright, national chairman of Young Americans for Freedom, read an opening statement urging Mr. Bush to withdraw from the presidential race. He was edged out of the limelight by long-time CPAC spark plug Dave Keene, who had his hands full keeping a lid on the enthusiasm for Mr. Buchanan throughout the event.

Someone was so enthusiastic that he ripped off the Buchanan booth for 16 copies of "Right From the Beginning," Mr. Buchanan's autobiography, along with a box of bumper stickers reading "George Herbert Hoover Bush — One More Year." "We only hope Pat's book will be read by the perpetrators," said campaign volunteer Rick Routzahn.

One feature of the event was rival sound machines as Buchanan and Bush forces tried to drown each other out with taped speeches of their heroes. "Why'd they need sound?" grouched one Buchanan activist about the Bushites. "Can't we just read that guy's lips?"

Various fliers flew, including one from Richard Viguerie's "Conservatives for a Winning Ticket." His broadside boasted "Ten Reasons to Replace George Bush," then went on to offer 14 reasons. "When listing all the sellouts by George Bush it isn't possible to stop at 10," he explained.

A four-page anti-Buchanan "Politics of Retreat" by Jack Wheeler of the Freedom Research Foundation garnered plenty of attention. Basically, Mr. Wheeler called on Mr. Buchanan to "realize that America is on Planet Earth and its economy is inextricably and massively merged

with the global economy."

Terming Mr. Buchanan a "provincial American," Mr. Wheeler called supporters in the John Randolph Club political extremists. He targeted outgoing club President Murray Rothbard as "the Louis Farrakhan of the right" who "hates America."

Mr. Wheeler proposes that Mr. Buchanan "announce you want Norman Schwarzkopf as your running mate, and that as president you'll turn Stormin' Norman loose on any towel-headed terrorist who so much as hints about threatening America." That proposal came on the heels of his chiding Mr. Buchanan for "gratuitously offensive remarks" about ethnic or religious groups.

There was some muffled muttering when Kuwaiti Ambassador Sheik Saud Nasir Sabah introduced Vice President Dan Quayle by saying that if presidential elections were held in Kuwait today, "George Bush would get 95 percent of the vote." It was pointed out by cynics that Kuwait hasn't had elections in at least 10 years and has never had one for head of state. Some thought Mr. Quayle was up to his old tricks when he credited Mr. Bush with having "forced Saddam Hussein back to Iran." Well, someplace over there, anyway.

Another instance that provided fuel for continuing chitchat was Sam Donaldson's begrudging sort of apology for having misquoted Mr. Buchanan. He said the line he'd used was actually a paraphrase of remarks attributed to Mr. Buchanan by columnist Abe Rosen-
thal.

Another topic: "Where's Jesse Helms?"



The political button industry seems to have an early favorite among the ladies this election year.

Bustin' on Bill

The button shown above is catching on with those who like to give Arkansas Gov. Bill Clinton a rough time about his romantic inclinations. "It's the most popular political button in the South," says the rambling reporter who brought this trophy back from an event in Charleston, S.C. "Every woman there was wearing one."

Mr. Clinton bought some air time Sunday on radio stations in South Dakota to take listener call-ins, and the questions weren't all about his positions on foreign affairs. "How was Jennifer Flowers in bed?" one caller asked.

"I don't know," Mr. Clinton responded. "She didn't tell the truth, and I don't know who put you up to this phone call." He accused the

caller of not knowing the facts and protested against "people like you who are trying to destroy us."

Big spender

"America's Most Expensive Senator" is the way Citizens' Agenda, a publication of the activist group Citizens United, characterizes Bob Kerrey. The group says not only is Mr. Kerrey "the number one spender in the Senate," but the cost of his bills has been more than seven times that of Sen. Ted Kennedy's, the next greatest spender.

Gus to go?

Rep. Gus Savage, Illinois Democrat, has been redistricted into a mostly white suburban constituency. He attended a recent town meeting in the area he will — if re-elected — represent. According to the National Journal, he showed up wrapped figuratively in red, white and blue, accompanied by a four-member Army Reserve color guard. It's not like he's become a pussycat, though. Mr. Savage still refuses to talk to "the white press." He may find that a real easy chore to avoid if challenger Mel Reynolds is successful in his primary challenge.

Hold your horses

Some callers have been urging us to pass along the announcement that Pat Buchanan will be at the Capitol Hill Club on Friday, just a few doors down from the headquarters of George Bush's Republican National Committee, for a fund-raising reception. Well, we'd do it, but it would be a serious disservice. In checking the candidate's schedule we find he'll be blitzing Georgia on that particular date. The reception has been rescheduled March 11.

— John Elvin

RICHARD VEDDER / LOWELL GALLAWAY

Priming the jobless pump

The unemployment rate recently surpassed 7 percent, reaching its highest level in more than five years. A rising outcry over the unemployment problem seems to symbolize the crash in President Bush's popularity. How has this happened?

Certainly, no economic misfortune is more difficult and embarrassing for its victims than unemployment. Yet joblessness persists in the face of nearly a century of study by academics and of deepening intervention in the economy by politicians.

Most economists use complicated models of human behavior to explain unemployment. These models stress such factors as consumer demand, interest rates, exchange rates, and so forth. However, as we demonstrate in our forthcoming book, "Out of Work," changes in the rate of unemployment are explainable in simpler terms: Joblessness increases when labor becomes more costly to employers. The reverse is also true: When workers become less expensive, businesses create more jobs for them.

Employers look at costs and revenues in making hiring decisions. If wages go up, rising costs reduce potential profits so the number of workers employed falls. Higher wages mean more unemployment, other factors unchanged.

Conversely, if the productivity of workers rises, businesses get more sales revenue (and potential profits) from each worker and thus are more willing to employ workers. Higher productivity means lower unemployment. (This is why investments in labor-saving technology spur job growth in the long run.) Similarly, if the prices of goods sold by firms

rise, they gain more sales revenue from each worker, so inflation works to reduce unemployment.

This pattern is confirmed by studying the interrelationship of wages and unemployment throughout the 20th century. Unemployment has risen whenever the real wage (wages adjusted for changes in productivity and price) goes up. Rising labor costs explain the massive misery of the Great Depression, the

Jerry-building a "quick fix" for the current recession will likely prolong it. Government programs tend to price some workers out of jobs.

double digit joblessness of the early '80s, as well as the current recession.

For example, President Hoover successfully urged businesses not to reduce wages during the early part of the Great Depression. As prices fell, real wages rose — persons who held onto jobs actually saw their living standard improve. Nevertheless, many workers were priced out of the market; corporations lost money by overpaying employees, which weakened balance sheets and contributed, in turn, to a banking crisis that aggravated the downturn.

Similarly, the recovery from the Great Depression was slow because New Deal legislation such as the National Industrial Recovery Act, the Wagner Act, and the minimum wage law raised wage costs. Policies designed to help American labor actually increased the national distress.

In the 1960s, inflationary policies temporarily decreased the real wage, leading to a boom decade in which the unemployment rate fell

below 4 percent for several years. Yet workers eventually reacted to the inflation by demanding wage increases in the 7 percent to 8 percent range (up from the earlier 3 percent to 4 percent range), and the '60s boom led to painful stagflation in the '70s.

The current recession reflects an upward move in the real wage. Wage increases accelerated in 1990. Productivity growth has been sluggish to non-existent, amplifying the problem. The slow down in the rate of inflation, a positive development in the long run, actually hurts businesses trying to recoup labor costs in the short run.

Just as in the 1930s, public policy is complicating the unemployment problem in the 1990s. The recent extension of unemployment compensation payments aids workers without a job, but lessens their incentives to take available work. (A second helping is now being authorized by Congress and the president.) Escalating benefit expenses in the form of higher medical-insurance costs reflect in part federal tax and other subsidies for insurance that have reduced incentives to conserve limited medical resources.

Ongoing trade talks with Japan appear to be an effort to manage trade rather than a genuine attempt to liberate it from restrictions on both sides of the Pacific. Trade protection contributed to higher wages and unemployment in the 1930s, and similar protectionist sentiment (in textiles, for example) is contributing to the malaise of the 1990s.

In this sense, current experience suggests that the lessons of history have gone unnoticed. Our interpretation of the data leads to one conclusion: To create the largest number of jobs, government must leave the labor market alone. Jerry-building a "quick fix" for the current recession will likely prolong it. Government programs for redistributing income, though well-intentioned, tend to raise wages and therefore price some workers out of jobs — and into the grief of unemployment.

Richard Vedder and Lowell Gallaway are economists at Ohio University. Their book, "Out of Work: Unemployment and Government in 20th Century America," is forthcoming.

CLARENCE PAGE

PAUL GREENBERG

Pat in living color . . . Kerrey catching on

Sometimes I wonder how different life might have been for Patrick J. Buchanan if he'd been born black.

I wonder whether Mr. Buchanan, 53, would have been allowed to grow up in the ritzy Washington suburb that was his home in the '40s and '50s.

Or would his family have been scooted off by housing covenants to the ghetto on the other side of town?

Had Pat been black, I wonder, would he have gotten 37 percent of New Hampshire's Republican primary vote against President Bush, even though he never has held any elective office before? Funny how many of the same people who thought that experience was so important for Jesse Jackson in 1988 have forgotten all about it in evaluating Mr. Buchanan, a newspaper columnist, in 1992.

Speaking of newspaper columns, a subject I know a little bit about, I seriously doubt that a bright, young, black Pat Buchanan would have gotten a job writing editorials for the old St. Louis Globe Democrat at age 23 in the early '60s, when most white-owned newspapers (and radio and TV stations) didn't even have any black reporters.

And I wonder if Mr. Buchanan would be viewed as a threat to President Bush's political future if he were a black man whose autobiography was filled with gleefully woven tales of fistfights.

That's Pat's pugilistic past. Some fights were provoked. Some were sucker punches. Those Buchanan boys love to scrap, folks used to say. I bet the reaction wouldn't have been so sanguine had those scrappin' Buchanan boys been black. Yet, even subtle differences in the way we react to youthful indiscretions can have enormous consequences for what sociologists call their "life chances."

The closest young Pat came to life in the slammer was his conviction on a misdemeanor and suspension from Georgetown University for a fight he provoked with two Washington police officers. I wonder what would have happened to a young black Pat who decided to tussle with two Washington police officers one night in the late '50s?

Perhaps there would have been no suspension. Perhaps there would

have been no misdemeanor conviction. Perhaps there would only have been a funeral.

Then, of course, there is today's bad Pat, the Pat who dismisses gay activists as "the Pederast Proletariat" and feminists as "the Butch Brigade," the Pat who boldly encourages immigration preferences for Europeans over countries that have a predominance of non-whites, the Pat whose bashing of Israel and of neoconservatives who happen to have Jewish surnames has been branded as anti-Semitic by his own philosophical mentor, William F. Buckley Jr.

A black Pat who fired away with such invective might be stigmatized as severely as Jesse Jackson has been since 1984 for his off-the-record remarks that referred to Jews as "Hymies" and New York City as "Hymietown."

Mr. Jackson apologized, but the media never let him forget it. Just about every news story written about Mr. Jackson finds ways to work it in. Mr. Buchanan, by comparison, scoffs "I'm no David Duke," and that seems to be good enough. Maybe the key in such instances is not to apologize but to boldly brag about it.

I wouldn't be pondering the difference a little more pigment would have made in Pat's life if his rhetoric didn't invite it.

As a self-described "paleoconservative" who views even neoconservatives as some sort of heretics, he strikes themes blacks can only find ominously familiar as he turns his campaign like Sherman turned his army toward the South, particularly toward Georgia, where he might fill a gap left on the right's full-moon extreme by the absence of ex-Ku Klux Klan leader David Duke, an old hand at racial appeals, on the March 3 ballot.

"If I am elected, my friends, I will go through this administration, department and

agency by agency, and root out the whole rotten infrastructure of reverse discrimination, root and branch," he intoned to the annual Conservative Political Action Conference two days after coming within 16 percentage points of tying Mr. Bush in the New Hampshire primary.

He didn't say what he would replace it with, which implies that blacks in Mr. Buchanan's world either don't need or deserve any special help to catch up to whites after hundreds of years of non-reverse discrimination. No, in Mr. Buchanan's world, it is the victimization of white folks, particularly white men, by civil-rights laws that is more important.

This is the old Pat renewed, old bad Pat, suppressed in New Hampshire's final days under a kinder, gentler pose. There, in a state that has 55,000 fewer jobs than it did in 1988 and a black population too small to serve as a convenient scapegoat, a different Pat emerged.

The new Pat decided extended unemployment benefits weren't such a bad idea after all. The new Pat preached about the need for government to establish a "floor of decency" beneath which families should not be allowed to fall. Compared to the old Pat, the new Pat sounded like a George McGovern liberal.

I liked that Pat. For a few days, at least, he sounded like he knew how to appeal to voters along lines of reason instead of skin color.

Cosmic Bob, a.k.a. Sen. Bob Kerrey of Nebraska, may be catching on to Slick Willie. Struggling to catch up with Bill Clinton, Mr. Kerrey told an audience of South Carolina legislators: "I'm tired of candidates who try to make every audience happy." He didn't specifically say he was referring to Bill Clinton; he didn't have to. To quote the Associated Press dispatch, "Kerrey clearly had his rival in mind."

The media may be catching on to Slick Willie, too, though at an agonizingly slow pace. Remember when Bill Clinton was routinely described as an "early supporter" of the war in the Persian Gulf? A dispatch from the Scripps Howard News Service now adds a couple of reservations when it makes that assertion: "Clinton is the only one of the five Democrats to support Bush's attack on Iraq last year, even though that support was tentative and came after Congress narrowly approved the use of force." If only it had added, "and only after the war was won," it would have come even closer to an accurate description of Bill Clinton's highly mobile "stand" on the war.

The news service went on to cite the separate-but-almost-equal opinion.

Paul Greenberg is editorial editor of the Pine Bluff (Ark.) Commercial and a nationally syndicated columnist.

ions that Mr. Clinton gave the late Arkansas Gazette after Congress approved the president's use of force: "I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made" against the president's using force to free Kuwait.

This story does not cite the unadorned quote from Mr. Clinton that appeared in an Associated Press story at the same time: "I agree with the arguments of the people in the minority on the resolution — that we should give sanctions more time and maybe even explore a full-scale embargo . . . before we go to war."

All this demonstrates the agility with which Bill Clinton can leave different impressions with different people. What was it Bob Kerrey said about candidates who try to make every audience happy? Slick Willie's stance on the war would have done credit to a contortionist. The story in the Arkansas Gazette was headed, "Clinton would have voted war authority," and the story in the Pine Bluff (Ark.) Commercial carried the headline, "Clinton Waffles on War Decision." Here is a man for all seasons — simultaneously.

If the war had turned out differently, if it had proved a Vietnam-style disaster, Bill Clinton could just as easily have claimed he was an early critic of the war, and anyone who doubted it could be told to discard those peripheral and highly tentative comments about guessing that he probably would have supported the president if the vote had been close, and focus instead on his crystal-clear agreement with those who opposed the use of force against Iraq.

What we have here is a kind of alternate history in which the reader may choose one quote from Column A or one from Column B, depending on which sounds better a year later.

Conclusion: Those seeking Bill Clinton's unwavering support for a crucial decision on war or peace need meet only one requirement: First win the war. Then he'll come through 100 percent. William Jefferson Clinton is not one to desert a cause in its hour of victory. Call it retroactive statesmanship.

Then imagine, if you can without a shudder, Bill Clinton as president and commander in chief of the armed forces of the United States.



Kerrey takes S.D. primary

SIOUX FALLS, S.D. (AP) — Sen. Bob Kerrey of Nebraska won the South Dakota primary yesterday, boosting his standing in the Democratic presidential race, while President Bush, the unopposed Republican winner, was buffeted by a protest vote.

Mr. Kerrey's farm-state rival, Sen. Tom Harkin of Iowa, was running second and looking ahead to the burst of primaries in March. "I'm still in this race," Mr. Harkin said as the votes were being counted. "It's a national campaign."

The Republican results had to be sobering for the White House. With 42 percent of the precincts reporting, Mr. Bush had 69 percent of the total and 31 percent chose uncommitted. Conservative Pat Buchanan was not on the ballot.

Mr. Kerrey was gaining 37 percent of the Democratic vote in South Dakota, compared to 30 percent for Mr. Harkin and 19 percent for Arkansas Gov. Bill Clinton. Former Massachusetts Sen. Paul Tsongas trailed with 9 percent, and former California Gov. Jerry Brown with 4 percent.

South Dakota thus was extending a trend of regional favoritism among the Democrats, and of a strong chal-

SOUTH DAKOTA DELEGATES

The delegates won by each candidate in the South Dakota primary yesterday.

Democrats 42 percent precincts reporting

Bob Kerrey	6
Tom Harkin	6
Bill Clinton	3
Paul Tsongas	0
Jerry Brown	0
Douglas Wilder	0
Larry Agran	0
Lyndon Larouche	0
Total	15

Republicans 42 percent precincts reporting

George Bush	14
Uncommitted	5
Total	19

The Washington Times

lenge to Mr. Bush among the Republicans.

"I think it's just confirmation of what we've been saying. The president has been in a free-fall for months now and there's no indication that he's leveling off," said out-

spoken conservative activist Richard Viguerie, a supporter of Mr. Buchanan.

With 15 Democratic delegates and 19 GOP delegates at stake, South Dakota marked the end of a preliminary round of single-state contests. More than 1,200 Democratic delegates are up for grabs in a string of contests over the next two weeks.

CNN projected a Kerrey victory based on exit polls, broadcasting the result with almost a third of the polling places still open.

Mr. Kerrey, a former Nebraska governor and first-term senator, campaigned as a Farm Belt neighbor to South Dakota, pressing his call for national health insurance. The exit polls said the health issue was popular with voters, especially among the elderly.

Kerrey campaign manager Tad Devine called the South Dakota vote an "impressive victory" and said he hoped it could be parlayed into campaign momentum in Colorado, Georgia and South Carolina, all of which vote in the next week.

Mr. Tsongas offered Kerrey congratulations — but it was tempered. "It's obvious that the negative advertising worked, and we'll take that into consideration," he said. Mr. Tsongas

got one bit of bright news — an endorsement from Gov. William Donald Schaefer one week ahead of Maryland's primary.

Mr. Harkin disputed any suggestion that he might drop out of the race if he lost South Dakota. Even so, the political pundits predicted in advance that if either Mr. Kerrey or Mr. Harkin was defeated, their fundraising would dry up.

But so far, none of the regional winners has been able to parlay his home-field advantage into broader success.

Mr. Tsongas, the winner in last week's New Hampshire primary, stumbled to a dead heat with Mr. Brown in Maine. Mr. Harkin won his home-state Iowa caucuses earlier in the month, but finished fourth in New Hampshire and trailed badly in Maine. Mr. Clinton has yet to win, despite his pre-primary status as front-runner, but primaries in his native South begin next week.

Next week the Democratic calendar explodes with March 3 primaries in Georgia, Maryland, Colorado and Utah, and caucuses in Idaho, Minnesota and Washington state as well as American Samoa, with 383 delegates at stake.

THE WHITE HOUSE **BULLETIN**

BULLETIN BROADCASTING NETWORK, 309 CAMERON ST., ALEXANDRIA, VA 22314 (703) 684-2020

MEMORANDUM FOR MARIA SHEEHAN
MEDIA AFFAIRS
THE WHITE HOUSE

SUBJECT: TODAY'S BRIEFING

DATE: WEDNESDAY, FEBRUARY 26, 1992 - 11:15 AM EDT

WARNING: Re-faxing or making copies of the White House Bulletin without the permission of the Bulletin Broadcasting Network is prohibited by law. Please call 703/684-2020 for subscription information.

SINCE THE MORNING PAPERS:

- o The US Supreme court today handed down a 6-3 ruling allowing students to sue their schools and school officials for monetary compensation in cases of sexual harassment. The case involved a Georgia high school student who claims she was seduced by an instructor.
- o The Irish Supreme Court today overturned a lower court ruling prohibiting a 14-year-old rape victim from leaving the country to obtain an abortion. The girl will now be allowed to go to Great Britain for the operation.
- o Financial news as of 11:15 AM EDT:
 - DOW (30 Industrials): Up 6 points to 3264 on a volume of 62 million shares.
 - Durable goods orders rose 1.5 percent in January, following a revision showing a 5.1 percent drop in December.

IN THE WHITE HOUSE AND AROUND TOWN:

- o The White House wants to elevate welfare reform into a larger issue this year, but it is not yet clear whether much more can be done by the Administration until the states themselves take a more active role. During his State of the Union address, Bush devoted four full paragraphs to the issue. The President's rhetoric included tough words on the subject: "Welfare was never meant to be a lifestyle; it was never meant to be a habit; it was never supposed to be passed from generation to generation like a legacy." Bush added "that when able-bodied people receive government assistance, they have responsibilities to the taxpayer. A responsibility to seek work, education, or job training; a responsibility to get their lives in order; a responsibility to hold their families together and refrain from having children out of wedlock and a responsibility to obey the law." In the speech, the President announced that he would assist state welfare reform efforts by making it easier for them to qualify for waivers from federal regulations. Since then, however, the expected election-year flow to Washington from governors seeking approval of their reform plans has yet to materialize. "We are pushing the states to send in some waivers," said an Administration official. "We have ten rumored to be in the pipeline, but so far, the only

The White House Bulletin is a fax-delivered bulletin board covering policy, political and personnel developments in the federal government and Washington. The Bulletin welcomes information from those in Washington. (Tel.) 703-684-2020
Paul Roellig, Publisher William Armistead, Managing Editor Richard Reed, Political Editor

one here is the Oregon waiver on Medicaid." The official added that New Jersey, California, and Wisconsin are among the states expected to submit waiver requests soon, adding that while "we are not going to give away money or poor policy, the presumption will be with the states." While the President continues to push welfare reform on the political circuit, his aides in the White House are working to come up with policies that may go beyond a more friendly attitude to state waiver requests. New domestic policy czar Clayton Yeutter told the Bulletin earlier that while "welfare reform is one [issue] that hasn't had a lot of attention here recently" it is an area where "New Paradigm" approaches may apply. Gail Wilensky, who has been in charge of the Federal Government's largest welfare program, Medicaid, will soon join the White House staff and is expected to play a role in forming additional policy options. According to a White House official: "It certainly will be a point of emphasis. We will be doing more on welfare reform." Another White House source added: "Welfare reform was the part of the President's State of the Union address that got the second-biggest applause of the evening. We are clearly building on the Franklin Roosevelt-Ronald Reagan theme that people should not become permanent welfare recipients. ... This will be a major theme for the year." A House Republican source agreed that the President and the White House must take a more active role if welfare reform is to succeed. "This is an area which requires a rigorous exercise of Presidential authority within the Administration, which means forcing Secretaries to press to the very edge their discretion allowing massive experimentation at the state level -- experimentation so broad that it can almost constitute full systems," said the source. "Some can be done administratively, and some needs to be done by legislation. [The President] can actually take action, while at the same time, push legislation to give his Cabinet Secretaries more authority. Yeutter is exactly right when he says that is an issue ripe for action."

- o **While the White House contemplates policy options for welfare reform, President Bush is continuing to use the theme to his political advantage.** In many of the President's political speeches he is devoting large blocks of rhetoric to the issue. Late last night, while addressing a Bush-Quayle '92 fundraiser in Los Angeles, Bush described the nation's welfare problem, and then referred to his current reform policy by saying: "We can start by getting Washington out of the way. And I'll tell you, we will do all that we can to remove the burdensome federal regulations to help you cut through the web of red tape to real reform." Meanwhile, a Bush-Quayle television commercial is currently running in Georgia which lists welfare reform as the first of three parts of the Bush agenda to "strengthen our economy and make America more competitive in the world." The ad says Bush plans "to change welfare, and make the able-bodied work." How much political mileage the President can get out of welfare reform, which polls show Americans supporting by overwhelming numbers, depends on who the Democrats nominate and how they themselves frame the issue. According to a Republican observer: "It remains to be seen if this will be a wedge issue. It depends what the Democrats do. If the Democrats are all for it, then there is no wedge and we get welfare reform."

- o **Late last night, while in the heart of the defense industry, President Bush attacked Democrats for suggesting large defense cuts.** While attending a Bush-Quayle '92 fundraiser in Los Angeles, an area with strong economic ties to the nation's defense industry, Bush said Democratic calls for deep defense cuts will hurt the nation's security and California's economy. According to Bush: "But there are Democrats with a very different plan in mind and they want to use the end of the Cold War to open a bidding war; to see who can gut Defense the fastest. And one scheme would cut Defense by an additional \$200 billion. And nationwide, cuts on that scale would wipe out hundreds of thousands of jobs, to say nothing about rendering us incapable of responding to aggression overseas. Right now, one dollar out of every five dollars spent on Defense is spent right here in California. And think of the shockwaves that reckless Defense cuts would touch off in the construction and in electronics and aerospace industries and the aftershock for the real estate markets. Think of the workers -- and add welders to the engineers thrown out of work and onto welfare. For the sake of national security and for the sake of just plain economic common sense and for the sake of this state and the country, I ask you to draw the line and say no to those who want to recklessly gut the national defense of this country."

- o **Following his win in South Dakota yesterday, Senator Kerrey this morning said one difference between himself and Bill Clinton is that he has "nothing to apologize for in a general election" campaign.** Appearing on CBS's "This Morning" show, Kerrey said: "It was just a very good victory. And what's happening in South Dakota was beginning to happen in New Hampshire, which is that people are beginning to awaken to the possibility that this election is really about something." When asked whether he can beat Bill Clinton, Kerrey responded: "I sure can go head-to-head with him and I can come out on top. I've got nothing to apologize for in a general election against George Bush. And I'm going to say to the good Democratic delegates that I'm on the hunt for you. I can take it to George Bush in the fall of this year and defeat my third incumbent Republican with a message of change."
- o **Bush campaign officials say they are not surprised by recent polls showing the Democratic candidates more competitive with President Bush,** and attribute the trend to a weak economy, exposure Democrats earned through the early primaries, and negative press for Bush as a result of New Hampshire. "We've always said as long as the economy is bad, we'd have a close race," said one Bush advisor. "And as Democrats develop name identification, and get coverage out of the primaries, especially positive coverage, they'll be in close races with Bush. We always expected that." The advisor added that despite winning New Hampshire, the President "took a big hit" in the media for failing to meet the media's threshold for success. "It might be a little bit different if they take polls after Super Tuesday, but we always expected the Democrats would run very close to the President once they got known."
- o **Looking to the South as the opportunity to end Pat Buchanan's primary challenge, the Bush campaign is counting on the political skills of a southern political operative who was "trained at the feet" of the late Lee Atwater.** Warren Tompkins, a former Chief of Staff to South Carolina Governor Carroll Campbell and one-time Executive Director of the state's Republican Party, is the Bush campaign's "senior advisor" for the South. An old friend and protégé of Atwater's, Tompkins' tenure in GOP politics includes major roles in the winning efforts of Campbell, Senator Strom Thurmond, Ronald Reagan, and George Bush in 1988. Over the next week, much of Tompkins' attention will be focused on the March 3 primary in Georgia, the first test of southern strength for the respective campaigns and a state with a history of deep divisions in the GOP ranks. In Georgia's 1988 primary, George Bush won 54 percent of the vote, followed by Bob Doole (24%), Pat Robertson (16%), and Jack Kemp (6%). But later that year, after President Bush was the de facto Republican nominee, in an embarrassing series of political miscalculations the Bush forces lost a credentials challenge to a group of Republicans largely made up by Pat Robertson supporters. It was the insurgent group that was recognized as the state's official delegation and was seated at the party's national convention that summer in New Orleans. Bush campaign officials in Washington say the operatives who ran the Georgia effort in 1988 are again in charge, but are confident the problems will not re-surface.
- o **President Bush has helped himself politically on the health care issue by introducing a proposal, but he has yet to drive home the message to the average American that private sector reform is the way to go,** according to advisors to President Bush and Republican sources knowledgeable about health care reform. As far as the importance of health care in the upcoming election, one Senior Bush strategist told the Bulletin that "health care is a significant issue, but the economy is number one, number two, and number three. The President has got a good health care plan, and we can certainly fight to a draw on that." A Republican involved in the health care debate agreed, saying "the economy will be the paramount issue in this campaign, and health care will be a second-tier issue. But it will be a significant second. It's clearly going to be higher than the environment, education, and child care -- which were second-tier issues in 1988. The Bush campaign handled those second-tier issues very well in 1988. They pre-empted the Democrats and pulled off some really good maneuvers. They'll have to do the same thing with health care in 1992." One official who worked on former Attorney General Richard Thornburgh's Senate campaign in Pennsylvania, said by some to have been determined by the health care issue, agreed that health care will not be the paramount issue of the 1992 campaign, but warned

that President Bush must deal carefully with the issue. According to the former Thornburgh aide: "I would make it perfectly clear that the President cares, that health care is an issue he is interested in. He also has to make it perfectly clear to people that nothing is free, and that if you are going to have a universal health care system, somebody is going to have to pay for it -- and that 'somebody' is the taxpayer. The campaign has also got to listen to the little guy on main street. I don't think they are really doing that. I may be wrong, but it doesn't appear that there are people in the campaign with a lot of street smarts. There is a lot of apprehension out there. People turn on the TV and they see long unemployment lines and factory closings. That builds up a lot of apprehension, regardless of how bad things really are." However carefully the presidential candidates handle the issue, one Republican source said, the candidates who treat health care as if it were the number-one issue with the voters "are not going to win. They're not even going to win their own primary. Look at Kerrey and Harkin, both of whom have really hammered national health insurance as a message: it hasn't taken them anywhere. The battle in this election will be fought over the economy, and I think it is very unlikely that health care will play anything but a fairly distant second."

- o **Bob Martinez defended his record as Director of the Office of National Drug Control Policy (ONDCP) this morning** in an NBC "Today" show interview. Asked about criticisms that ONDCP has lacked proper effectiveness since the former Florida Governor took over, Martinez said: "I don't think that you can spend a lot of time on that. What you've got to do is go ahead and get the money that the President has requested, continue to work with all enforcement agencies. And quite frankly, all the trend lines are right, and that's how you judge a program. Use is down. Seizures are up. The number of acres under cultivation for coca leaf is down. Eradication of the poppy leaves in Colombia is taking place. This is performance. And I know that in Washington particularly, there's a lot about imagery. I'm after effectiveness, and I submit to you that the President's drug policy is a very effective policy to deal with the drug issue in the United States."
- o **Today in San Antonio, President Bush** attends bilateral meetings with the President of Peru; the President of Colombia; the President of Ecuador; and the President of Bolivia.

POLITICAL ANALYSIS:

This morning, the Bulletin invites **Dr. Michael Schuyler**, a Senior Economist at the Institute for Research on the Economics of Taxation (IRET), to discuss the President's economic growth package as it affects real estate. IRET is a non-profit, non-partisan research center focusing on free-market economics.

BULLETIN: Overall, do you agree with President Bush that real estate leads overall economic reform, and we therefore should attempt to stimulate the real estate sector?

SCHUYLER: The Bush Administration for some reason thinks that real estate is more important than the rest of the economy. I would argue that the whole economy is important. Trying to focus on real estate is not a bad idea, but neither is it sufficient.

The real estate market has indeed been devastated. But I'm not sure the Administration realizes to what extent it has been devastated by taxes. In 1986, we got the elimination of the capital gains exclusion, which made real estate investments less attractive, and we had the passive loss limitation rules, which also hurt. Then we had the savings and loan crisis, which I think was worsened by the changes made in the 1986 tax act. Real estate has been hard hit by misdirected tax changes in the past, and it would be very much helped if we correct some of those prior errors. Overall, I think it is a mistake to single out real estate and to pretend it is any more important than the auto, steel, chemical, aerospace, textile or furniture industry. Real estate is a very important sector of the economy, but the focus of a pro-growth initiative should be on reducing tax barriers to saving throughout the economy. The House Democrats' alternative, incidentally, would intensify tax biases against real estate by

lengthening the depreciation period on commercial real estate by about one-third, from 31.5 to 40 years, and on residential real estate from 27.5 to 31 years.

BULLETIN: What do you think the passive loss provisions in Bush's proposal will do for the real estate sector?

SCHUYLER: The Administration's proposal does scale back passive loss limitation rules, but only for the very few people in the rental property business who develop the properties which they now actively manage. Real estate dealers shouldn't have been subjected to passive loss rules in the first place, and so all of them -- not just a few -- should be removed from the rules. Perhaps the most important thing to say about the passive loss rules is that they needlessly complicate what we think of as income. When you are computing income, what you should do is take the various items of income, and add them up. If some of the categories are losses, those are entered as negative figures. When you start dividing income into arbitrary categories, then you get away from the concept of coming up with a consistent, coherent income figure. The only exception to this rule is that sometimes, if you are not careful, some types of income -- such as savings -- will be subjected to multiple-taxation. Multiple taxation of the same savings stream creates an anti-savings bias, which should be avoided if you want to maintain neutrality between saving and consumption.

BULLETIN: What about the \$5,000 tax credit for first-time home buyers?

SCHUYLER: First of all, the credit is only temporary. It would apply to first-time home buyers who qualify for buying a home between February 1, and December 31, 1992 and who reach settlement by June 30, 1993, claiming half the credit in 1992 and the other half in 1993. While it is true that downturn in real estate has been a factor in this recession, the idea of bribing consumers with a tax subsidy in order to try to make the economy better off is a mistake. Positive tax reform should correct distortions, not create selective tax subsidies. In addition, the Administration assumes that the economy's problem is fundamentally one of inadequate consumer demand, even though this country has one of the lowest savings rates in the world. Given the established relationship between how fast a nation saves and how fast it grows, trying to jack up the economy through still more immediate consumption seems to me to be fundamentally wrong-headed. It is a throwback to the Keynesian economics of the 1960s.

In summary, I would say the Administration identified many areas where reform is needed, but did very little to actually reform those areas. In the case of the home-buyer credit, I think that is an example of the Administration being led down the blind alley of trying to fine-tune demand -- of trying to stimulate demand. That will not be an effective way to energize the economy in the short term; certainly not in the long term.

BULLETIN: You've said that attempts to stimulate demand are misguided. What, then, should be done to increase the supply of real estate?

SCHUYLER: A supply-side initiative would be to look at tax and regulatory policies that are raising the price of housing. Now to be sure, many of these taxes and regulations are being done at the local level, not the Federal level. At the local level you have any number of taxes that are imposed on new housing. A recently popular device is called impact fees, which significantly raise the cost of new houses. If you were to lower or repeal some of those new taxes, the cost of producing houses would go down, thus encouraging the construction of new housing. Building standards need to be looked at as well. Some are very desirable, but some are excessively cautious and some have been made obsolete by new technology. They often raise the cost of building houses. If some of those were repealed or updated, builders could construct houses at a lower cost, giving people more bang for their buck.

DOCUMENTS AVAILABLE:

- o **White House fact sheets on the "Integrated Environmental Plan for the Mexico-US Border Area" and the "Review of Environmental Effects of Free Trade with Mexico"** can be obtained by Bulletin customers by calling Steve Saunders at 703-684-2020. We will charge \$5 for the fax delivery of each 3-page document.

LAST LAUGHS:

- o **President Bush:** "I gave Congress 52 days to pass the [economic growth] plan. And since then, some Democrats have been wrestling with their consciences. It is too early to predict who will win." (Bush/Quayle fundraiser, 2/25/92)
- o **Dennis Miller:** "President Bush is pushing to ease restraints on gene-altering projects. Bush said, 'Hey, I like mutants. I'm running for re-election with one, aren't I?'" (The Dennis Miller Show, 2/25/92)
- o **Jay Leno:** "While campaigning in Tennessee, President Bush said he would redouble his efforts. Redouble his efforts? Now, what does that mean -- he's going to play 36 holes of golf now?" (NBC The Tonight Show, 2/25/92)

Copyright © 1992 by the Bulletin Broadfaxing Network. Reproduction without permission prohibited.
The White House Bulletin is published business days by the Bulletin Broadfaxing Network, Alexandria, Virginia.

-- END OF FAX --



President Salinas
of Mexico



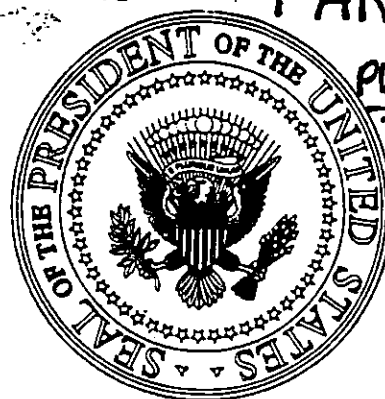
Arrival
San Antonio Texas





FARISH

Please Return



THE TRIP OF
THE PRESIDENT
AND
MRS. BUSH
TO
THE SAN ANTONIO SUMMIT
SAN ANTONIO, TEXAS

February 26-27, 1992

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Schedule	Schedule of the President and Mrs. Bush for The San Antonio Summit, San Antonio, Texas, February 26-27, 1992 [redaction] (10 pp.)	2/26-27/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Wednesday, February 26, 1992 [2]

Date Closed:	11/6/2014	OA/ID Number:	90657-002
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

SCHEDULE OF THE PRESIDENT AND MRS. BUSH
FOR
THE SAN ANTONIO SUMMIT
SAN ANTONIO, TEXAS
FEBRUARY 26 - 27, 1992

EVENTS:

Bilateral Meeting with President Fujimori
Bilateral Meeting with President Gaviria
Bilateral Meeting with President Borja
Bilateral Meeting with President Paz Zamora
State Dinner
Bilateral Photo Opportunity with President Salinas
Working Breakfast with President Salinas
Photo Opportunity with Foreign Minister Armando Duran
First Plenary Session
Summit Class Photo
Working Luncheon
Second Plenary Session
Joint Press Conference
Briefing on San Antonio Spurs Drug-Free Basketball League
Drop-by San Antonio Spurs Drug-Free Basketball League Game

DRESS:

State Dinner

Men - Dark Business Suit
Women - Cocktail Dress

All Other Events

Men - Business Suit
Women - Day Dress

CONTACTS:

Presidential Advance Office
Jay Farmer • 202/456-7555

Trip Coordinator
Kris Goodwin • 202/456-7565

San Antonio, Texas Signal
• 512/712-0500
• *36/17-002

- 202/456-7555
- 202/456-7565
- 512/212-0500
- *96/37-000

ADVANCE :

Tim Simonson . LEAD
 Brian Montgomery . PRESS
 _____ (b)(7)(C), (b)(7)(D), (b)(7)(F) _____
 Brad Foggie . WHCA
 Wayne Justice . MIL. AIDE
 John Krenkel . APT

- LEAD
- PRESS
- WHCA
- MIL. AIDE
- APT

NOTE:

Partly Cloudy/Low 40's

SCHEDULE OF THE PRESIDENT AND MRS. BUSH

FOR

THE SAN ANTONIO SUMMIT

SAN ANTONIO, TEXAS

FEBRUARY 26 - 27, 1992.

2:00 pm
(C.S.T.)

2:00

THE PRESIDENT and Mrs. Bush arrive Kelly Air Force Base, San Antonio, Texas, and proceed to Motorcade.

Met by:

The Honorable James A. Baker III
U.S. Secretary of State

General Richard Smith
Commander, Kelly Air Force Base

The Honorable and Mrs. Nelson Wolff (Tracy)
Mayor of San Antonio

The Honorable Yolanda Vera
San Antonio City Councilwoman

The Honorable Lyle Larson
San Antonio City Councilman

The Honorable John Langoria
Bexar County Judge

The Honorable Cyndi Taylor Krier
Texas State Senator

Mr. Ernest J. Alexander
National President, Federal Investigators
Association

The Honorable Roy Barrera, Jr.
Bush/Quayle Supporter

Mr. Henry Bonilla
Bush/Quayle Supporter

Mr. Ernesto Ancira
Bush/Quayle Supporter

Point of Light Greeters:

Mr. and Mrs. Nick Monreal (Diana)
Founder/Director, Teach the Children and
210th Daily Point of Light

Ms. Amente Flores
Vice President of Human Resources, Project
Amigos and 214th Daily Point of Light

Ms. Cindy Fink
Senior Counselor, Project Amigos and 214th
Daily Point of Light

Mr. Richard Clifford
Superintendent, Southwest Independent School
District and 212nd Daily Point of Light

General Richard Smith
Commander, Kelly Air Force Base and 212nd
Daily Point of Light

Mr. and Mrs. Vern Freas Lou Ann
Founder, Grandparents Outreach and 250th Daily
Point of Light

2:00 pm

2:12

THE PRESIDENT and Mrs. Bush board Motorcade and
depart Kelly Air Force Base en route Marriott
Rivercenter Hotel.

MOTORCADE ASSIGNMENTS:

(b)(7)(C), (b)(7)(E), (b)(7)(F)

Page Two

(b)(7)(c), (b)(7)(e), (b)(7)(f)

Page Three

(b)(7)(C), (b)(7)(E), (b)(7)(F)

(Drive Time: 15 Minutes)

OFFICIAL PARTY AND STAFF INSTRUCTIONS:

Upon arrival at Marriott Rivercenter Hotel, Official Party Members and Staff should proceed to Staff Office, Room 3332, for Room Assignments and Keys.

Official Party Members and Staff attending State Dinner and not manifested in Motorcade should meet in Lobby of Marriott Hotel at 6:45 pm for transport to Majestic Theatre.

Those Official Party Members and Essential Staff manifested in Motorcade to State Dinner will be escorted to Motorcade from Staff Office, Room 3332, at 7:00 pm for transport to Majestic Theatre.

Remaining Official Party Members and Staff wishing to attend Civic Dinner at the International Convention Center may purchase tickets in the Staff Office for \$20. Transportation information to Civic Dinner will be provided upon purchase of tickets.

~~2:30 pm~~
2:30
THE PRESIDENT and Mrs. Bush arrive Marriott Rivercenter Hotel and proceed to Suite.

Met by:

Mr. Ed Paradine
General Manager, Marriott Rivercenter Hotel

Page Four

Mr. Steve Glass
Director of Convention Services, Marriott
Rivercenter Hotel

Mr. Jon Peck
Director of Sales, Marriott Rivercenter Hotel

Mr. Steve McGuire
Director of Engineering, Marriott
Rivercenter Hotel

Mrs. Kay Towner
Director of Catering Sales, Marriott
Rivercenter Hotel

~~2:30~~ pm

2:35

THE PRESIDENT and Mrs. Bush arrive Suite
for Private Time.

'PRIVATE TIME: 20 MINUTES)

~~2:30~~ pm

2:55

THE PRESIDENT departs Suite and proceeds
to Suite 3730.

NOTE: Mrs. Bush assumes separate schedule
at this time.

~~2:55~~ pm

2:59

THE PRESIDENT arrives Suite 3730 and holds
briefly.

~~3:00~~ pm

3:00

THE PRESIDENT greets The Honorable Alberto Kenyo
Fujimori, President of Peru.

EVENT: BILATERAL MEETING WITH PRESIDENT FUJIMORI

POOL COVERAGE (AT BEGINNING ONLY)

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
R. Martinez
~~W. Moore~~
Gen. Scowcroft
Asst. Sec. Aronson
T. McNamara
W. Pryce (Notetaker)
Interpreter

PERUVIAN PARTICIPANTS

Pres. Alberto Fujimori
Augusto Blatter Mallat,
Min. of Foreign Aff.
Fernando Vegas
Santagades, Min. of
Justice
Gen. Arnaldo Velarde,
Commander, Peruvian
Air Force
Miguel Gonzalez del
Rio, Presidential
Advisor on Narcotics
Matters
Amb. Roberto Maclean,
Peruvian Amb. to the
United States
Interpreter

~~2:50 pm~~
3:01

THE PRESIDENT, accompanied by President Fujimori,
begins participation in Bilateral Meeting.

~~3:30 pm~~
3:40

THE PRESIDENT concludes participation in
Bilateral Meeting, bids Farewell to
President Fujimori, and remains in Suite
for Private Time.

(PRIVATE TIME: 10 MINUTES)

~~3:40 pm~~
3:44

THE PRESIDENT greets The Honorable Cesar
Gaviria, President of Colombia.

EVENT: BILATERAL MEETING WITH PRESIDENT GAVIRIA

POOL COVERAGE (AT BEGINNING ONLY)

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
R. Martinez
H. Moore
Gen. Scowcroft
Asst. Sec. Aronson
T. McNamara
W. Pryce (Notetaker)
Interpreter

COLOMBIAN PARTICIPANTS

Pres. Gaviria
Noemi Sanin de Rubio,
Min. of Foreign Rel.
Fernando Carrillo, Min.
of Justice
Rafael Fardo Rueda, Min.
of National Defense
Jaime Garcia Para,
Colombian Amb. to the
U.S.
Gabriel Silva, Pres.
Advisor for
International Affairs
Interpreter

3:42 pm

THE PRESIDENT, accompanied by President Gaviria, begins participation in Bilateral Meeting.

4:15 pm

THE PRESIDENT concludes participation in Bilateral Meeting, bids Farewell to President Gaviria, and remains in Suite for Private Time.

PRIVATE TIME: 10 MINUTES)

4:32 pm

THE PRESIDENT greets The Honorable Rodrigo Borja, President of Ecuador.

EVENT:

BILATERAL MEETING WITH PRESIDENT BORJA

POOL COVERAGE AT BEGINNING ONLY)

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
H. Moore

ECUADORIAN PARTICIPANTS

Pres. Rodrigo Borja
Diego Cordovez, Min.
of Foreign Relations

Page Seven

Gen. Scovroff
Asst. Sec. Aronson
W. Pryce (Notetaker)
Interpreter
Cesar Verdugo, Min.
of Government
Jorge Falla, Min. of
Defense
Jaime Moncayo, Ecuadorian
Amb. to the U.S.

THE PRESIDENT, accompanied by President
Borja, begins participation in bilateral meeting.

4:35 pm

THE PRESIDENT concludes participation in
bilateral meeting, bids farewell to President
Borja, and remains in suite for private time.

5:00 pm

(PRIVATE TIME: 10 MINUTES)

THE PRESIDENT greets the Honorable Jaime Paz
Zamora, President of Bolivia.

5:04 pm

BILATERAL MEETING WITH PRESIDENT PAZ ZAMORA

POOL COVERAGE (AT BEGINNING ONLY)

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
R. Martinez
H. Moore
Gen. Scovroff
Asst. Sec. Aronson
T. McNamara
W. Pryce (Notetaker)
Interpreter
Pres. Jaime Paz Zamora
Carlos Iturralde, Min.
of Foreign Affairs
Carlos Saavedra, Min.
of Interior
Jusaya Fernandez, Min.
of the Presidency
Jorge Crespo, Bolivian
Amb. to the U.S.
Humberto Borja, Foreign
Ministry Subsecretary
for Bilateral Affairs
Interpreter

Page Eight

~~5:05~~ pm
5:08

THE PRESIDENT, accompanied by President Paz Zamora, begins participation in Bilateral Meeting.

~~5:45~~ pm
5:54

THE PRESIDENT concludes participation in Bilateral Meeting and bids Farewell to President Paz Zamora.

~~5:45~~ pm
5:56

THE PRESIDENT departs Suite 1710 and proceeds to Suite.

~~5:45~~ pm
5:58

THE PRESIDENT arrives Suite for Private Time.

PRIVATE TIME: 1 HOUR 35 MINUTES!

NOTE: Mrs. Bush re-joins THE PRESIDENT at this time.

~~7:05~~ pm
7:07

THE PRESIDENT and Mrs. Bush depart Suite and proceed to Motorcade.

~~7:10~~ pm
7:12

THE PRESIDENT and Mrs. Bush board Motorcade and depart Marriott Rivercenter Hotel en route Majestic Theatre.

MOTORCADE ASSIGNMENTS:

(b)(7)(C), (b)(7)(e), (b)(7)(f)

(b)(7)(C), (b)(7)(E), (b)(7)(F)

Drive Time: 5 Minutes)

OFFICIAL PARTY AND STAFF INSTRUCTIONS:

Upon arrival at Majestic Theatre, Official Party Members and Staff attending State Dinner will be escorted to Lobby for Reception.

Remaining Staff will be escorted to Holding Room, where a Dinner will be provided.

Page Ten

Please board Motorcade no later
than 10:15 pm for transport to
Marriott Hotel.

~~7:15~~ pm
7:17

THE PRESIDENT and Mrs. Bush arrive Majestic
Theatre and proceed to Foyer.

Met by:

The Honorable and Mrs. Nelson W. Wolff (Tracy)
Mayor of San Antonio

Mr. and Mrs. Joseph R. Straus, Jr. (Jocelyn)
Chairman of the Board, Retama Park

Mr. Kirk B. Feldman
General Manager, Majestic Theatre

EVENT: STATE DINNER

POOL COVERAGE (FOR TOAST ONLY)

RECEIVING LINE

TOAST (THE PRESIDENT ONLY)

CONSECUTIVE TRANSLATION

DINNER

AFTER-DINNER ENTERTAINMENT

~~7:15~~ pm
7:20

THE PRESIDENT and Mrs. Bush arrive Foyer and
begin participation in Heads of Delegations
Arrivals in Reverse Protocol Order.

7:25 7:20 pm Venezuela 2nd
7:23 7:23 pm Colombia 1st
7:21 7:26 pm Peru 3rd



THE PRESIDENT and Mrs. Bush conclude participation in State Dinner and, accompanied by Heads of Delegations, depart Stage and proceed to Foyer. 10:23 pm

After-Dinner Entertainment begins. 9:41 pm

THE PRESIDENT concludes Toast and is Seated. 8:02 pm

THE PRESIDENT offers Toast. 7:54 pm

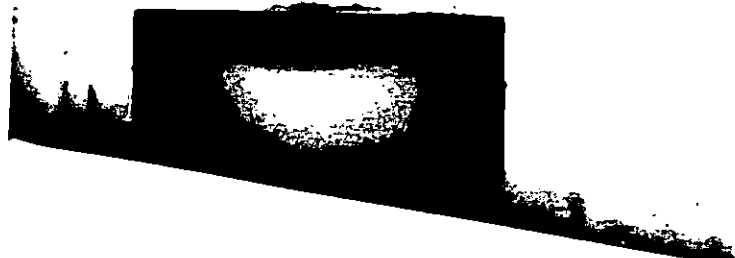
Heads of Delegations, arrive Stage and take seats. 7:51 pm

THE PRESIDENT and Mrs. Bush conclude participation in Receiving Line and, accompanied by Heads of Delegations, depart Theatre lobby and proceed to Stage. 7:50 pm

THE PRESIDENT and Mrs. Bush, accompanied by President Borja, arrive Theatre lobby and begin participation in Receiving Line. 7:49 pm

THE PRESIDENT and Mrs. Bush conclude participation in Heads of Delegations Arrivals and, accompanied by President Borja, depart Foyer and proceed to Theatre lobby. 7:35 pm

7:27 7:29 pm BOLIVIA 4 1/2
7:31 7:32 pm MEXICO 5 1/2
7:33 7:35 pm ECUADOR 6 1/2



~~9:59 pm~~
10:25

THE PRESIDENT and Mrs. Bush arrive Foyer and begin participation in Heads of Delegations Departures in Protocol Order.

10:26 ~~10:00~~ pm Ecuador
10:28 ~~10:05~~ pm Mexico
10:30 ~~10:05~~ pm Bolivia
10:32 ~~10:05~~ pm Peru
10:33 ~~10:12~~ pm Colombia
10:34 ~~10:15~~ pm Venezuela

~~10:30 pm~~
10:37

THE PRESIDENT and Mrs. Bush conclude participation in Heads of Delegations Departures, depart Foyer, and proceed to Motorcade.

~~10:30 pm~~
10:38

THE PRESIDENT and Mrs. Bush board Motorcade and depart Majestic Theater en route Marriott Rivercenter Hotel.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 5 Minutes)

~~10:35 pm~~
10:42

THE PRESIDENT and Mrs. Bush arrive Marriott Rivercenter Hotel and proceed to Suite.

~~10:35 pm~~
10:45

THE PRESIDENT and Mrs. Bush arrive Suite for RCN.

RON San Antonio, Texas

Page Thirteen

Thursday, February 27, 1992

OFFICIAL PARTY AND STAFF INSTRUCTIONS:

9:00 am. Baggage call. Official Party Members and Staff traveling on either Air Force One or SAM 27000 should place all unlocked baggage outside your door at this time. Official Party Members and Staff requesting transport to the McNay Art Museum will be escorted from Staff Office, Room 3332, to Motorcade at 9:00 am. Motorpool vehicles will be available for transport to and from McNay Art Museum during the day. State not participating in Summit Events should board buses outside Marriott Hotel no later than 4:20 pm for transport to Kelly Air Force Base.

THE PRESIDENT departs Suite and proceeds to Suite 3730.

NOTE:

Mrs. Bush assumes separate schedule at this time.

Six police photos will be taken at this time.

THE PRESIDENT arrives Suite 3730 and holds briefly.

Met by:

The Honorable Carlos Salinas
President of Mexico

Page Fourteen

THE PRESIDENT, accompanied by President Salinas, proceeds to Seats for Photo Opportunity.

7:30

WORKING BREAKFAST WITH PRESIDENT SALINAS

CLOSED PRESS

PHOTO OPPORTUNITY

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
Amb. C. Hills
H. Moore
Gen. Scowcroft
Asst. Sec. Aronson
W. Pryce (Notetaker)
Interpreter

MEXICAN PARTICIPANTS

President Salinas
Others TBD

THE PRESIDENT, accompanied by President Salinas, is Seated and begins participation in Photo Opportunity.

7:31

THE PRESIDENT, accompanied by President Salinas, concludes participation in Photo Opportunity, departs Suite 3710 and proceeds to Suite 3729.

7:34

THE PRESIDENT, accompanied by President Salinas, arrives Suite 3729 and begins participation in Working Breakfast.

7:35

THE PRESIDENT concludes participation in working Breakfast, bids Farewell to President Salinas, and holds briefly.

~~8:25 am~~
8:27

THE PRESIDENT departs Suite 3729 and proceeds to Suite 3730.

~~8:27 am~~
8:29

THE PRESIDENT arrives Suite 3730 for Private Time.

(PRIVATE TIME: 7 MINUTES)

~~8:29 am~~
8:32

THE PRESIDENT greets Dr. Armando Duran, Venezuelan Minister of Foreign Relations, and proceeds to Seat.

~~8:32 am~~
8:33

EVENT: PHOTO OPPORTUNITY WITH FOREIGN MINISTER ARMANDO DURAN

POOL COVERAGE

THE PRESIDENT, accompanied by Foreign Minister Duran, is Seated and begins participation in Photo Opportunity.

~~8:33 am~~
8:34

THE PRESIDENT concludes participation in Photo Opportunity, bids Farewell to Foreign Minister Duran, and holds briefly.

~~8:34 am~~
8:40

8:41 —

8:45 —

~~8:45 am~~
8:46

Give Hello w/ Earl Campbell

Depart Hello w/ Earl Campbell

THE PRESIDENT departs Suite 3730 and proceeds to Suite.

THE PRESIDENT arrives Suite for Private Time.
(PRIVATE TIME: 20 MINUTES)

8:49

THE PRESIDENT departs Suite and proceeds
to Motorcade.

9:13

THE PRESIDENT boards Motorcade and departs
Marriott Rivercenter Hotel en route McNay Art
Museum.

9:17

MOTORCADE ASSIGNMENTS:

(b)(7)(C), (b)(7)(e), (b)(7)(f)

(b)(7)(C), (b)(7)(E), (b)(7)(F)

Drive Time: 10 Minutes:

SPECIAL PARTY AND STAFF INSTRUCTIONS:

Upon arrival at the McNay Art Museum, Official Party Members participating in Plenary Sessions will be escorted to Emily Wells Brown Gallery or Delegation Holding Rooms.

Remaining Staff will be escorted to Staff Holding Rooms.

9:15 am
9:31

THE PRESIDENT arrives McNay Art Museum and proceeds to Foyer.

Page Eight-

Met by:

Mr. Gaines Voight
President, Board of Trustees, McNay Art Museum

Dr. William J. Chicago
Director, McNay Art Museum

Ms. Ellen Sawyer
Director of Development and Public Relations,
McNay Art Museum

9:27 am

9:32

THE PRESIDENT arrives Foyer and begins
participation in Heads of Delegations Arrivals
in Reverse Protocol Order.

NOTE: Upon arrival, Heads of Delegations
will be escorted to the Emily Wells
Brown Gallery.

9:40 9:27 am Venezuela 1

9:43 9:30 am Colombia 2

9:51 9:33 am Peru 5

9:54 9:36 am Bolivia 6

9:45 9:32 am Mexico 3

9:49 9:32 am Ecuador 4

9:45 am

9:56

THE PRESIDENT, accompanied by President
Borja, departs Foyer and proceeds to
Emily Wells Brown Gallery.

EVENT:

FIRST PLenary SESSION

POOL COVERAGE AT BEGINNING ONLY

SIMULTANEOUS INTERPRETATION

Page Nineteen

U.S. PARTICIPANTS

At Table:
THE PRESIDENT
Sec. Baker
Gov. Martinez

Seated behind:
H. Moore
Gen. Scowcroft
M. Fitzwater
Asst. Sec. Aronson
Asst. Sec. Levitsky
T. McNamara
J. Walters

FOREIGN PARTICIPANTS

Heads of Delegations
Delegation Members

9:00 am
10:00

THE PRESIDENT, accompanied by President Borja, arrives Emily Wells Brown Gallery and begins participation in First Plenary Session.

11:55 am

THE PRESIDENT concludes participation in First Plenary Session, and, accompanied by Heads of Delegations, departs Emily Wells Brown Gallery and proceeds to Class Photo Area.

EVENT:

SUMMIT CLASS PHOTO

POOL COVERAGE

U.S. PARTICIPANTS

THE PRESIDENT

FOREIGN PARTICIPANTS

Heads of Delegations

12:00 pm

12:01

THE PRESIDENT, accompanied by Heads of Delegations, arrives Class Photo Area and begins participation in Summit Class Photo.

12:04

THE PRESIDENT, accompanied by Heads of Delegations, concludes participation in Summit Class Photo, departs Class Photo Area, and proceeds to Mary and Sylvan Lang Gallery.

OFFICIAL PARTY AND STAFF INSTRUCTIONS:

Official Party Members and Staff not participating in Working Luncheon will be escorted to Art Institute Gallery for separate luncheon.

Please board Motorcade no later than 4:05 pm for transport to West End Multi-Service Center.

EVENT: WORKING LUNCHEON

CLOSED PRESS

U.S. PARTICIPANTS

THE PRESIDENT
Sec. Baker
Gov. Martinez
H. Moore
Gen. Scowcroft
M. Fitzwater
Asst. Sec. Aronson
Asst. Sec. Levitsky
T. McNamara
J. Walters
Interpreter

FOREIGN PARTICIPANTS

Heads of Delegations
Delegation Members
Interpreters

12:05

THE PRESIDENT, accompanied by Heads of Delegations, arrives Mary and Sylvan Lang Gallery and begins participation in Working Luncheon.

Page Twenty-Two

THE PRESIDENT concludes participation in plenary session, departs Emily Wells Brown Gallery, and proceeds to holding room.

Sh:8

THE PRESIDENT, accompanied by Heads of Delegations, arrives Emily Wells Brown Gallery and begins participation in second plenary session.

1:20

At the Table:
THE PRESIDENT
Sec. Baker
Gov. Martinez
Seated Behind:
H. Moore
Dan Scofield
M. Fitzwater
Asst. Sec. Anderson
Asst. Sec. Levisky
J. McNamara
J. Walters
Heads of Delegations
Delegation Members

U.S. PARTICIPANTS
FOREIGN PARTICIPANTS

SECOND PLenary SESSION
POOL COVERAGE (AT BEGINNING AND END)
SIMULTANEOUS INTERPRETATION

THE PRESIDENT, accompanied by Heads of Delegations, concludes participation in working luncheon, departs Mary and Sylvan Brown Gallery and proceeds to Emily Wells Brown Gallery.

1:06

THE PRESIDENT arrives Holding Room for
Briefing Time. *Baker, Fitzwater, Scowcroft*
BRIEFING TIME: 15 MINUTES)

~~2:49 PM~~
2:49

THE PRESIDENT departs Holding Room and proceeds
to Museum Lawn.

~~2:58 PM~~
2:58

EVENT: JOINT PRESS CONFERENCE

OPEN PRESS

OPENING STATEMENT

QUESTION AND ANSWER SESSION

SIMULTANEOUS INTERPRETATION

U.S. PARTICIPANTS

FOREIGN PARTICIPANTS

THE PRESIDENT

Heads of Delegations

~~3:00 PM~~
3:02

THE PRESIDENT arrives Museum Lawn and begins
participation in Joint Press Conference.

NOTE: Mrs. Bush re-joins THE PRESIDENT
at this time and observes Press
Conference from VIP Viewing
Area.

~~3:45 PM~~
3:50

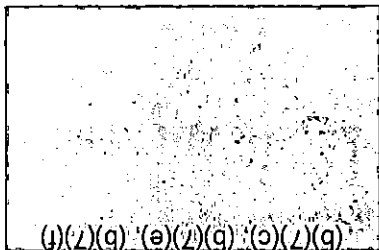
THE PRESIDENT concludes participation in
Joint Press Conference, and, accompanied
by Heads of Delegations and Mrs. Bush, departs
Museum Lawn and proceeds to Foyer.

3:35 PM
3:51

THE PRESIDENT and Mrs. Bush arrive Foyer and
begin participation in Heads of Delegations
Departures in Protocol Order.



Page Twenty-Four



(b)(7)(C);(b)(7)(D);(b)(7)(E);(b)(7)(F);(b)(7)(G);(b)(7)(H);(b)(7)(I)

CONFIDENTIALITY INFORMATION

THE PRESIDENT and Mrs. Bush board Motorcade and
depart Monay Art Museum en route West End
Multi-Service Center.
and proceed to Moscarda.
THE PRESIDENT and Mrs. Bush conclude participation
in Heads of Delegations Departures, depart Poyet
and proceed to Moscarda.

4:11
pm

4:09
pm

1 Ecuador 3:55
2 Mexico 3:58
3 Bolivia 4:01
4 Peru 4:03
5 Colombia 4:05
6 Venezuela 4:08



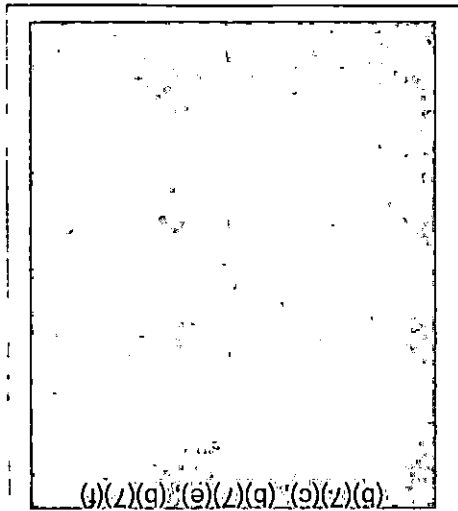


Page Twenty-Five

Official Party Members and Staff not
attending San Antonio Spurs Drug
Free Event should remain behind.
Following departure of Morcorado,
Vans will be available for transport
directly to Kelly Air Force Base.

QUEST AND STATE INSTRUCTIONS:

Drive Time: 10 Minutes



upon arrival at West End Multi-Service Center. Guests and Staff will be escorted to either Staff Viewing Area or Staff Holding Room.

Please board Motorcade no later than 5:00 pm for transport to Kelly Air Force Base.

4:20 pm
4:29

THE PRESIDENT and Mrs. Bush arrive West End Multi-Service Center and proceed to Recreation Room.

Met by:

The Honorable Nelson Wolff
Mayor of San Antonio

Mr. Alex Beriseno
San Antonio City Manager

Mr. Ron Darnier
Director of Parks and Recreation, City of San Antonio

Mr. Oza Johnson
Director, West End Multi-Service Center

Mr. B.J. "Red" McCombs
Owner, San Antonio Spurs

Mr. Greg "Pop" Popovich
Assistant Coach, San Antonio Spurs

Mr. David Robinson
San Antonio Spurs Basketball Player

Mr. Sean Elliott
San Antonio Spurs Basketball Player

Mr. Antoine Carr
San Antonio Spurs Basketball Player

Mr. Rod Strickland
San Antonio Spurs Basketball Player

Page Twenty-Six

Mr. Willie Anderson
San Antonio Spurs Basketball Player
Mr. Sidney Green
San Antonio Spurs Basketball Player

~~EVENT:~~ BRIEFING ON SAN ANTONIO SPURS DRUG-FREE BASKETBALL
LEAGUE
EXPANDED POOL

~~4:30 pm~~
4:32

THE PRESIDENT and Mrs. Bush, accompanied by San Antonio Spurs Owner, Coach, and Players, arrive Recreation Room and begin participation in San Antonio Spurs Drug-Free Basketball League Briefing.

~~4:35 pm~~
4:41

THE PRESIDENT and Mrs. Bush conclude participation in Briefing, depart Recreation Room, and proceed to Gymnasium Off-Stage Announcement Area.

~~4:40 pm~~
4:43

THE PRESIDENT and Mrs. Bush arrive Gymnasium Off-Stage Announcement Area and hold briefly.

~~EVENT:~~ DRCP-BY SAN ANTONIO SPURS DRUG-FREE BASKETBALL
LEAGUE GAME

OPEN PRESS

OFF-STAGE ANNOUNCEMENT

BRIEF REMARKS

TOAST LECTERN

THE PRESIDENT and Mrs. Bush, accompanied Mr. David Robinson, San Antonio Spurs Basketball Player, are announced into Gymnasium and proceed to Seats in Bleachers.

4:44

THE PRESIDENT and Mrs. Bush are Seated and begin Viewing Basketball Game.

4:45

NOTE: THE PRESIDENT and Mrs. Bush will view a group of nine and ten-year-olds playing one six-minute quarter.

4:50 pm
4:57

THE PRESIDENT and Mrs. Bush conclude Viewing Basketball Game, depart Seats, and proceed to Toast Lectern.

4:55 pm
5:00

THE PRESIDENT is introduced for Brief Remarks by Mr. David Robinson, San Antonio Spurs Basketball Player.

4:55 pm
5:01

THE PRESIDENT gives Brief Remarks.

5:00 pm
5:05

THE PRESIDENT concludes Brief Remarks, and with Mrs. Bush, departs Gymnasium and proceeds to Holding Room.

5:01 pm

THE PRESIDENT and Mrs. Bush arrive Holding Room and hold briefly.

5:03 pm

NO HOLD
THE PRESIDENT and Mrs. Bush depart Holding Room and proceed to Motorcade.

5:11

THE PRESIDENT and Mrs. Bush board Motorcade and depart West End Multi-Service Center en route Kelly Air Force Base.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 20 Minutes)

5:25 pm

THE PRESIDENT and Mrs. Bush arrive Kelly Air Force Base and proceed to board Air Force One.

5:30 pm
C.S.T.

THE PRESIDENT and Mrs. Bush depart San Antonio, Texas en route Houston, Texas.

(Flying Time: 45 Minutes)
(Interchange: No)
(Time Change: None)
(Food Service: Snacks/Beverages)

Brick Presentation (Kelly 1-2)

00:6 RAME

(715) 651-3322 Nelson
(715) 855-2136 Charlie

Robbie Smith
(715) 337-1755
(715) 364-8508
(715) 644-8301
Week end

M:R Rogers

Elisa Hillman
(715) 471-8312

243-2828

(715) 650-4685

FROM
THE WHITE HOUSE
WASHINGTON, D.C

Mr. Kevin Shanley
4 Jackson Avenue
Gladstone, NJ 07934



THE PRESIDENT

February 26, 1992
(San Antonio, Texas)

Dear Kevin,

I was so sorry to hear about your father. It hurts to lose someone you love a lot. Barbara and I are thinking of you and send our sincere condolences to you and your family.

Sincerely,

Bob

*I loved
the guy!*

Mr. Bernard
Shanley
passed away on
Tuesday, February
25th. His next of
kin is son Kevin.

JAN'S