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Thursday, July 23, 1992 [3]

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01. Schedule	Schedule of the President; redactions. (1 pp.)	07/23/92	(b)(3)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records
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File Location: Thursday, July 23, 1992 [3]

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Processed by: Matt Lee
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WHITE HOUSE STAFFING MEMORANDUM

RZ

DATE: 7/22/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---

PRESIDENTIAL REMARKS: NORTHERN VIRGINIA COMMUNITY COLLEGE
SUBJECT: THURSDAY, 7/23/92 - 1:45 p.m.

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE	☐	☒
SCOWCROFT	☐	☐	MOORE	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☒
BRADY	☐	☒	PORTER	☐	☒
BROMLEY	☐	☐	PROVOST	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	YEUTTER	☐	☒
FITZWATER	☐	☒	FINDLAY	☐	☒
GRAY	☐	☒	KAUFMAN	☐	☒
HOLIDAY	☐	☒	MCGROARTY	☐	☒
			CLERK		☒

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

THE WHITE HOUSE
WASHINGTON

July 20, 1992

MEMORANDUM FOR THE PRESIDENT

THROUGH: STEVEN PROVOST *SP*

FROM: BETH HINCHLIFFE *BH*

On Thursday, July 23, 1992, at Northern Virginia Community College in Annandale, you will address an audience of approximately 500, gathered for the signing of the Higher Education Act of 1992.

Your remarks (8 minutes, cards) focus on the major advances of this new act -- specifically how it expands middle-class access to federal education grants; and how it permits part-time students to qualify for financial support.

In addition, the remarks show that this Act is part of your overall education plan. They also address the larger issue of the importance of education for this nation's future.

(Hinchliffe/Gershowitz)
July 22, 1992 10 a.m.
HIGH Draft Three

**PRESIDENTIAL REMARKS: SIGNING OF HIGHER EDUCATION AMENDMENTS
NORTHERN VIRGINIA COMMUNITY COLLEGE
THURSDAY, JULY 23, 1992 1:45 P.M.**

Thank you. It's a pleasure to be here in Virginia ... in the cradle of American education ... to help move our schools into the 21st century.

I told Dr. Ernst ... I'm impressed with Nova's mission ... with your curriculum .. and most especially ... with your choice for last year's commencement speaker ... a certain silver-haired philosopher named Barbara Bush.

Now understand .. there are a couple of things I just don't like to do. Eat broccoli. Watch the other party on TV. And speak anywhere that Barbara has already spoken.

It's sort of like being asked to play guitar after Garth Brooks.//

But today ... I'll break my rule just one time ... because the occasion is so important.

We gather at a momentous moment in history. Over the past four years ... we've seen changes of almost Biblical proportions. The Cold War is over. In the international Super Bowl of ideas and lifestyle ... we won.

The competition was lopsided ... like a flag football team taking on the Redskins.

What does that mean for you and your families? Well ... when children go to bed tonight ... they'll be safer from the specter of nuclear war.

Safer than they were a decade ago. Safer than they were a year ago. Safer than even just a month ago. I believe that is very good news! \\\

This new world poses big challenges ... and big opportunities. From Poland to Peru ... other nations are trying to copy our system of free enterprise.

A system more productive than any other. A system that can make cars, computers ... even that incredible 21st century marvel of imagination ... the Teenage Mutant Ninja Turtle.

Here's the question: How do we win ... when more of the world's nations are playing our game?

The opportunity is huge. When we win ... the economists say we will "all share in a maximized proportion of ever-increasing global prosperity." In plain English, that means: good, steady jobs... for you and all your families. \\\

How do we win those jobs? I believe we cannot renew America ... without renewing our schools.

Consider a couple facts. In 1980 ... a man with a college education made ... on average ... \$11,000 more per year than a man with only a high school education. By 1990 ... that gap had increased to more than \$16,000 ... and the exact same pattern happened with women's income.

Those facts shout a simple truth ... education makes the difference.

It doesn't matter if your mom and dad worked in a steel mill ... or sold life insurance ... or filled tacos at the local restaurant. Every American deserves the chance to get on the ladder of opportunity and climb! \\\

I want to tell you about a woman I admire. She's not someone you'll read about in the paper, or see on t.v. She is someone who might be your neighbor, or the mother of one of your kids' friends. She has two disabled children, and a life that's had many good breaks ... and a couple bad. But she also has a dream that she won't let go -- to be a nurse. And now she will get the financial help she needs to fulfill that dream.

Some day -- this courageous lady's children will sit in the audience and watch Mom receive her nursing degree. This woman who's done so much for so many ... will now be able to serve even more people. I'd like her to stand up ... the President of Phi Theta Kappa ... Frances McIntyre.

When I heard Frances' story -- saw her determination -- I was proud. Proud of Frances -- and proud that we are giving thousands of men and women like Frances a better chance to get the education they desire and deserve.

This Act gives a hand up to lower-income students, who need help the most. But it also reaches out to middle-income families -- the ones who skipped the vacation and drove the old clunker so that their kids could go to college. Too often, the funding cracks have been so big that these solid, decent families have slipped through -- and their kids' dreams have been in danger of

slipping away. Well, no longer. It's a matter of fairness.
It's a matter of our future. \\\

This Act reaches out to middle-income families -- raising limits on how much students and parents can borrow; and letting almost all students get loans, regardless of income. \\\

And this Act reflects an awareness of an important new phenomenon. We used to think of education as like measles vaccines, first dates and learning to drive ... something we only did when we were young. Today, education never ends. Although our temples may be graying and our jogging routes a little shorter ... we always have to learn. This Act recognizes that simple fact ... by making federal financial aid available for part-time students ... who are taking a class or two toward their degree ... while still working during the day. \\\

How much richer our nation's future will be. Each year, millions of families will be able to get more Federal assistance -- and will be able to pass on to their kids the American legacy of education.

But this Act does more than open up federal funding to middle-income and part-time students. Through a new Federal/State partnership, it also sets tough standards -- ridding Federal aid programs of fraud and abuse both by sham schools and by students who default on their loans. Every dollar we waste is another dollar that doesn't help someone build a dream. We must demand accountability.

In addition, under this Act ... for the first time ... some

student aid will be contingent on academic performance. And the Act includes parts of what we call the AMERICA 2000 program, including academies for teachers and school leaders; and something called alternative certification.

That's a program near and dear to my heart, so let me explain it. When I lived in West Texas, I tried to volunteer to teach night courses, but my college economics degree wasn't good enough, because I didn't have the required education courses. That bothered me ... then I learned that without a teaching degree, even Albert Einstein couldn't teach high school science. Now, I might understand keeping me out of the classroom ... I might get embarrassed around the computer. But Albert Einstein?

Well, in my first months in office, I proposed legislation to allow our Einsteins to teach, without traditional certification. After three years and three tries, Congress finally agrees. This helps open huge pools of talent to bring into our classrooms. We can find a way ... for example ... to encourage more of our men and women who are leaving the armed services -- to put their skills to work leading future generations in the classroom.

This Act reaffirms my commitment to education. It's one more piece of the quilt of education-related activities we've knit together ... from our national education goals to the far-reaching challenges of AMERICA 2000 -- all based in the belief that to renew our country we must renew our schools.

Our system of higher education is the best in the world -- because it's rooted in American ideals that make it excellent, accessible and accountable.

AMERICA 2000 is the revolution that believes those ideals must be transferred to our elementary and secondary schools -- and 1,500 communities and 44 states have already signed up. I'm calling for break-the-mold New American Schools -- for world class standards and exams -- for flexibility for teachers -- and for allowing parents to choose the schools they want their kids to attend.

Just yesterday Senator Danforth and Congressman Gradison introduced my "State and Local GI Acts for Children," which will transform education by giving middle- and low-income families a thousand dollars to send their kids to their choice of schools. I don't know about you ... but that gives me a thousand reasons to cheer.

Higher education thrives on competition and choice -- we must bring those incentives to elementary and secondary schools. It's time we let parents, not the government, choose their kids' schools -- public, private or religious.//

I mentioned earlier how I believe that education is now a lifelong endeavor.

So I feel it is only appropriate to conclude with a quote I remember from my own school days. (And no Lamar ... it isn't true that I never studied the Gettysburg Address ... because I

heard it firsthand.)

I remember a quote from Longfellow ... not the center on our basketball team ... but Henry Wadsworth himself.

Something about "great heights not being achieved by sudden flight ... but by toiling upward in the night."

Longfellow's advice could apply to the task of renewing our schools.

It won't be done with headlines ... or slogans ... or even money alone.

What it takes ... is innovation ... courage ... a willingness in every community to roll up our sleeves ... and reform this vital American institution.

We are toiling upward in the night ... and today we climb a little higher. When we have reached our plateau ... we will look out upon a new generation of schools ... and a stronger foundation for our nation.

And now, on behalf of Frances McIntyre and the legions of students at NOVA and across this country who will benefit -- it is with pride and hope that I sign into law the Higher Education Act of 1992.

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WHITE HOUSE STAFFING MEMORANDUM

RZ

DATE: 7/22/92 ACTION/CONCURRENCE/COMMENT DUE BY: ---SUBJECT: PRESIDENTIAL VIDEO TAPING: 50th ANNIV. AFRTS; JEWISH WAR
VETERANS OF U.S.A.; INTERNAT'L ASSOC. OF FIREFIGHTERS;
BISHOP ALLIN ROAST

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE	☐	☐
SCOWCROFT	☐	☒	MOORE	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☒
BRADY	☐	☒	PORTER	☐	☒
BROMLEY	☐	☐	PROVOST	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	YEUTTER	☐	☒
FITZWATER	☐	☒	<u>FINDLAY</u>	☐	☒
GRAY	☐	☒	<u>KAUFMAN</u>	☐	☒
HOLIDAY	☐	☒	<u>MCGROARTY</u>	☐	☒

REMARKS:

The attached has been forwarded to the President.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE

WASHINGTON

2 JUL 22 P 4: 09

July 22, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: DAN MCGROARTY *me*
SUBJECT: SCRIPTS FOR VIDEO TAPING

Tomorrow at 10:00 a.m. in the OEOB studio you will tape the following videos:

1. 50th Anniversary of the Armed Forces Radio and Television Service
2. Jewish War Veterans of the U.S.A.
3. International Assoc. of Firefighters
4. Bishop Allin Roast (taped in the event that Mrs. Bush doesn't attend the roast.)

Bunton
July 21, 1992
Draft 2 / AFRTS

PRESIDENTIAL VIDEO MESSAGE: 50th ANNIVERSARY AFRTS

On this fiftieth anniversary of the Armed Forces Radio and Television Service, I congratulate all 1,700 men and women serving with A-F-R-T-S in distant corners of the world.

What began with a phonograph sending signals no farther than the mess hall speakers, today reaches more than one million dedicated fans from Diego Garcia to Denmark.

For five decades, Armed Forces Radio and Television has brought word from home to generations of American military personnel and their families serving our country overseas. As these men and women help keep the peace and freedom in far away places, Armed Forces Radio and TV helps bring "home" a little closer.

Your round-the-clock news and quality entertainment is appreciated by American military forces around the globe. From the Pacific region during World War Two -- [I remember how we all looked forward to hearing those broadcasts over the ship's shortwave radio] -- over the hills of Korea, through the jungles of Vietnam / and across the sands of the Middle East - - you were there. Yours is a rich heritage of service to those who wear the uniform. That's a history to be proud of.

I salute all of you for the outstanding job you have done for our country in keeping our service men and women the best informed military in the world.

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(Grossman)
July 21, 1992
JWV

PRESIDENTIAL VIDEO: JEWISH WAR VETERANS OF THE U.S.A.

To my fellow veterans -- The Jewish War Veterans of the United States of America -- it's an honor to join this convention. I hear National Commander Al Cohen is there -- a fellow World War II vet. We seasoned veterans can tell the country a little about life in the military: when you're in the trenches -- you don't care what color your buddy is. When you're on a mission -- you don't ask your wingman how he prays.

I served with many Jewish soldiers in my day -- proud Americans, each and every one of them. American Jews have defended their country in every war. From Meuse-Argonne to Midway. From Iwo Jima to Inchon. From Saipan to Saudi Arabia -- American Jews have done the hard work of freedom. The Midrash says: "If you can't stand the smell of gunpowder, don't go to war." The men I've known have stood the gunpowder, stood their ground -- and stood tall for America.

But JWV does more than honor those who defended America during war -- though even there, one might say, "Daiyanu." [die YAY noo (that would be enough)]. The JWV also encourages those who would care for America during peace. Whether it's volunteering at our VA hospitals, helping our homeless, or keeping our kids on the right track -- your veterans are on the frontlines of a battle for a better America.

Thank you for all you've done for your country -- for all
you're doing. God bless you and God bless the United States of
America.

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(Walters)
July 20, 1992
Draft Two
FIRE

PRESIDENTIAL MESSAGE: INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS

Good morning. I wish I could be with you today in Vancouver. Instead I send my best wishes from the District of Columbia to all of you in British Columbia at the 41st Biennial Convention of the International Association of Fire Fighters.

I speak for our entire Nation when I thank you for your hard work, determination, and courage. Whether it's saving a child from a burning building, responding to an emergency, or fighting fires in a crowded city, you are the first line of defense in so many life-threatening situations.

Few people have a tougher commute to the job or a harder day in the office than firefighters. Your valor in the line of duty means saved lives and second chances. Some of us owe you our survival, and the rest of us owe you our gratitude.

The IAFF and your president, Al Whitehead, also deserve special thanks for work in fire and safety programs, hazardous materials training programs, and for generous support of the Burn Foundation and the Muscular Dystrophy Association. You are our nation's -- and Canada's -- finest. Keep up the good work, and may God bless you all.

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(Grossman)
July 21, 1992
ROAST

PRESIDENTIAL VIDEO: BISHOP ALLIN ROAST

Good evening everyone. I wish I could be there with you tonight -- as long as we're roasting the bishop, we might as well serve him up "well done." I hear Sonny Montgomery's going to be there. He knows how to turn up the heat.

You know, Reverend, after all the years I've known you, I still don't know whether you're a Republican or Democrat. I know you like to keep above politics -- but let me tell you just one little story. There was a bishop and a politician who showed up at the pearly gates at the same time. St. Peter met them, and took them to their new homes. He dropped the politician off at a beautiful mansion, and said: "This is your new home." Then St. Peter and the bishop drove on. And on. And finally stopped at a little broken down shack. "Well," said St. Peter, "this is your new home." The bishop said: "Now hold on -- I'm a pious man, I've lived a decent life -- why do I get a dump like this while the politician gets the spread?" St. Peter replied: "We get a lot of bishops up here -- but we hardly ever get a politician."

Now I don't know whether God's a Democrat or Republican, but I have just one request -- whatever I say about Jack: don't hold it against the GOP. But I think the bishop can take it. To quote his wife -- Lady Ann: "You can stand anything for a while - even hanging."

So let me get this off my chest: Jack, all those times we played horseshoes together -- I didn't really lose -- I just let you win. \\ And I remember all those sermons -- there I sat in my pew, head bowed, hands clasped, eyes closed. \ I always loved my afternoon naps. \\ Barbara loves your sermons so much -- she said you could market them for sale. \ I think that's a great idea. \ You could label them: "Dry Goods and Notions." \\

As most of you know, Bishop Allin served twelve years as the Presiding Bishop of the Episcopal Church. When I asked him what he was most proud of he said: "I survived." \\ Funny -- that's what everyone else says too.

But really, Jack, I salute you for everything you're doing for this great cause -- for everything you've done for me and my family, and for everything you have done for the Church. And as President, I want to thank you for participating in this roast -- it's always nice to have a little company in the frying pan. God bless you and this great country.

Why Things Aren't Getting Better

By PAUL W. McCracken

What has gone wrong with the U.S. economy? Clearly something has. While one month's data do not make a trend, the June rise in the unemployment rate carried credibility in part because it was consistent with the "feel" of the economy. The fact is we are in the second year of an incredibly weak and inadequate recovery from recession, and we are in the second decade of poor performance in terms of delivering improvements in real incomes.

The magnitude of this shortfall in our economic performance is large. If March last year was the low month for the 1990-91 recession, the rise in payroll employment during the current expansion has been at a rate of less than 1% per year. This is well below the basic rate of growth in the labor force, and it compares quite unfavorably with the expansion of job opportunities of 3.5% per year or so after earlier recessions. By this time in the recovery industrial output should be running about 15% to 18% percent above levels early last year; instead the gains have been about 3%.

Mild Recession?

The downturn phase of the 1990-91 recession, to be sure, was comparatively mild, and recoveries following shallow recessions have tended to be restrained. But if all that had happened this time was the "misfortune" of a mild recession, followed by a moderate pace of recovery, employment and output would now be far above current levels.

There are, of course, some things complicating our domestic recovery. U.S. exports are now large enough to exert a significant effect on domestic employment and production, and Canada and Japan (our two largest export markets) have been having their own domestic economic problems. (The Canadian and Japanese demand for U.S. output, it must be noted, has been rising more rapidly during the past decade than the American demand for American output.)

The recession in Britain and the strains evident in the German economy (both also important export markets for us) have had a further retarding effect on the U.S. economy. And an abnormal array of structural imbalances and distortions was accumulating before the recession. Every city has overbuilt office towers and hotels, and this overbuilding did leave thrift institutions generously supplied with sour loans. In that sense the late 1980s do bear some resemblance to the overbuilding of the late 1920s, which also left many monuments to man's infinite capacity for self-deception. **Recession and prosperity are influenced by these "real" developments as well as monetary and budget policies.**

Moreover, at just this juncture, came the sudden disintegration of the Soviet Union, and with it the prospect of a substantial reduction in defense spending. Obviously the nation would clearly be better off producing civilian rather than military products, if they are not needed for our external security. But the new civilian production and employment may not be located where the old defense activity was located, leaving some areas and employees stranded.

We must, however, resist exaggerated fears about the magnitude of the shifts.

The economy has always made the adjustment to lower military spending more readily than has usually been feared in advance. Following the Korean War, the unemployment rate reached a peak of 6.1% in September 1954. A year later it was back down to 4.1%. Again, with the reduction in defense spending from 1968 to 1970, there was a rise in unemployment to a 6.1% peak in August 1971. A year later, unemployment was 5.6% and falling.

This time seems to be different. Here we are well over a year beyond what looked like the low point of the recession, and the unemployment rate is more than a percentage point above what it was in March and April 1991. What is the trouble? One diagnosis to be resisted is that structural problems now make it impossible for the economy to get to where it ought to be.

This diagnosis is not new. In the 1930s, we thought the economy's problems were simply that all investment opportunities had been exploited—though the great capital formation boom of the 1950s was ahead. In the early 1970s there was concern that "for structural reasons" unemployment would remain high, though with the expansive policies that then followed the unemployment rate by the mid-1970s was back into the 4% zone.

The problem once again is quite simply to pursue properly expansive policies. The federal government's fiscal operations have probably played a perverse role in our economic performance, though the obese and impenetrable budget document unloaded on the public again last January makes it difficult to gauge the extent of their contributions to our economic malaise. Presumably dollars "spent" to replace dollars that vanished because of bad loans in thrift institutions contribute fewer points to economic growth than dollars spent on, say, rebuilding roads or left in private hands through tax reductions.

However, while there are plenty of warts and blemishes on the budget performance, the primary source of the economy's problems is monetary policy. During the recoveries since World War II the money stock (M2) in real terms has been expanded on the average at about 7% per year. Monetary policy blazed an expansionary trail along which the economy would follow. This time the money stock in real terms has actually been shrinking. Not surprisingly the expansion of employment and output has been at a glacial pace. The monetary policy of 1991-92 may well go into the annals of economic history as the most perverse since the 1931 turn to tight money that converted the 1929-31 recession into a Great Depression.

While problem banks have been a part of the sluggish expansion since early last year, the sluggish expansion has also played its part in converting into problem banks some institutions whose weak loans would have been of manageable size if the economy had been allowed to turn in anything like a normal recovery. Quite clearly, then, what the economy needs at this juncture, and has been needing, is a rate of monetary expansion in real terms adequate for a vigorous and orderly return to reasonably full employment of labor and other productive resources.

The gap, the ground to be made up, is large, larger than the current unemployment rate might suggest. There are those not now counted in the labor force who will come back in as jobs become more available. The belt-tightening of companies during the past two years has also increased their capability to achieve strong gains in productivity as demand and output rise. "Up" is pretty far above where the economy now is.

What should the president and Congress do? For their first rule they should borrow from medicine: First, do no harm. A quick, big program would almost certainly violate this basic rule. Moreover, it would be cruel, raising hopes beyond what the programs could deliver. A further enlargement of the deficit with new spending programs or tax reductions, with the deficit already running at between 7% and 8% of gross domestic product, is hardly in order.

No, guiding the economy through the ebbs and flows of the business cycle is the Federal Reserve's job. That is what it was created for. The system can act quickly, it can reverse course promptly, and it can create or extinguish money. The monetary authorities should be free from intervention by presidents, congresses, prime ministers and parliaments. Where these try to intrude into the complex process of managing monetary policies, the results have been poor.

What would now be in order would be a basic re-examination of the larger framework of our national economic objectives. One explanation for the monetary policies that have produced the current malaise is substantial sentiment within the Federal Reserve for monetary policies sufficiently restrictive to establish a zero rate of inflation. For two-thirds of this century the U.S. economy did a pretty good job expanding jobs and real income with a price level rising at the average rate of about 2% per year, and the economy once again could function well with a base rate of 2% or even zero once that lower base rate was well-established.

Zero Inflation

But getting to a zero rate of inflation, or even the 2% that prevailed for much of this century, would involve major social and economic trauma and readjustments, and this is a decision about the larger framework of national economic objectives that should come from Congress. It is doubtful if the Federal Reserve now has a mandate from society to go for zero inflation. The time has probably come for major hearings on what the national economic objectives ought to be about the price level and how to get there.

The Federal Reserve is, after all, the agent of Congress, to which in Article I, Section 8 the Constitution delegates the authority "to coin money [and] regulate the value thereof . . ." Indeed, the Federal Reserve's annual reports are addressed not to the president but to "The Speaker of the House of Representatives." The time has come for the Congress to speak to this price-level issue.

Mr. McCracken, a former chairman of the president's Council of Economic Advisers, is a University of Michigan professor emeritus.

Board of Contributors

The money stock in real terms has actually been shrinking. The monetary policy of 1991-92 may well go

Possible Questions and Answers
Interview with Pat Robertson of CBN
Thursday, July 23, 1992

1. Q: How do you feel about the recent Supreme Court decision barring voluntary prayer in school? Do you view this decision as yet another example of our country moving in the wrong direction as far as morals and family values are concerned?

Prayer

A: I am very disappointed by the Supreme Court's decision in Lee v. Weisman. The Court said that a simple non-denominational prayer thanking God for the "liberty of America" at a public school graduation ceremony violates the First Amendment. In this case, I believe that the Court has unnecessarily cast away the venerable and proper American tradition of non-sectarian prayer at public gatherings. I continue to believe that voluntary prayer is constitutional and should be allowed in public schools.

Disappointed

2. Q: At the Democratic convention last week, Bill Clinton said that he was "fed up with politicians in Washington lecturing the rest of us about 'family values'. Our families have values. But our government doesn't." How do you respond to his criticism?

Family

A: - We have to restore and safeguard the traditional American values that have held our society together for 200 years. I am talking about the difference between right and wrong. I'm talking about helping our neighbors; putting the family first; and putting our faith in something larger than ourselves.

- The contrast is clear. My opponent is pro abortion, even when abortions are paid for with tax dollars. My opponent supported the Supreme Court decision banning school prayer. I continue to believe prayer should be allowed in schools. Our government can be a force to strengthen our families. I believe our government can reward work -- not irresponsibility and dependency.

- The key to improving the well-being of all Americans is economic growth. A growing economy provides opportunity, and opportunity is the remedy for adversity.

*Opponent pro-abortion
School prayer.*

Choice for parent

3. Q: The issue of homosexuality has been given a new prominence in this campaign year. Earlier this year Robert Mosbacher met with gay-rights advocates and Fred Malek this past weekend on NBC's "Meet the Press" stated that the Republican campaign was "inclusive, and anybody who has a sharing of our beliefs of economic growth, job creation, fundamental values...is welcome" to the Convention. How do these actions square with your beliefs on homosexual rights?

HOMOS
A: - I am opposed to special treatment for homosexuals or any group. I don't want government to give preferential treatment to anyone simply because of the group to which they belong. All Americans should have civil rights. I strongly favor upholding the ban on homosexuals in the military.

role models for you

4. Q: The recent Supreme Court ruling on abortion upheld Roe and Justice Souter, whom you appointed voted to uphold Roe. How do you feel about this decision? Shouldn't Supreme Court Justices appointed by a Republican President be overtly opposed to Roe?

Roe
A: - I've made my position clear: I disagree with Roe v. Wade. I think it should be overturned. I was disappointed by the decision. However, it upheld parental consent, it upheld informing women about the development of a fetus prior to an abortion, and it upheld a waiting period. I am going to continue to appoint judges who will interpret the Constitution, not legislate from the bench. I don't think the courts should be making abortion policy.

1 out of 3 will abort

- I don't think people realize that one in every three pregnancies ends in abortion. Mother Theresa said, "every child is from God and if they don't want them I will take them." I wish more people would adopt that attitude.

5. Q: You vetoed the NIH Reauthorization bill a few weeks ago. If this bill came back to you without the fetal tissue research provisions in it, would you sign the bill?

NH
A: -We don't need to mix abortion and scientific research. That's why I signed an executive order to create a fetal tissue bank. This bank will provide a mechanism for gathering fetal tissue that does not come from induced abortion. It will meet the research need.

Koop

- We've got some in the Congress who won't take no for an answer. They want to find a way to legitimize abortion. But I'm opposed. I opposed the last bill, vetoed it, and I'll continue to oppose their efforts.

6. Q: In his acceptance speech Governor Bill Clinton favored choice in schools. What distinguishes your school choice proposals from his? Will you veto the secondary and elementary school bill?

A: My position on education legislation is clear. I will not sign a "business as usual bill." I believe we must create an incentive for schools to improve by promoting school choice. For too long, we have shielded our schools from competition -- allowed the system a damaging monopoly power over students. Just as monopolies are bad for the economy, they are bad for our kids. Every parent should have the power to choose which school is best for his child -- public, private or religious.

Choice
-My "GI Bill for Children" proposal would do this. Bill Clinton doesn't have a proposal that I am aware of, but he has rejected allowing parents to choose from among the entire marketplace of educational opportunities available for their children.

-If we deny parent's choice, let us recognize who is hurt most by the status quo. It is not the well-to-do. It is not the rich guy. Deny people school choice, and the ones you hurt most are the middle class and lower -- and especially the poor. The revolution in American education is underway. This revolution will triumph for the simplest and the strongest of reasons: because American parents want the best for their children. And also because there is not a single child anywhere in the United States who does not deserve the best education possible.

7. Q: Do you feel Time-Warner's decision to record rap artists whose angry lyrics invite violence is irresponsible?

Time Warner
A: It is very irresponsible. There are some things the government can do, and there are some things that the government can't do. The government cannot censor recording artists and there is no law, to my knowledge, that would censor or prohibit Time-Warner from funding and publishing and distributing these records.

BUSH LIBRARY PHOTOCOPY - George Bush Handwriting

- 1) Killing Police
- 2) Wrong Signals to Kids
- 3) Quayle is talking about

- But our cops who put their lives on the line need our support, not ivory-towered corporate executives deciding to publish lyrics that glorify cop-killing. Obviously, those executives have a First Amendment right to publish this music. I won't interfere with that right. But rights come with responsibilities, and my question is where is the corporate consciousness and social responsibility?

- We need to be more responsible about the signals on values that we are sending out to American kids. We need to strengthen our kid's respect for law and order not break it down.

ADDITIONAL POSSIBLE QUESTIONS:

1. What is your reaction to the Nightline piece last night?
2. What is your outlook on the sluggish economy?
3. What have been your greatest accomplishments?
4. What about choice in education, in particular your "GI bill for Children"?
5. Has your faith in God been important to you during your time as President?
6. What is your vision for the next four years?
7. Why did you abandon the "No New Taxes" pledge?

50TH ANNIVERSARY AFRTS

10:53
10:55

ON THIS FIFTIETH ANNIVERSARY OF THE ARMED FORCES
RADIO AND TELEVISION SERVICE, I CONGRATULATE ALL 1,900,009
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FARTHER THAN THE MESS HALL SPEAKERS, TODAY REACHES MORE
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IS APPRECIATED BY AMERICAN MILITARY FORCES AROUND THE
GLOBE. FROM THE PACIFIC REGION DURING WORLD WAR TWO --

[I REMEMBER HOW WE ALL LOOKED FORWARD TO HEARING
THOSE BROADCASTS OVER THE SHIP'S SHORTWAVE RADIO] --
OVER THE HILLS OF KOREA, THROUGH THE JUNGLES OF VIETNAM
/ AND ACROSS THE SANDS OF THE MIDDLE EAST -- YOU WERE
THERE. YOURS IS A RICH HERITAGE OF SERVICE TO THOSE
WHO WEAR THE UNIFORM. THAT'S A HISTORY TO BE PROUD OF.

I SALUTE ALL OF YOU FOR THE OUTSTANDING JOB YOU
HAVE DONE FOR OUR COUNTRY IN KEEPING OUR SERVICE MEN
AND WOMEN THE BEST INFORMED MILITARY IN THE WORLD.

#

INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

10:39
10:41

HELLO. I WISH I COULD BE WITH YOU IN VANCOUVER.
INSTEAD I SEND MY BEST WISHES FROM THE DISTRICT OF
COLUMBIA TO ALL OF YOU IN BRITISH COLUMBIA AT THE 41ST
BIENNIAL CONVENTION OF THE INTERNATIONAL ASSOCIATION OF
FIRE FIGHTERS.

I SPEAK FOR OUR ENTIRE NATION WHEN I THANK YOU FOR
YOUR HARD WORK, DETERMINATION, AND COURAGE. WHETHER
IT'S SAVING A CHILD FROM A BURNING BUILDING, RESPONDING
TO AN EMERGENCY, OR FIGHTING FIRES IN A CROWDED CITY,
YOU ARE THE FIRST LINE OF DEFENSE IN SO MANY LIFE-
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OF US OWE YOU OUR GRATITUDE.

THE IAFF AND YOUR PRESIDENT, AL WHITEHEAD, ALSO
DESERVE SPECIAL THANKS FOR WORK IN FIRE AND SAFETY
PROGRAMS, HAZARDOUS MATERIALS TRAINING PROGRAMS, AND
FOR GENEROUS SUPPORT OF THE BURN FOUNDATION AND THE
MUSCULAR DYSTROPHY ASSOCIATION. YOU ARE OUR NATION'S -
- AND CANADA'S -- FINEST. KEEP UP THE GOOD WORK, AND
MAY GOD BLESS YOU ALL.

#

BISHOP ALLIN ROAST

10:48
10:51

GOOD EVENING EVERYONE. BARBARA AND I WISH WE COULD BE THERE WITH YOU TONIGHT -- AS LONG AS WE'RE ROASTING THE BISHOP, WE MIGHT AS WELL SERVE HIM UP "WELL DONE." I HEAR SONNY MONTGOMERY'S GOING TO BE THERE. HE KNOWS HOW TO TURN UP THE HEAT.

YOU KNOW, REVEREND, AFTER ALL THE YEARS I'VE KNOWN YOU, I STILL DON'T KNOW WHETHER YOU'RE A REPUBLICAN OR DEMOCRAT. I KNOW YOU LIKE TO KEEP ABOVE POLITICS -- BUT LET ME TELL YOU JUST ONE LITTLE STORY. THERE WAS A BISHOP AND A POLITICIAN WHO SHOWED UP AT THE PEARLY GATES AT THE SAME TIME. ST. PETER MET THEM, AND TOOK THEM TO THEIR NEW HOMES. HE DROPPED THE POLITICIAN OFF AT A BEAUTIFUL MANSION, AND SAID: "THIS IS YOUR NEW HOME." THEN ST. PETER AND THE BISHOP DROVE ON. AND ON. AND FINALLY STOPPED AT A LITTLE BROKEN DOWN SHACK. "WELL," SAID ST. PETER, "THIS IS YOUR NEW HOME." THE BISHOP SAID: "NOW HOLD ON -- I'M A PIOUS MAN, I'VE LIVED A DECENT LIFE -- WHY DO I GET A DUMP LIKE THIS WHILE THE POLITICIAN GETS THE SPREAD?" ST. PETER REPLIED: "WE GET A LOT OF BISHOPS UP HERE -- BUT WE HARDLY EVER GET A POLITICIAN."

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LADY ANN: "YOU CAN STAND ANYTHING FOR A WHILE -- EVEN
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SO LET ME GET THIS OFF MY CHEST: JACK, ALL THOSE
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THOSE SERMONS -- THERE I SAT IN MY PEW, HEAD BOWED,
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WHEN I ASKED HIM WHAT HE WAS MOST PROUD OF HE SAID: "I
SURVIVED." \ \ FUNNY -- THAT'S WHAT EVERYONE ELSE SAYS
TOO.

BUT REALLY, JACK, I SALUTE YOU FOR EVERYTHING
YOU'RE DOING FOR THIS GREAT CAUSE -- FOR EVERYTHING
YOU'VE DONE FOR ME AND MY FAMILY, AND FOR EVERYTHING
YOU HAVE DONE FOR THE CHURCH. AND AS PRESIDENT, I WANT
TO THANK YOU FOR PARTICIPATING IN THIS ROAST -- IT'S
ALWAYS NICE TO HAVE A LITTLE COMPANY IN THE FRYING PAN.
GOD BLESS YOU AND THIS GREAT COUNTRY.

#

JEWISH WAR VETERANS OF THE U.S.A.

10:42
10:46

TO MY FELLOW VETERANS -- THE JEWISH WAR VETERANS OF THE UNITED STATES OF AMERICA -- IT'S AN HONOR TO JOIN THIS CONVENTION. I HEAR NATIONAL COMMANDER AL COHEN IS THERE -- A FELLOW WORLD WAR II VET. WE SEASONED VETERANS CAN TELL THE COUNTRY A LITTLE ABOUT LIFE IN THE MILITARY: WHEN YOU'RE IN THE TRENCHES -- YOU DON'T CARE WHAT COLOR YOUR BUDDY IS. WHEN YOU'RE ON A MISSION -- YOU DON'T ASK YOUR WINGMAN HOW HE PRAYS.

I SERVED WITH MANY JEWISH SOLDIERS IN MY DAY -- PROUD AMERICANS, EACH AND EVERY ONE OF THEM. AMERICAN JEWS HAVE DEFENDED THEIR COUNTRY IN EVERY WAR. FROM MEUSE-ARGONNE TO MIDWAY. FROM IWO JIMA TO INCHON. FROM SAIPAN TO SAUDI ARABIA -- AMERICAN JEWS HAVE DONE THE HARD WORK OF FREEDOM. THE MIDRASH SAYS: "IF YOU CAN'T STAND THE SMELL OF GUNPOWDER, DON'T GO TO WAR." THE MEN I'VE KNOWN HAVE STOOD THE GUNPOWDER, STOOD THEIR GROUND -- AND STOOD TALL FOR AMERICA.

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THANK YOU FOR ALL YOU'VE DONE FOR YOUR COUNTRY -- FOR ALL YOU'RE DOING. GOD BLESS YOU AND THE UNITED STATES OF AMERICA.

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ON THIS FIFTIETH ANNIVERSARY OF THE ARMED FORCES RADIO AND TELEVISION SERVICE, I CONGRATULATE ALL 1,700 MEN AND WOMEN SERVING WITH A-F-R-T-S IN DISTANT CORNERS OF THE WORLD.

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#



THE PRESIDENT

July 23, 1992

To: Connie Horner

From: President

Re: Don Simmons.

Jake Simmons' brother Don is a Democrat,
Okla Oil Man.

He would like to be on the African
Development Foundation.

Are there any vacancies. Would this able
black businessman be a good addition. He
is a supporter.

Advise

GB



Don 7/13

THE WHITE HOUSE

WASHINGTON

August 10, 1992

2 AUG 11 P7:37

MEMORANDUM FOR THE PRESIDENT

FROM: ROGER B. PORTER *RBP*

SUBJECT: Don Simmons and Revitalizing the Inner City

The plan Don Simmons sent you for revitalizing our inner cities rests on two basic premises:

First, government policies should concentrate on providing incentives for private entities to create jobs in inner cities.

Second, joint partnerships involving minority businesses and Fortune 500-type firms as well as pension funds and insurance companies are key to generating this private sector job creation in inner cities.

Simmons is correct, in my view, in concentrating on incentives for private entities to create jobs. These jobs are much more likely to be permanent than are public service jobs.

It is also legitimate to argue that there is an appropriate role for governmental incentives to entice businesses to economically depressed areas in our inner cities. Indeed, this is the fundamental premise that underlies your enterprise zone proposal.

Virtually everything that Don Simmons wants can be accomplished through enterprise zones. There is no reason for providing different incentives for joint partnerships involving minority businesses and Fortune 500-type firms. This could easily lead to more governmental intervention than is necessary or appropriate.

You may recall the impassioned plea by Governor Wilson, Mayor Bradley, and Peter Ueberroth at the meeting with the bipartisan congressional leadership that Federal enterprise zone legislation could produce significant results in helping rebuild Los Angeles. The Sunday New York Times included an article about Ueberroth's efforts that shows some progress in attracting businesses to South Central Los Angeles. A copy is attached. The story might be substantially more positive if the Congress had acted on your enterprise zone legislation.

Attachment

Patching Up L.A. — A Corporate Blueprint

The New York Times

Sunday, August 9, 1992

Peter Ueberroth puts the burden on business to revitalize the inner city.

By RICHARD W. STEVENSON

LOS ANGELES

THE headquarters of Rebuild Los Angeles, the nonprofit group established after last spring's riots to bring jobs and hope to the city's poorest neighborhoods, is a one-story brick building set between the gleaming corporate towers of downtown and the slums just a few blocks to the south. Casting wary glances in both directions from his office there, Peter V. Ueberroth is issuing perhaps the most direct challenge yet to the business world to tackle the problems of the inner city.

The strategy he is pursuing as the group's chairman is as risky as it is ambi-

tious. Mr. Ueberroth, the former baseball commissioner, said he is counting on considerable help from residents of the community and from the state and Federal governments. But his thrust is clearly to prove that companies, motivated not solely by civic duty but also by cold profit-and-loss calculations, can revive urban America in a way that governments by themselves have failed to do.

He sees companies changing the nature of this city's neglected neighborhoods quickly and permanently by opening stores in areas they have shunned, by helping to make bank financing and insurance available, by funding job training and education programs. But perhaps most important, he aims to motivate hundreds of companies to establish small operations in the inner city instead of persuading just a few corporations to set up large plants.

These steps, he said, are critical to achieving his primary goal: the creation of 57,000 permanent new jobs over the next five years in the poorest areas, enough to reduce unemployment to the teens from levels now as high as 60 percent in some of the riot-torn and other neighborhoods.

If he can persuade corporations to heed

his call, then their efforts, Mr. Ueberroth insists, can become a blueprint for urban renewal nationwide. Although there have been previous efforts around the country to bring together government, the community and businesses to tackle social problems, none has had the scale or stature of R.L.A. or relied so heavily on the business side. "Frankly, America doesn't solve problems unless it's done by the private sector," said Mr. Ueberroth.

Some Who've Joined

A number of influential companies — including Hughes Aircraft, the Vons Companies, Mattel and Pioneer Electronics — have signed on with various degrees of commitment. And Mr. Ueberroth speaks daily with some of the scores of other companies around the country that he says are intrigued by the argument that it is simply good business to operate and create jobs in neglected urban areas.

"I don't think there's a smart, well-managed business that operates in California that hasn't figured out that continued decay in the inner city is real bad for business," Mr. Ueberroth said.

Mr. Ueberroth's initial efforts have been greeted with skepticism and occasional hostility from some community groups and politicians. But as he has scored some successes and repeated endlessly his belief that improvement will involve hundreds of small victories rather than a few headline-grabbing deals, he is gaining a grudging respect even from his critics. And if, as he promises, there are dozens more companies lining up to take part in the effort, he could bring real change to at least some of the city's poorest districts.

"This is a multifaceted program over a long period of time being orchestrated by very creative leadership," said C. Michael Armstrong, chairman of Hughes Aircraft. And the signal effort to persuade companies nationwide to each set up a small inner-city operation, he remarked, "is doable from the corporate and business world perspective, and it can be successful from the city's point of view."

The group's work has involved considerable effort from Mayor Tom Bradley's administration, as well as community leaders and business executives. But there is no question that Mr. Ueberroth — who

Continued on Page 6

Continued from Page 1

developed an almost mythical reputation here for getting things done when he organized the 1984 Summer Olympics — is the point man.

He is in many ways an unlikely savior for the inner city. A white Republican from suburban Laguna Beach, the 55-year-old Mr. Ueberroth made a fortune building and then selling a travel business.

He has most recently been a partner in an investment group that has made one major deal, the purchase of HAL Inc., the troubled parent of Hawaiian Airlines. When he was asked by Mayor Bradley and Gov. Pete Wilson to found and lead R.L.A. in early May, he had just finished a report at Governor Wilson's request documenting California's declining economic competitiveness.

A Need for Initiative

To his many critics in Los Angeles political and civic circles, Mr. Ueberroth's approach to running R.L.A. is simply a rehashing of the longstanding — and in their view, discredited — conservative formula allowing free-market forces to work their miracles.

"In principle, I have difficulty with the idea of the private sector solving the problems of South Central Los Angeles," said James Johnson, director of the Center for the Study of Urban Poverty at the University of California at Los Angeles. "What is needed in South Central is a WPA-type of initiative where job training is tied to the rebuilding of the community's infrastructure, and only the public sector can do that."

But Mr. Ueberroth — who serves without pay, has put all his business activities on hold and routinely puts in 14-hour days for R.L.A. — remains stubbornly optimistic as he crisscrosses the city listening to any community leader with an idea or a request. "It's 80 percent of the time banging your head against the wall," he said, "but there are some signs the wall is beginning to crumble."

Still, the success of R.L.A. is far from assured. Congress and the Bush Administration have moved slowly on their promises to provide significant aid to Los Angeles. And the state government has been so consumed with its fiscal woes that it has barely addressed the needs of Los Angeles.

With the California economy mired in recession and corporations nationwide cutting back, it also remains unclear how many companies will be willing to take part in the kinds of initiatives Mr. Ueberroth is seeking.

The history of corporate involvement in solving urban America's problems is checkered. Some companies, like the Xerox Corporation, have won high marks for their longstanding efforts to be important contributors to the communities in which they do business. Scores of companies nationwide give manpower and money to troubled urban school systems. In Miami, businesses and civic leaders have banded together to create the influential Miami Coalition for a Drug-Free Community.



Removing debris from a burnt-out building in Los Angeles, May 2.

Investing in the Inner City

Major corporate contributions to R.L.A. in Los Angeles and to independent community organizations since the riots in April.

VONS COMPANIES INC.

Has agreed to build as many as 12 supermarkets in inner-city neighborhoods where it does not now do business. The new stores would create 2,000 new jobs, which the company said it would fill from the neighborhoods and which could support hundreds of additional supplier and construction jobs.

HUGHES AIRCRAFT COMPANY

Plans to redirect \$15 million in contracts to suppliers in inner-city Los Angeles over the next five years, allowing those companies to hire more workers. Hughes will also invest \$1 million in minority-owned businesses in the area, deposit up to \$1 million in minority-owned banks to facilitate additional community business loans and increase by \$1.2 million its funding for education programs in the inner city. Hughes's parent, the General Motors Corporation, will donate 100 automobiles to R.L.A. for use by community groups.

MATTEL INC.

Donated \$1 million to establish four Mattel Learning Centers, which will offer pre-school programs to children in inner cities and will develop special programs to aid parents.

PIONEER ELECTRONICS

Donated \$600,000 to finance education and job-training programs in South Central Los Angeles, including establishment of an electronics-industry vocational center.

NISSAN MOTOR CORPORATION U.S.A.

Established a \$5 million endowment, with the proceeds to be directed to community-based programs that create jobs or foster economic development.

SOUTHERN CALIFORNIA EDISON

Plans to give \$35 million worth of cash, buildings, labor and services over five years to create job-training centers, support educational and charitable programs and help businesses hurt by the riots.

NEW YORK LIFE INSURANCE COMPANY

Intends to donate \$1 million over two years, to be split between the Los Angeles Urban League and the Korean-American Coalition, for job placement and community improvement programs.

Mr. Ueberroth argues that even companies that ignore poor and minority customers as a market cannot ignore the social upheaval, and accompanying economic dislocation, that occurs when long-simmering grievances boil over, as they did in Los Angeles in late April.

But many companies have never taken any steps other than routine charitable donations. Among those that have made an effort, there has often been a lack of community and government support or a decline in the company's internal interest, leading to projects that wither or fail. There have also been few efforts to combat discriminatory business practices like insurance redlining. Making insurance available to small businesses that need it is among Mr. Ueberroth's top priorities.

Mr. Ueberroth said he is determined to involve the community in R.L.A., and his program has won reluctant praise from some black, Hispanic and Asian-American leaders who applaud its focus on jobs. There

have been concrete, if preliminary, signs that businesses around the country are thinking the same way.

"Companies now feel that they have to become involved in community and societal problems because they have to solve some of them in order to achieve their business goals," said Edmund Burke, the director of the Center for Corporate-Community Relations at Boston College. "If Peter Ueberroth stays away from the social responsibility part of the argument — because that doesn't help — he'll find companies more receptive to looking at this as an issue of survival for them."

One such company is Vons, the largest supermarket chain in Southern California. Vons announced in late July that, after decades of largely avoiding doing business in inner-city Los Angeles, it would embark on an accelerated plan to open as many

as 12 stores in poor neighborhoods in the next few years. The new stores will create at least 2,000 permanent new jobs, which Vons pledged would be filled largely by local residents.

Vons's chairman, Roger E. Stangeland, said the plan had its roots in a company analysis done late last year in which the chain concluded that by avoiding the inner city it had been passing up an opportunity to serve more than 2 million consumers who had long complained about the lack of local supermarkets. Immediately after the riots, Mr. Stangeland said he met with Mr. Ueberroth seeking guidance from R.L.A. on how Vons could help, and he subsequently "turned up the burners" on the idea of expanding into the poor neighborhoods.

"We had, over many years, just found it easy to drift out of the neglected areas," said Mr. Stangeland. "Shame on us. But we're in the pro-

Hughes and Nissan

Hughes Aircraft and its parent, the General Motors Corporation, agreed in late July to increase by \$15 million over the next five years the value of subcontracts it will award to minority-owned businesses in and around the communities hit hardest by the rioting, a step that should support hundreds of new jobs. Despite having announced recently that it would lay off 9,000 workers in the next 18 months because of Pentagon cutbacks, Hughes also agreed to invest \$1 million to create new minority-owned businesses and to deposit \$1 million in community banks to allow them to increase local business loans.

The Nissan Motor Corporation U.S.A., the American arm of the Japanese auto maker, is setting up a \$5 million endowment with the proceeds to go to community-based programs that create or support jobs in South Central Los Angeles and surrounding neighborhoods. Nissan developed its plan without consulting Mr. Ueberroth, but used much the same approach he is advocating and is now working with the some of the same community groups as R.L.A.

"What we'd like to see happen is the money going to producing a human being capable of getting a job and staying in the community or creating a job that will keep the money in the community," said Thomas D. Mignanelli, the chief executive of Nissan Motor U.S.A., which is based in Gardena, Calif., just south of the areas hit hardest by the rioting.

"We know that \$5 million doesn't solve anybody's problems," Mr. Mignanelli said. "But if each company that was a neighbor or a resident here could do something to create jobs, that would be the best way to help."

His comments echo Mr. Ueberroth's belief that persuading a large number of small operations to participate is the most practical approach. After all, companies can act much more quickly to create an operation with up to 90 jobs, the size Mr. Ueberroth said he has in mind, than to build a 1,000-worker factory. Moreover, he says, the community is better off not being overly dependent on jobs at a handful of large employers.

As part of its commitment to R.L.A., Hughes said it would relocate one of its small operations, with around 60 employees, to a poor neighborhood. Mr. Ueberroth said 10 others, which he declined to name, are making similar commitments.

"These are the basic stable jobs that will spur the economy," Mr. Ueberroth said. "They will allow people to own their own homes. They will allow minority-owned businesses in the area to thrive, because without those paychecks they won't have any customers. And there's not a company in America that can't participate in that way." ■

cess of acknowledging that we missed an opportunity and we're going about fixing it."

The company's primary motivation, Mr. Stangeland said, was to increase its profits at a time when competition among supermarkets in the region is intense and there are few areas that do not already have more stores than they need.

"First and foremost, it had to be good business strategy, but we saw this as an opportunity to be part of the community process as well as to have a good business transaction," Mr. Stangeland said. "If there had been no riots and no Rebuild L.A., we probably would have gone about it in a fairly leisurely manner. But the civil disobedience placed a kind of magnifying glass over the whole issue and made it apparent to us that we ought to go at this as a fully articulated and fast-paced program."



THE PRESIDENT

July 23, 1992

Roger Porter

Please have someone look at this plan,
submitted by Don Simmons an Okla. Oil Man,
brother to Jake Simmons now on IEC>

Thanks,

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Statement

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INTERSTATE COMMERCE COMMISSION
Washington, DC 20423

J. J. Simmons III
Commissioner

(202) 927-7196

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ME" approach involve the type of

DONALD M. SIMMONS

P.O. BOX 572, MUSKOGEE, OKLAHOMA 74402-0572

June 30, 1992

DMS-127-92

Honorable J. J. Simmons, III.
Vice Chairman
INTERSTATE COMMERCE COMMISSION
12th and Constitution Avenue, N.W.
Room 5221
Washington, D. C. 20423

Dear Jake:

Enclosed is a plan for the restructuring of the Inner City entitled, "THE "MULTIPLIER EFFECT" (ME): Revitalizing The Inner City."

As you know some twenty years ago I was Executive Director of the Harlem Commonwealth Council, a Community Development Corporation in Harlem. After spending over twenty years involved in economic development of the Inner Cities not only in Harlem but in Detroit and other cities, I became convinced that most of the so called economic development plans for the Inner Cities were incorrectly premised. They focused on jobs as opposed to focusing on job makers. The Multiplier Effect focuses on job makers with the use of private capital and private economic industrial assistance based upon enlightened self-interest, i.e., making money for all concerned without resorting to the federal government.

Please convey to the President my firm opinion that this plan will work.

Sincerely,

Donald M. Simmons

DMS/ac

THE WHITE HOUSE
MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

THURSDAY, July 23, 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)

The Washington Times

LIFE

THURSDAY, JULY 23, 1992

Helping Young Women Cope with Growing Up

"Caring is crucial to the development of young adolescents into healthy adults."

— THE CARNEGIE FOUNDATION

"Turning Point: Preparing America's Youth for the 21st Century"

In June of 1987, Elayne Bennett and Dr. Phyllis Magrab embarked on an experiment — one that would change their lives, and enrich the lives of thousands of young girls. The program became known as Best Friends. Their concern arose from the epidemic of teenage pregnancy and the skyrocketing number of teenagers in America with sexually transmitted diseases. A 15-year-old American girl is five times more likely to become pregnant than her counterpart in another industrialized country.

Every year, more than 1 million American teenage girls become pregnant.

In a study of 1,000 16-year old unwed girls, an overwhelming majority of them cited the cause of their pregnancies as "an inability to say no."

**THE GOOD
NEIGHBOR
PROGRAM**
The Washington Times

Launched that summer at a large suburban Washington, D.C. area high school, Best Friends has since developed into a program complete with a solid curriculum and a host of teenage success stories.

A Positive Alternative

The Best Friends Program provides guidance and counseling through a support network of peers, role models and mentors — helping adolescent girls build self-respect, social competence, good judgement, and healthy, active futures by helping them to understand that decisions made today impact tomorrow's opportunities.

Best Friends is an outreach program of the Georgetown University Hospital Child Development Center, where Dr. Phyllis Magrab is Professor of Pediatrics and Director of the Center. Elayne Bennett serves as Director of the Best Friends program.

Best Friends is neither a sex education program, nor is it based on or affiliated with any religious organization. Best Friends is a program designed to emphasize the joy of pre-teen and teenage years unencumbered by the problems that can arise from sexual activity during these years.

Best Friends staffers assist public and private schools in implementing the program with a complete curriculum, and meet with teachers and school administrators on a regular basis to keep the program active. Best Friends also provides successful local role models, such as Renee Poussaint, who speak to girls participating in the Best Friends program. Within the school, teachers volunteer to serve as mentors, meeting with the girls at least once a week. Girls select their mentors, assuring a positive one-on-one relationship.



First Lady Barbara Bush has also actively supported the Best Friends program since its inception, and has attended the annual awards banquet.

Building for a Brighter Future

The Best Friends program works because people care. The teenage girls of today are a large part of the future of America — and their future can be a bright and positive one.

To learn more about the Best Friends program, or to become involved, call or write today:

*Best
Friends*

Suite 215
2233 Wisconsin Avenue, Northwest
Washington, DC 20007

Telephone: 202-338-1122 • Fax: 202-338-0860

Newsmakers

Is it an in-the-raw deal for Gennifer Flowers?

By D. O'Reilly
INQUIRER STAFF WRITER

There's a chill on rumors that **Gennifer Flowers**, romantically linked for a while to **Bill Clinton**, has accepted \$500,000 to undress for the cameras of Penthouse magazine.

The word is that Penthouse publisher **Bob Guccione** was a **Ross Perot** supporter eager to embarrass Clinton in his run for the Rose Garden. Now that Perot has jumped ship, Penthouse officials will say only that a Flowers unveiling is "under consideration."

Compliments of Elton John

■ Rock star **Elton John** says he'll pay part of the college tuition for the sister of **Ryan White**, who died of AIDS two years ago.

John befriended the White family during Ryan's five-year battle with AIDS, which he contracted from a blood-clotting agent used to treat his hemophilia.

Ryan's sister, **Andrea White**, graduated last month from high school and plans to attend Indiana University this fall. Her mother, **Jeanne White**, says John had offered to pay half the cost of educating Andrea, 18, who hopes to go into medicine.



Associated Press / DOUG MILLS

With Barbara Bush's obvious approval, the National Medal of the Arts is bestowed on actor James Earl Jones by President Bush. Jones was among 11 artists and two organizations honored yesterday at the White House.

need to balance her ticket.

Yes, America, the Mattel Corp. has come up with a \$20 "limited edition" Barbie for President doll.

She hasn't announced her party affiliation, but her expensive clothes do have a country-club Republican look. When stumping on the campaign trail, the Barbster wears a Nancy Reagan red suit. She also shares **Barbara Bush's** fondness for pearls. ✓

Another plastic candidate

■ An outspoken woman such as **Olive Oyl** might be just the running mate that presidential candidate Barbie will

Arts medals presented to full range of honorees

By Frank J. Murray
THE WASHINGTON TIMES

President and Mrs. Bush presented National Medals of Arts yesterday to an eclectic list of 11 honorees whose stages range from La Scala opera house to the Grand Old Opry.

"Because of their vision, today we celebrate the sheer and priceless pleasure of being American," Mr. Bush said at the East Room ceremony where he had brief words of praise for each recipient.

He quoted former President John Kennedy who said, "The life of the arts is very close to the center of a nation's purpose."

Although Mr. Bush presented all the other medals, including a special word for actor James Earl Jones, Mrs. Bush personally hung the medal around the neck of operatic mezzo-soprano Marilyn Horne.

The first lady kissed Miss Horne, who glowed at a few whispered words and patted Mrs. Bush's cheek in return. Miss Horne's close friend, Jim Nabors, hugged her after she received the award.

Mr. Bush read details of James Earl Jones' career, which won him an Emmy, a Grammy and a Tony and, in commercials, has made him the personification of the Yellow Pages, but he added an unscripted comment.

"On a personal note I enjoyed his performance in 'Hunt for Red October' and 'Patriot Games' as director of the CIA," said the president who is a former director of the CIA.

Of American Indian sculptor and painter Allan Houser Mr. Bush said, "His hands transform bronze and stone to capture the true meaning of this country."

The eighth annual presentation is the first since a controversy pitting

see MEDAL, page E3

MEDAL

From page E1

artistic freedom and public support for ventures some called outrageous shook the National Endowment for the Arts, whose National Council on the Arts recommends nominees to the president.

NEA Acting Chairman Anne-Imelda Radice read each citation at the luncheon ceremony attended by all the recipients except Country Music Hall of Fame comedian Minnie Pearl, who is ill.

Two corporate patrons of the arts, AT&T and the Lila Wallace-Reader's Digest Fund, also received medals.

The medals presented yesterday employ a broader definition of the arts — incorporating such fields as sculpture and architecture — than the Kennedy Center Honors with which they often are confused.

This year's recipients, in alphabetical order:

Denise Scott Brown, Philadelphia architect and urban planner, and her architectural partner, Robert Venturi, whose projects include the Vanna Venturi House in Philadelphia and the Humanities Building at the State University of New York.

Marilyn Horne, who was called "the leading exponent on the florid vocal style in opera."

Allan Houser, an Apache who was honored for achievements as an academic and artist whose works already are in the White House and Smithsonian collections.

James Earl Jones, distinguished work in a 30-year career on stage and screen.

Minnie Pearl, whose greeting of "Howdee" and pricetag-bedecked hat are trademarks of a 52-year career portraying the funny lady from Grinder's Switch.

Robert Saudek, a pioneer televi-



Earl Scruggs



Marilyn Horne

sion executive beginning in 1938 who launched production series such as "Omnibus" and "Leonard Bernstein and the Philharmonic," and later headed the motion picture and TV division at the Library of Congress.

Earl Scruggs, a banjo player and leader in the growth of bluegrass music.

Robert Shaw, who directed Fred Waring Glee Clubs before founding the Robert Shaw Chorales and be-

coming conductor of symphony orchestras in San Diego, Cleveland and Atlanta.

Billy Taylor, jazz pianist from the famed Birdland club, trio leader and music educator.

Robert Wise, film producer and director who won Oscars for directing "West Side Story" and "Sound of Music," but also is known for such films as "The Day the Earth Stood Still" and "Somebody Up There Likes Me."

Bush Seeks to Dispel 'Crazy Rumors'

Quayle's Place on Ticket Is Secure, He Tells Cabinet and Staff

By Ann Devroy
Washington Post Staff Writer

President Bush yesterday denied a spate of rumors—involving everything from his health to whether he will drop Vice President Quayle as his running mate—that Republican strategists said are being fueled by panic in the party over the weakness of its presidential ticket.

Bush took the unusual step of dropping by the regular morning meeting of campaign and senior staff to deliver the same message he gave the Cabinet privately and then publicly at a photo session. "There are a lot of crazy rumors floating around" born of a "feeding frenzy" by the news media, he said at the photo session, and in private he ordered his staff to take no part in it.

Speculation that he might replace Quayle, Bush told his staff, is "absurd," and publicly he said the vice president's spot on the ticket is "certain." Bush also denied rumors that either he, First Lady Barbara Bush or Quayle's wife, Marilyn, is ill.

In addition, sources said, the president told his staff and Cabinet that no decision has been made on whether Secretary of State James A. Baker III will join the White House staff, as reported in several newspapers yesterday.

Besides trying to put an end to the Quayle rumors, administration officials said, Bush's goal was to keep Baker from being treated as a lame duck during the current Middle East talks and to try to buck up his own staff.



Bush gestures to indicate that Vice President Quayle will not be dropped from ticket. At right during Cabinet meeting is Defense Secretary Richard B. Cheney.

But the Bush team was again on the defensive, an image that Democrats gleefully seized on. "They're flopping around like fish on a boat dock," said Paul Begala, an adviser to Democratic nominee Bill Clinton. "They can't decide whether they want Baker to solve the crisis in the Middle East or the crisis in the Bush campaign. There's probably fewer factions in the Middle East."

One shaken GOP strategist called the rumors "a sign of how panicky Republicans are at all levels. . . . They are looking for magic bullets to kill off this looming disaster and are trying all possible variations: Bush will change his economic package,

he will throw out his whole economic team before the election, he will dump Quayle. I think people are trying all possible ways to avoid looking at what might be real: The problem is not the speechwriters, the chief of staff, the campaign chairman, the economic package on the Hill; the problem is Bush."

The discontent was clearly on display. See PRESIDENT, A12, Col. 1

Continued —

Reports of Baker 'Decision' Denied

PRESIDENT, From A1

play yesterday at meetings of Republican senators on Capitol Hill. Senate Minority Leader Robert J. Dole (Kan.) invited Edward J. Rollins, who broke with his Republican past to become campaign co-manager of Ross Perot's abortive independent presidential bid, to brief GOP senators on the vulnerabilities of the Bush campaign as seen from the Perot perspective and to talk about how they might attract the support of disappointed Perot supporters.

Separately, two Republican senatorial lunch groups erupted in criticism of the Bush campaign. The conservative Republican Steering Committee met with senior campaign adviser Charles Black and, according to Sen. Robert W. Kasten Jr. (Wis.), "Charlie became a dartboard."

"There were complaints about the chaos in the White House and the disarray in the campaign from almost everyone," Kasten said.

At the same hour, the Wednesday Group of moderate and liberal Republican senators also had a gripe session, highlighted by what one attendee called the "explosive" speech of Sen. Alfonse M. D'Amato (N.Y.).

D'Amato said afterward that he had criticized Bush for spending so much time at his Kennebunkport, Maine, summer home. "People think he's spending all his time on the golf course or his boat," D'Amato said. "That's not the way the average guy spends his time. . . . He's portrayed as having a good time and being out of touch with the problems of the country."

While several GOP strategists and Bush aides have said in recent days

that Baker will leave the State Department to go to the White House as the major architect of a more disciplined and focused reelection effort, Bush said only he and Baker know what the two have discussed on the subject. Baker, at a news conference in Cairo, denied reports he had decided to leave his Cabinet post to take charge at the White House.

"There has been no decision made with respect to this," Baker said, citing his "active involvement" in the peace process. "I hope and believe that I will be actively involved in the peace process in the days and weeks ahead."

A knowledgeable source, citing the long and complex friendship between the two men, suggested that Bush and Baker have decided not to formally decide on the details of his move from Foggy Bottom to the White House until after this latest round of Middle East diplomacy, a peace effort that has occupied a large amount of Baker's emotional and intellectual energy this year.

One official described Baker as "livid" at stories saying the deal on his future had been cut and passed word to the White House that the president and others in the administration needed to join him yesterday in a unanimous denial that the decision itself had been made, in order to make him less of a lame duck.

Baker, a stickler for exerting tight control of an administration's message to get the most positive coverage, is also said to be unhappy about losing control over his own story. "I hear he's not a happy camper," said one official, adding that Bush is equally annoyed.

One White House aide called the

Quayle talk "stupid, because any move on Quayle is politically stupid," since changing running mates would be seen as a sign of panic, would create a "character" issue for Bush in dumping a loyal vice president, would enrage conservatives no matter who the replacement was, and would just "look terrible."

Both the vice president and Marilyn Quayle, on separate television interview programs, dismissed rumors about a change in the ticket as media speculation. The vice president said he has the "complete confidence" of Bush. "Believe me, if I thought I was hurting the ticket, I'd be gone," he said on CNN's "Larry King Live."

Marilyn Quayle said the speculation about her husband was prompted by an effort to "put a little spice into what is going on. . . . We figure there's going to be a lot of stories like that because the media don't have anything else to do or to say. . . . It ain't going to happen."

If any of Bush's senior political advisers believe dumping Quayle would help Bush more than hurt him, none of them yesterday was willing to make the case, even off the record.

"What ails Bush is not Quayle," said one GOP strategist.

Baker has been widely reported to have opposed Quayle's selection in the first place, though he has always denied it. But sources have described Baker as believing a move now to remove Quayle would hurt Bush more than help him, and Baker has told that to Bush and others in the party.

William J. Bennett, former director of national drug control policy and a conservative supporter of

'CRAZY RUMORS'

On Vice President Quayle:

Q: Mr. President, is the vice president's chair a little uncertain these days?

PRESIDENT BUSH: No, it's very certain.

On the health of Bush and others:

Q: Why do you think all these rumors are out there?

BUSH: I don't know, Charles. I don't know. My health is pretty good, though, and I want to challenge the press corps, everybody that's 67 and over, to a race around the oval here But seriously, it's a crazy time on rumors. We get phone calls—Barbara's sick, Marilyn Quayle's sick, I'm not feeling well. I don't know what's going on.

White House
Cabinet Room
11 a.m.
yesterday



Quayle, said the vice president "is not the problem. Quayle was there when Bush's approval was 85 percent. The problem is it is not clear what the president's plan is to make a second term better than the first."

"What is the cause of all this? 58 to 29," Bennett said, a reference to the latest Washington Post-ABC News poll that shows Democrat Clinton 29 points ahead of Bush.

Staff writer David S. Broder contributed to this report.

2
10
8

The Clinton Bake-Off



Much has been made of Hillary Clinton's cookie problem, but imparting memorable recipes may be a de facto price of being a presidential wife, prospective or otherwise.

Taking a page from history, the Congressional Club Cook Book opens with Rosalynn Carter's "Plains Special" Cheese Ring, a high-cal blend of mayonnaise, grated cheddar and chopped nuts, served with strawberry preserves. Lady Bird Johnson's Noche Specials fried tortillas run a close second on the same page.

Hillary Clinton offered her version of oatmeal chocolate chip cookies to Family Circle, which published the recipe in its July 21 issue, along with a chocolate chip cookie recipe from Barbara Bush.

This week, the Clintons' hometown newspaper, the Arkansas Democrat-Gazette, plans to provide the recipes to

Arkansans. Food editor Irene Wessell, who shared them with us, confides that "it didn't occur" to her to run such a piece until requests started pouring in. "That celebrity recipe stuff is kind of old hat," she says.

Although some Washington hostesses have switched to Italian biscotti or gourmet desserts from Price Club, Washington still has a need for the grand ol' cookie. Asks a spokeswoman for the Congressional Club, home to members of Congress, governors, ambassadors, administration officials and their spouses, what else would you serve at all those club coffees and teas?

If doubters remain, they may wish to eat cake. The Congressional Club Cook Book offers a recipe for Hill Clinton's Pound Cake. It includes three cups of sugar and a pound of butter.

—Patricia Dane Rogers



BILL'S CAKE

1 pound butter
3 cups sugar
6 eggs
3½ cups flour
1 cup buttermilk
1 teaspoon vanilla

Cream butter and sugar well. Add eggs, one at a time, beating well after each one. Add flour, one-third at a time, alternating with one-third of the buttermilk. Add vanilla. Bake in greased and floured tube pan at 350 degrees for 1 hour and 25 minutes. The cake can be frozen.

HILLARY'S CHIPS

(makes 7½ dozen)

1½ cups unsifted all-purpose flour
1 teaspoon salt
1 teaspoon baking soda
1 cup solid vegetable shortening
1 cup firmly packed light brown sugar
½ cup granulated sugar
1 teaspoon vanilla
2 eggs
2 cups old-fashioned rolled oats
1 (12-ounce) package semisweet chocolate chips

Preheat oven to 350 degrees. Grease baking sheets. Combine flour, salt and baking soda. Beat together shortening, sugars and vanilla in a large bowl until creamy. Add eggs, beating until light and fluffy. Gradually beat in flour mixture and rolled oats. Stir in chocolate chips. Drop batter by well-rounded measuring teaspoonfuls onto greased baking sheets. Bake 8 to 10 minutes or until golden. Cool cookies on sheets on wire rack for 2 minutes. Remove to wire rack to cool completely.



Coors takes on illiteracy in women

Adolph Coors has launched an ad campaign on illiteracy among women, saying many people mistakenly believe the problem affects mostly men.

Cynics say another factor might be the potential for selling beer to women. Of the USA's nearly 80 million beer drinkers, only 31 million are women, says Benj Steinman, editor of *Beer Marketer's Insights*. Coors says it has supported literacy programs for two years.

The ads, in women's magazines this month and next, say one of five women in the USA cannot read. The company asked 100 prominent women to give their views. The ads use photographs and quotes from the 18 women who responded.

Singer Patti LaBelle says, "Illiteracy steals your pleasures and robs your power — read between the lines."

Rep. Pat Schroeder, D-Colo., says, "Teaching women to read gives them the power to understand the world and gain greater control over their lives."

Others in the ads include Sen. Nancy Kassebaum, R-Kan.; sex therapist Dr. Ruth Westheimer; actresses Kathy Bates and Dixie Carter; designer Donna Karan; and comic-strip character Blondie.

— *From wire reports*

POLITICS

GOP Convention to Hear Woman With AIDS Virus

Officials planning the Republican National Convention confirmed yesterday that a woman with HIV, the AIDS virus, will speak about the disease at next month's convention in Houston.

Mary D. Fisher, daughter of Max Fisher, honorary chairman of the Bush-Quayle National Finance Committee, said she contracted the virus from her former husband. She tested HIV-positive a year ago and went public last February. The Houston Chronicle reported Tuesday that Fisher wanted to address the GOP convention.

Elizabeth Glaser, who is HIV-positive,

and Bob Hattoy, who has AIDS, addressed the Democratic National Convention last week. Both accused the Bush administration of not doing enough to fight AIDS. Democratic presidential nominee Bill Clinton had pledged that an HIV-positive speaker would address the convention.

Fisher, 43, testified at the Republican platform hearings in May and urged the GOP "to adopt a position of leadership in the face of America's most threatening epidemic." A number of gay rights leaders who wanted to testify about AIDS, however, were not allowed to appear.

Fisher, a life-long Republican, told the committee, "In the past, we thought of AIDS as 'their' disease . . . whoever 'they'

were. . . . This is not 'their disease,' it's ours."

She avoided criticizing Bush in her testimony, calling his family "an affectionate source of support." But, she added, "You must let their voice of private compassion become our voice of public leadership. We do the president no favor by leaving in place the Republican shroud of silence, encouraging millions of AIDS-affected families to believe they must turn elsewhere to hear a voice of genuine compassion."

Campaign officials said they expect Fisher's remarks at the convention to be similar to her platform testimony.

Fisher recently founded the Family AIDS Network, a national support group for friends and family of those facing AIDS.

New strain of AIDS virus is found in Thailand

This brand apparently flourishes by heterosexual transmission. The reason eludes researchers, but it may have to do with the virus' ability to adapt.

By Malcolm Gladwell
WASHINGTON POST

AMSTERDAM, Netherlands — Researchers have discovered a new and unusual strain of the AIDS virus in northern Thailand that occurs almost exclusively in heterosexuals and differs strikingly from viruses found elsewhere in the world.

In a paper presented on the third day of the International AIDS Conference here, Chin-Wih Ou of the U.S. Centers for Disease Control stressed that scientists do not know why the new strain — known as Type A — appears to favor heterosexual transmission.

One reason could be that heterosexuals in northern Thailand may have never been exposed to any other strain of HIV, which causes AIDS, Ou said. But given the explosion of the AIDS epidemic in Thailand in recent years (from five regis-

tered cases in 1985 to an estimated 300,000 infected now) and the peculiar genetic makeup of Type A, he and others also raised the possibility that it might be a strain that has evolved to adapt to heterosexual transmission.

The dominant strains of HIV are far more easily transmitted through either anal sex or the kind of blood-to-blood contact that occurs among drug users who share needles than by conventional heterosexual activity.

"Because the [Thai] epidemic took off so rapidly in 1988, there has been some concern that this particular virus is more virulent," said Gerald Myers, an AIDS researcher at Los Alamos National Laboratory. "It is possible that it is more transmissible heterosexually."

Thailand has a large number of prostitutes and an estimated five mil-

lion foreign tourists per year, some of whom participate in extensively advertised "sex tours," increasing the risk of global infection. According to one congressional estimate, 5 to 10 percent of the Thai population may be infected by the year 2000.

Ou's presentation was one of several papers given yesterday and over the last two days of the conference describing the detective work that AIDS researchers are doing using new techniques of genetic fingerprinting. The work is necessary because HIV, more so than any other known human virus, is constantly evolving, researchers say.

In the earliest days of the epidemic, all strains of the human immunodeficiency virus were very similar. Now there are at least two major species, called HIV-1 and HIV-2. Of these, HIV-1 is the most common, according to presentations made yesterday by Myers and U.S. Army researcher Francine McCutchan. They say HIV-1 has evolved into at least five separate families, each differing from the others genetically by as much as 30 percent and randomly

scattered throughout the world.

"Because HIV varies so rapidly, it is a moving target, constantly threatening to slip out from under the net of detection techniques, drug therapies and preventive vaccines," Myers said. "Active surveillance of changes in its genetic makeup is imperative."

The northern Thai virus is related to the most troubling of the families, a group whose members exhibit far more diversity, are suspected of being more infectious and are probably older than the other families. This family is believed to have originated in Central Africa and is largely found in those who have contracted the virus heterosexually. The Thai Type A strain shares some, but not all, the genetic characteristics of this family.

The questions arose about Type A when researchers at the Centers for Disease Control began to look at whom it was infecting. In a recent population sample in Thailand, scientists found the virus in 86 percent of all heterosexually infected Thais in the north of the country. By contrast, 76 percent of intravenous drug users who were infected with HIV

carried an entirely different strain, a virus in the family that infects most HIV-positive people in Europe and the United States.

Why the difference? One possibility, Ou said, is that there simply has been very little contact between the two groups. In other words, if drug users infected other drug users and do not have sex with prostitutes, then their viral strain might remain only within their group. And vice versa.

Team isolates virus causing AIDS-like cases

The virus was found in a 66-year-old woman. Her only risk factor was a transfusion 40 years ago.

By Kristina Lindgren
and Marlene Cmons
LOS ANGELES TIMES

IRVINE, Calif. — A team of California scientists has isolated a previously unknown virus in nine people who had an AIDS-like disease but tested negative for the two viruses known to cause AIDS.

The virus, which has been named human intracisternal retrovirus, or HICRV, could be either a new virus or an old one that has gone undetected. But it was certain to be further examined for a link to more than two dozen mystery cases that have baffled AIDS researchers and public-health experts.

The new virus was first discovered in a 66-year-old Southern California woman who had a type of pneumonia common to AIDS patients but, other

than a blood transfusion 40 years ago, had no known risk factors for AIDS, researchers at the University of California, Irvine, announced yesterday.

The virus has since been found in the woman's 38-year-old daughter, who has no symptoms of disease, and in blood samples from eight other patients with AIDS symptoms but no evidence of exposure to the human immunodeficiency viruses (HIV-1 and HIV-2), which cause AIDS.

"At this point it would be premature to say that this virus is the cause of these AIDS-like symptoms," said Sudhir Gupta, an immunologist heading the California research team. "But we can say that there is a strong association between this virus and those cases of HIV-negative AIDS."

Scientists gathered this week at the eighth International Conference on AIDS in Amsterdam have been debating the emergence of a possible new virus that could account for mystery cases in which patients have what outwardly appears to be acquired im-

mune deficiency syndrome, yet test negative for HIV-1 and HIV-2. They called on clinicians around the globe to come forward with additional information on the baffling cases.

Gupta responded by releasing a scientific paper on the new virus that is scheduled to appear in the Aug. 15 issue of the Proceedings of the National Academy of Sciences. At least three of the blood samples Gupta has tested for the newfound virus are among the cases being discussed at the Amsterdam conference.

At the international AIDS meeting, scientists reacted with caution to the release of Gupta's work.

"It is very important for investigators who have these cases to get together and make sure the results can be confirmed," said Anthony Fauci, director of AIDS research for the National Institutes of Health. "On the basis of a single paper, I don't think we can say: 'We have it.' That would be premature."

"This is obviously something we need to pay serious attention to," Fauci added. "It would be essential

for there to be cross-confirmation of results ... before any definitive conclusions are made."

The newly discovered virus is almost certainly not a mutant form of the HIV-1 and HIV-2, Gupta said.

"Its structure is very, very different from the AIDS virus," he said. "And it seems to reproduce differently."

It remains unclear, though, how this newly discovered virus is transmitted.

Gupta's patient, a 66-year-old Anglo woman from Southern California, had a blood transfusion 40 years ago, but has no other risk factors for AIDS that could explain her classic symptoms of AIDS, including Pneumocystis carinii pneumonia and a deficiency in T-cells, white blood cells that are vital to the body's immune system.

The daughter, who like her mother has antibodies to the newly discovered virus, has no clinical symptoms associated with AIDS. But Gupta said there is some evidence that her T-cells are not working properly.

Rebel scientists: HIV doesn't cause AIDS

By JOE NICHOLSON
Medicine-Science Editor

The widely held belief that AIDS is caused by HIV is being challenged by a new international group of 50 scientists, The Post has learned.

The Group for the Scientific Reappraisal of the HIV/AIDS Hypothesis got a boost in recent days by reports out of the international AIDS conference in Amsterdam that up to two dozen AIDS patients have no sign of

HIV in their blood.

U.S., German, English, Australian and French scientists formed the new group, which last month began publishing a newsletter called "Rethinking AIDS."

"To put my reaction in a nutshell, it's: 'I told you so,'" said Dr. Peter Duesberg, a professor of molecular biology at the University of California at Berkeley and a member of the group.

"I'm happy in a way for me, but sad for the many lives that could have been saved," said Duesberg, who contends the nation's \$4-billion-a-year AIDS battle has focused too heavily on HIV.

Duesberg, a member of the elite National Academy of Sciences and the author of 200 articles in professional journals, said he is so certain that HIV does not cause AIDS that he would be willing to be injected with the virus.

Government officials have scoffed at Duesberg's long-held theories — and the U.S. National Institutes of Health took a \$360,000-a-year research grant away from him.

Yesterday, Chuck Fallis, spokesman at the U.S. Centers for Disease Control, said, "I was not aware [Duesberg and other

scientists] had formed an official group.

"Our view of the [Duesberg] theory is that we obviously think it is not valid."

But Fallis admitted that in the last few days, the CDC has altered its long-held belief that HIV causes all AIDS cases.

"HIV does cause the vast majority of AIDS cases, and right now what we are doing with the new [AIDS] strain is trying to figure out if it is a new virus," he said.

Dr. Harvey Blaly, a molecular biologist who edits *Biotechnology Magazine*, now is also editor of the new group's newsletter.

Blaly said many government and medical establishment figures have been "overtly hostile to any criticism" of their beliefs about HIV.

"They will be held in utter disrepute," if they are proven wrong, said Blaly.

Even one of the discoverers of HIV, French researcher Dr. Luc Montagnier, believes the virus is only one of two factors — the other a mystery — that cause AIDS.

Researcher Sees U.S. Cost of Treating AIDS Virus Rising Sharply by 1995

By MARILYN CHASE

Staff Reporter of THE WALL STREET JOURNAL

AMSTERDAM — The total cost of treating people in the U.S. affected by AIDS and human immunodeficiency virus, or HIV, is expected to rise 48% to \$15.2 billion in 1995 from \$10.3 billion this year, according to Frederick Hellinger of the U.S. Agency for Health Care Policy and Research.

Mr. Hellinger spoke here at the week-long Eighth International Conference on AIDS. Other issues included the destabilizing effects of AIDS on developing nations, the optimistic outlook for new antiviral drugs, and concern over a fast-moving new strain of the virus.

Lifetime medical care for a person with AIDS now costs about \$102,000, up from about \$85,000 last year, Mr. Hellinger said. Though such figures are often subject to debate, Mr. Hellinger based his forecast on the latest drugs, which can cost as much as \$1,000 a week.

As several researchers pointed out the staggering world-wide financial costs of AIDS, Daniel Tarantola of the Harvard School of Public Health said his research shows financial inequalities between wealthy and poor nations in treating the disease.

He found that 94% of all money spent treating the disease is in the U.S., Western Europe and other industrialized regions. About 80% of the new cases of AIDS, however, are in poor countries. While one year of treatment for an AIDS patient in the U.S. costs \$38,000, only \$400 is spent a year for a patient in Africa.

Among other developments at the conference:

- Globally, AIDS is destabilizing developing countries and reversing their earlier strides against disease and death. Sweeping demographic change in sub-Saharan Africa, and urban centers of Asia and Latin America is looming as AIDS hits young adults in their prime, leaving holes in the work force and orphans at home.

Jean-Louis Lamboray of the World Bank said, "AIDS affects primarily adults in their most productive years." Adult mortality rates in Africa, already eight times higher than those of the developed world, are doubling or tripling under the onslaught of the disease.

At a session here, urban leaders from five developing nations comprising 1.1 billion people — or one-fifth of the world's population — said their social fabric is threatened by the virus.

"Normally, a mayor of San Juan would address you about our beautiful beaches, our universities, our rising per capita income and health care budget," said Hector Luis Acevedo, mayor of the Puerto Rican city. "But today we're facing a challenge that will put at risk all of our hard-earned gains."

- A panel on new antiviral drugs presented several optimistic early studies.

The experimental drug D4T by Bristol-Myers Squibb Co. sparked a prolonged rally in patients' flagging immune cells, according to Lisa Dunkle, a Bristol-Myers researcher. These infection-fighting white blood cells, called CD4 cells, often strengthen briefly and fall again after six months of other drug treatment.

But Dr. Dunkel said tests in 259 patients show D4T can stretch out such recovery of immune cells as long as 84 months. Another company researcher presented data showing the drug also lowers HIV-levels in the bloodstream.

While studies of D4T are continuing, a Bristol-Myers spokeswoman said the company has asked the U.S. Food and Drug Administration to clear the drug for early use by people who aren't helped by other AIDS drugs.

In other encouraging reports, the Glaxo Holdings PLC's 3TC drug seemed to be knocking down the virus, while buoying immune cells of patients with mild AIDS-related complex.

- A rapacious new strain of the virus — spread by sexual contact — is cutting through northern Thailand's military recruits, the U.S. Centers for Disease Control said.

Chin-Yih Ou, a CDC researcher, said the fast-moving strain, called subtype A, was found in Thailand among male and female prostitutes, male patients at venereal disease clinics and their spouses. A second type of virus, called subtype B, has infected the country's intravenous drug users.

"We do not fully understand the reasons" for this divergence, Dr. Ou said. Perhaps the lack of contact between drug users and prostitutes has led to separate epidemics, he speculated. There may also be biological differences leading to different rates of transmission.

However, he said, "I refuse to speculate" about the fear of some U.S. experts that the subtype A may have become transformed — through mutation or evolution — to ease the passage of the virus through genital tissues, fueling faster spread.

- Jay A. Levy of the University of San Francisco said his studies of long-term patients with HIV suggest there's a factor produced by certain white blood cells which can help to hold the virus in check. In most AIDS patients, these cells, known as CD8 cells, eventually grow listless and die. Symptom-free people manage to maintain them.

"Hopefully, in time, the antiviral factor or the CD8 cells themselves will be used therapeutically to control AIDS," Dr. Levy said.

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Continued →

TECHNOLOGY & HEALTH

Upjohn to Start Tests Of New AIDS Drug; Stock Soars by \$1.875

By a WALL STREET JOURNAL Staff Reporter
KALAMAZOO, Mich.—Upjohn Co. said it will begin human tests in September on a drug that might work against mutated strains of HIV, the virus that causes AIDS.

The only drugs on the market that successfully retard HIV in the body are AZT, sold by Wellcome PLC's U.S. unit, and DDI, sold by Bristol-Myers Co. But the drugs' effectiveness is limited by side effects and other problems.

Upjohn said its BHAP-E works in a way similar to AZT and DDI — by blocking the replication of the reverse transcriptase enzyme, which is essential to the growth of HIV. But Upjohn claims that its BHAP-E compound is "considerably more potent" in blocking the growth of the virus than any approved drugs on the market or experimental treatments under study.

Laboratory studies on BHAP-E also "show a potential use against" HIV strains resistant to drug treatment, said Jerry R. Mitchell, Upjohn's corporate executive vice president and president of Upjohn Laboratories.

The announcement sent Upjohn's stock soaring yesterday. In late New York Stock Exchange trading, Upjohn shares jumped \$1.875 to \$34.25.

Drug analysts caution that Upjohn is among a slew of companies working to develop an HIV treatment that would overcome drug resistance. And several companies, including Merck Co. and Boehringer-Ingelheim International G.m.b.H.'s U.S. unit, have been frustrated in their efforts to find such a treatment.

PaineWebber Inc.'s drug analyst Ronald Nordmann said investors may have been "reacting to a thread of hope for a company with a below-average research and development program." Upjohn will lose patent protection on its three top-selling drugs by 1994. So far, Upjohn has no major products coming out of the pipeline to replace those drugs.

New Virus Is Reported In Nine With AIDS Signs

IRVINE, Calif. (AP) — Researchers have discovered signs of a previously unrecognized virus in nine people who have AIDS symptoms but aren't infected by the two known AIDS viruses, a scientist said.

Dr. Sudhir Gupta, an immunologist at the University of California, Irvine, made his announcement against the backdrop of the international AIDS conference in Amsterdam where a handful of similar cases have drawn world-wide publicity. Dr. Gupta said it is too early to say if he has found an entirely new cause of AIDS or even the cause of a new AIDS-like condition. He has dubbed the virus human intracisternal retrovirus, and his results will be published in the Aug. 15 issue of the Proceedings of the National Academy of Sciences.

Existing AIDS antibody tests, used to ensure the safety of blood transfusions, can't detect the newly found virus, but Dr. Gupta said he hopes to develop a new test soon.

Dr. Gupta said the mystery virus was found in a 66-year-old Southern California woman. The woman and her 38-year-old daughter have antibodies to the mystery virus. The daughter isn't yet ill.

Blood samples from eight other patients with AIDS-like conditions were provided by researchers elsewhere.

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Patients Who Tested Negative for HIV Cause Search of Files, Raise Questions

By MARILYN CHASE

Staff Reporter of THE WALL STREET JOURNAL

AMSTERDAM — After a firestorm of publicity erupted at the AIDS conference here, doctors and researchers are combing through their patient records to search for people who have AIDS-like symptoms but who inexplicably test negative for the AIDS virus.

Jeffrey Laurence of Cornell University Medical School ignited the controversy when he said he had found five such cases among his patients — people with classic AIDS symptoms, such as pneumonia, drastic weight loss and severely weakened immune systems, but who lack any detectable sign of the human immunodeficiency virus which, by definition, causes AIDS, or acquired immune deficiency syndrome.

AIDS is a fatal affliction spread by sexual contact and exposure to infected blood. Four of the five patients had AIDS risk factors, such as engaging in needle sharing and unprotected sex.

Dr. Laurence's findings, slated for publication in the British journal *Lancet*, came out in *Newsweek* on the eve of the conference. Because of the sensational nature of the findings, surprised conference officials hastily arranged a special session to air Dr. Laurence's report. In that session, some doctors said they had seen what appeared to be similar cases, bringing the total to several dozen and setting off intense press coverage and infighting among the experts. Here are questions and answers on the major issues raised.

Is this a concern for the general population?

James Curran, AIDS chief of the U.S. Centers for Disease Control, said this doesn't represent a major new public health threat. Heterosexuals who have tested negative for the AIDS virus — and who have no other AIDS risk factors and continue to practice safety precautions — shouldn't fear for their personal health. Gay men who engage in unprotected sex and drug users who share needles, as well as their sex partners, continue to be at highest risk for AIDS.

So what do Dr. Laurence's findings mean?

Under the formal CDC definition of AIDS, Dr. Laurence's patients don't have AIDS because, so far, they test negative for HIV in the blood. Dr. Laurence told AIDS conferees it is possible the patients at one point had HIV in their bodies but that it had "burned out" as their conditions deteriorated.

However, these patients have AIDS-like symptoms. Researchers noted that sometimes a patient's immune system collapses for no known reason. Cancer, organ transplant drugs, age or environmental factors are among the possible causes. The most alarming possibility raised is that these cases could represent a new strain of AIDS virus, or an entirely different virus. But

that could take months or years to determine.

What does this say about the reliability of AIDS blood tests?

For the two known strains of the AIDS virus, the test remains highly reliable. If these cases represent a new strain of the virus or an as-yet undiscovered germ, then researchers will have to isolate it and develop tests for it.

Is the blood supply safe?

James Allen, an official with the U.S. National AIDS Program, a government agency, said at a news conference that the blood supply in the U.S. or any country that conducts standard antibody screening remains very safe.

Why is he so confident?

Most of Dr. Laurence's patients were among those at high risk for AIDS. Such individuals wouldn't pass current screening by blood banks and couldn't donate blood. In addition, there isn't any evidence their illness can be transmitted.

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MILITARY UNDER FIRE

Women in military: Sex harassment and silence

By Andrea Stone
USA TODAY

The peacetime military is under siege. In a battle unlike any in its 217-year history, the U.S. armed forces are being hammered by charges of sexual harassment and assault of its female soldiers and sailors.

The seemingly unending stream of reports raises questions about the male-dominated institution's ability to adjust to women's changing roles, even as it renews concern about whether women should be in uniform.

The latest incidents: The *Army Times* reports 24 female soldiers were raped or sexually assaulted in the Persian Gulf during operations Desert Shield and Desert Storm.

In the Navy, a salvage ship commander who allowed "fraternization and sexual harassment" aboard his ship has been relieved. And the service still is reeling from the notorious Tailhook scandal in which 26 women were molested by Navy pilots.

From the service academies to veterans hospitals, female soldiers and sailors — 12% of the military — say they get little respect and much resentment in the ranks.

"It ain't *China Beach*, where you have all these beautiful women who have these affairs..." says former Army Reserve specialist Stephanie Atkinson. Now a Fayetteville, N.C., counselor, she tells would-be soldiers the reality is far from romantic: "Expect sexual harassment in the military."

In addition, records show many of the women assaulted in the gulf waited weeks or months to report the attacks, fearing they wouldn't be believed or would be labeled "whistle-blowers" — a career-killer.

Among the Army allegations:

► Reserve Spec. Jaqueline Ortiz, 29, told a Senate panel she was sodomized by her sergeant in Saudi Arabia. She said officers did



By Jon Elmer, AP

BALLA: Ex-Navy petty officer given general discharge after being 'humiliated.'

not believe her claim and, when she later sought help, no counseling was available. An investigation is under way.

► A 24-year-old private accused a captain of assaulting her in a tent. The officer, who



By Joe DeVera, USA TODAY

HARRIS: Gulf veteran resents opinion that 'women shouldn't be in the military.'

faces military charges, reportedly unbuttoned her shirt and fondled her.

► A woman specialist having consensual sex with a male colleague in the back of a bus says another soldier replaced her partner. The second man was later accused of rape, prompting an investigation that revealed sexual misconduct by at least 10 soldiers from Fort Eustis, Va.

Officials say sexual abuse in the military mirrors all of society — no better, no worse.

"Women are safer in the military than they are on the streets of most of our major cities," says former Air Force major Jeanne Holm, author of *Women in the Military: An Unfinished Revolution*.

The gulf attacks are "not indicative of an army out of control," says Brig. Gen. Thomas



By Cindy Burnham

ATKINSON: "It ain't 'China Beach,'" says North Carolina counselor.

Jones, the Army's human resources chief. He says 24 cases are relatively few in a force of 334,000 soldiers, 26,000 of them women.

The Pentagon doesn't keep tabs on complaints, so it's hard to assess the problem in all services. But in 1990, the Army had 0.47 reported rapes per 1,000 service members, compared with 0.41 among civilians.

And many say once charges are brought, military justice is swift and sure. The problem is, charges aren't often brought.

"Military women are more hesitant to come forward," says Kathy Gilberd of San Diego's Military Law Task Force. "They're afraid (they) won't be taken seriously."

Heidi Balla, a former Navy petty officer, says sexual harassment made her leave her post on a workshop in Charleston, S.C. She

was given a general discharge.

Balla says the men teaching her about submarine repair asked about her sex life and urged her to "try one of us." Later, a superior ogled her chest "in front of all his officers. I was ... humiliated."

Former Army specialist Barbara Franco, 36, said when she tried to report a 1975 gang rape in Fort Lee, Va., her superior sergeant wouldn't fill out a report. "The whole attitude is, 'That's what you get when you're a female and you join the military.'"

Despite sensitivity training, some men resent female soldiers, and see them as unwanted and unqualified competition.

"I heard some of the men in my unit saying women shouldn't be in the military because they feel we can't do what we should," says Army National Guard Spec. Foy Harris.

With women, "We have problems with pregnancy, sexual harassment, fraternization, differences in physical strengths," says Ron Ray, a Vietnam veteran who serves on a presidential commission on women in the military. "What did we get in terms of enhanced combat readiness?"

If some answer "problems," others fault the military's ban on women in combat for insuring a two-tiered system that can't work.

"Since women aren't treated equally," says University of Illinois sociologist Pauline Bart, "it reinforces them as second class."

The combat issue aside, services are trying to change. The Navy now requires everyone to attend sensitivity training and recently opened an experimental co-ed boot camp.

"Because the outside world is taking it seriously, the military will," says Gilberd. But, "Historically, women haven't expected the military to take them seriously."

Contributing: Robert Davis, Marilyn Greene and Sandra Sanchez

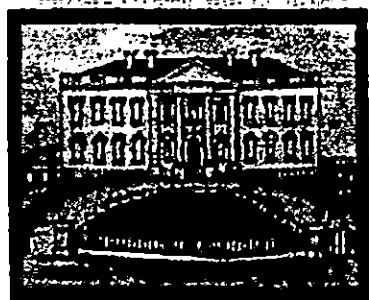
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Women on harassment

A 1988 Defense Department survey of sexual harassment of women in the military found many reporting abuse. But officials say the level of abuse reports is about the same as in the general population. For instance, the Army had 0.47 reported rapes per 1,000 soldiers, vs. 0.41 for the overall U.S. population. Percentage of abuse reported among women surveyed:

Harassment	Army	Navy	Marines	Air Force
Actual/attempted rape or sexual assault	11%	7%	10%	4%
Pressure for sexual favors	32%	20%	26%	18%
Touching, cornering	64%	59%	62%	55%
Looks, gestures	72%	65%	72%	62%
Letters, calls	26%	21%	27%	22%
Pressure for dates	53%	36%	53%	32%
Teasing, jokes	79%	78%	81%	77%
Whistles, calls	66%	61%	75%	49%
Other attention	49%	39%	42%	33%
None experienced	32%	34%	25%	43%

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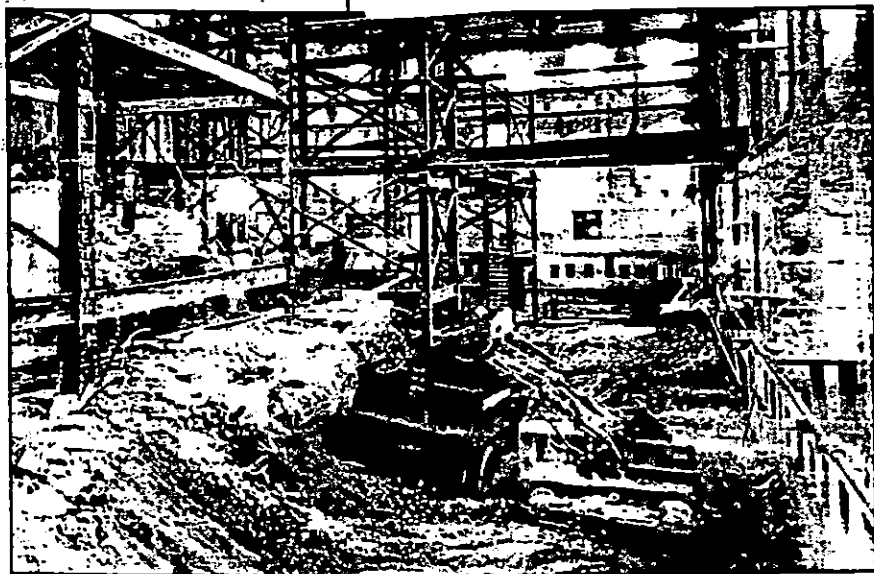
The Christian Science Monitor
7-23-92

WHITE HOUSE: INSIDE AND OUT

■ **'WASHINGTON CITY':** The detail (above) is from an 1812 watercolor by Anthony St. John Baker and shows the White House early in its history.

■ **A FAMILY HOME:** (right) Presidential children and grandchildren have paraded through White House halls on stilts, bombarded Cabinet meetings with toy cannons, and ridden ponies on the lawns. This photograph, taken in 1962 by Cecil Stoughton, shows Caroline and John John Kennedy visiting their father in the Oval Office. The photographer captured the children dancing and strutting to the President's accompaniment of clapping and singing.

■ **RECONSTRUCTED FROM THE BOTTOM UP:** (below) In 1948, President Harry Truman, worried by vibrating floors and falling plaster dust, ordered a structural survey of the White House. Engineers found that additions to the building had dangerously weakened it. The Trumans moved across the street to Blair House, while original details — paneling, fireplaces, window and door trim — were removed. The interior was gutted, a new basement dug, and a steel skeleton installed. After 27 months, the First Family moved in again, all historic details back in place.



PHOTOGRAPH BY ABIE ROWE, NATIONAL PARK SERVICE, COURTESY OF THE WHITE HOUSE

The House That The Presidents Built

COURTESY OF THE JOHN FITZGERALD KENNEDY LIBRARY, BOSTON

THE White House, America's revered and beloved home, is marking its 200th year. Since the cornerstone was set in 1792, it has been the home and workplace of every president except George Washington.

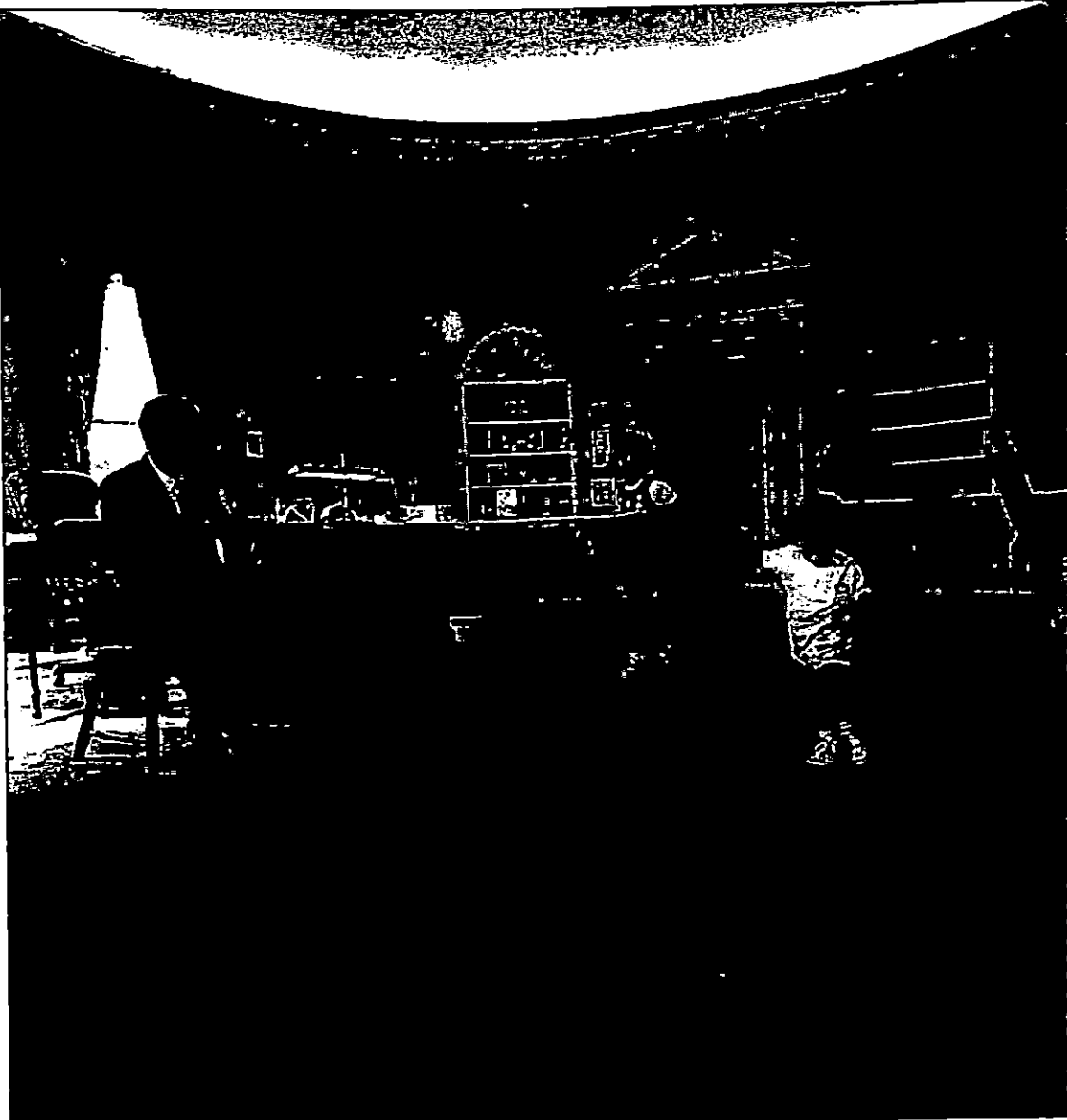
Despite drastic damage in a time of war, jarring excrescences, and, sometimes, strongly debated permanent additions, the familiar Georgian-style white structure, regarded as the nation's finest standing 18th-century stone building, has retained the original, classical design created by the Irish-born architect-builder James Hoban.

Pierre Charles L'Enfant, designer of the capital city, envisioned a vast palace for the president situated above the Potomac River and the Tiber Creek. The house was constructed on the site designated by L'Enfant, but it was five times smaller than the huge structure he would have preferred.

In fact, after being selected from nine other contestants, James Hoban designed the President's House, as it was then called, to resemble the mid-18th-century Irish Georgian-style Leinster House in Ireland. As a result, the plan was for a wide, rectangular structure with a center section featuring four columns and hooded windows.

Eight years were to pass before the house was completed. The sandstone that served as a facing for a brick shell was quarried and cut in Virginia, then slowly towed up the Potomac River to the construction site.

Skilled labor was scarce. Masons, carpenters, and joiners were recruited from the local



populace and from among African-American slaves in the region. Masons were brought from Scotland in 1793 to complete the stone work that was whitewashed to seal its porous quality. Money, too, was not always readily available.

Abigail and John Adams were the first presidential residents of the mansion. It was hardly complete for the four months remaining of Adams's term when the family lived there. The plaster was damp. Wood for heating was not provided. The large building was drafty, making it even more uncomfortable. The grand staircase was not in place.

And it is said that in the servantless, ill-equipped house, Mrs. Adams was forced to hang the laundry to dry in the East Room

where gusts of wind blew in through unfinished windows.

President Thomas Jefferson, an ardent amateur architect who followed the Adamses and lived and worked in the mansion through his two terms of office, introduced low-lying pavilions at the east and west of the building that were as graceful as they were practical for needed extra work space.

Jefferson's innovations signaled the many changes that were to come. Although the changes included the addition of north and south porticos in the early 1800s that were designed by the noted architect Benjamin Henry Latrobe with construction supervised by James Hoban, and numerous enlargements and room rearrangements, it was a disastrous fire, a drastic emergency gutting of the building, and a 20th-century addition that were probably the most dramatic.

The fire that left only the scorched exterior walls of the newly completed President's House was set by the British when

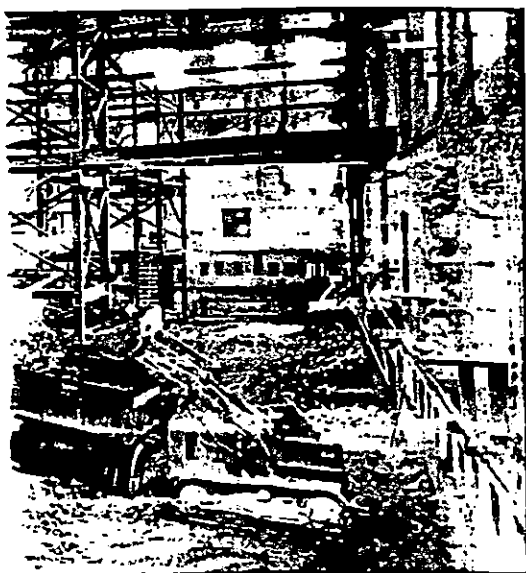
they invaded the capital city during the War of 1812.

President James Madison's wife, Dolley, a quick-witted woman who was home alone the time, fled the mansion with objects she believed were of importance, among them a Gilbert Stuart portrait of George Washington.

WHEN the severely damaged house was reconstructed the outer stonework became permanently white after a mixture of white lead ground in oil. Spanish whiting and linseed oil was applied. The president's home was referred to as the White House until 1901, when it was so designated by President Theodore Roosevelt.

It was during President Harry S. Truman's terms of office in the 1940s and 1950s that the other major changes were made.

By the mid-1940s, continuing strains, some exerting pressure since the reconstruction of the mansion following the fire



PHOTOGRAPH BY ASHLEY ROWE, NATIONAL PARK SERVICE, COURTESY OF THE WHITE HOUSE

The Christian Science Monitor
7-23-92

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1814, began to threaten the existence of the historic building. A massive renewal of the structural elements was required to strengthen the building, and the entire interior of the mansion was gutted.

Truman insisted that the modernization be limited to structural needs, such as a steel frame, and that both the façade and interior remain as much as possible as they had been.

Although he resisted change, President Truman could also introduce it. His plan for a second-floor porch brought widespread furor within official Washington

and among the public. Both sectors feared that the porch would flaw the classic symmetry of the building. But, since it was completed in 1948, the much-debated porch has become an integral and complementary part of the overall White House design.

Today, the White House is the only head-of-state's home in the world that is open to the public, enabling one and all to have a close-up view of this unique and distinguished structure where history has been made time and again.

■ Located at 1600 Pennsylvania Avenue N.W., the White House is open for tours Tuesday through Saturday from 10 a.m. to noon.

Free tickets are distributed at 8 a.m. from a kiosk on the neighboring Ellipse grounds.

Tickets are not needed between Labor Day and Memorial Day.

"VIP" passes for tours that are given from 8 a.m. to 10 a.m. before regular tours begin can be obtained by writing or phoning (well in advance) your representative's or senator's office.

Mildred Jailer

7-24-92

Schools on Contract

The parental choice movement has been set back by the narrow failure to win a California ballot placement this November, but school reform marches inexorably on.

This week a Minneapolis firm called Education Alternatives Inc. signed a contract with the Baltimore administration to run eight elementary schools and one middle school in that city, beginning this fall. It will do so in an alliance with PMG Peat Marwick, the accounting firm, and Johnson Controls, the building-services giant based in Wisconsin.

Education Alternatives has garnered considerable publicity for its operation of a public elementary school opened last fall in a rough area of Miami Beach. It claims remarkable results in student achievement and parent involvement one year into the experiment, though vice president Kathryn Thomas acknowledges that operating in a transient area (high numbers of immigrants and poor who move out when rental rates rise during peak season) doesn't make it easy. South Pointe Elementary had a turnover of 200 in its student body of 750.

Nevertheless, to have scored any gains in what the schooling establishment frequently calls "impossible" conditions is testimony to what bureaucracy-free innovation can accomplish. The more stable, if equally poor, Baltimore neighborhood schools that Mayor Kurt Schmoke's administration has decided to turn over should provide a fuller test.

The Baltimore test is also more critical because, unlike in Miami where Education Alternatives is only given a say in teaching, the company will make use of its partners to make over noninstructional operations as well. Ms. Thomas, a former teacher, predicts a 20% to 30% reduction in costs outside the classroom from better management (such as consolidating maintenance jobs and scheduling skilled tradesmen so as to reduce overtime charges). The private alliance makes its profit by receiving the district's standard per-pupil expenditure and providing a better program at a lower price. It has pledged to add nearly \$3 million in resources to the

teaching program in Baltimore.

Much of that outlay goes toward hiring a junior faculty member for each of the teachers it will inherit in the nine schools. This permits the more individualized, less-structured learning approach that Education Alternatives uses. The firm also upgrades the status of teachers, offering them amenities such as office desks and telephones, even business cards, that most professionals take for granted. Although some teachers find the transformation from lecturer to "facilitator" difficult, their union so far has gone along.

The losers in this deal, in addition to the electricians and janitors who enjoy clocking overtime, are likely to be administrators who've allowed inefficiencies and inertia to take hold on their watch. It thus might seem curious that the president of publicly held Education Alternatives is David Bennett, for seven years the superintendent of schools in St. Paul. Other veterans from the Minnesota public school hierarchy are involved, too. It is less surprising given that state's reformist climate in this field. And it is a reminder that good school personnel are to be found nearly everywhere, waiting for the right incentives to unlock their talent and drive.

Because the Baltimore contract involves only a small number of the city schools, the contracting alliance isn't going to be able to effect changes in the middle to top levels of administration where so much of America's increased school budgets have gone. In this respect, the turnover of management of the entire Duluth, Minn., school district to the alliance earlier this year might be the most telling experiment of all.

Education Alternatives' approach to instruction may not be the best one in any or all circumstances. The process of rehabilitating U.S. schools will be an incremental one marked by many failures. But it must begin, and the fact that a private concern is now attempting it under some of the most difficult urban conditions ought to compel discussion of why more of this change isn't occurring elsewhere.

Black High School Attainment Doubles

Census Says Asian Americans Lead Nation in College Graduation Rate

By Barbara Vobejda
Washington Post Staff Writer

High school graduation rates among blacks have doubled over the past two decades, significantly narrowing the racial gap in educational attainment, according to 1990 Census figures released today.

Among blacks aged 25 and older, 63 percent are high school graduates, up from 31 percent in 1970. The 1990 figure for the total population is 75.2 percent.

The new statistics also show that Asian Americans graduate from college at dramatically higher rates than the rest of the population. Nearly 37 percent of Asians aged 25 and older held a bachelor's degree in 1990, compared with 22 percent of whites, 11 percent of blacks and 9 percent of Hispanics.

While the improved graduation rates among blacks have been a cause of celebration, educators caution that the figures mask a continuing disparity: while blacks are staying in school longer, other statistics show that the extra years in the classroom do not necessarily provide a quality education.

"The overall picture for black students is very, very encouraging," said Diane S. Ravitch, assistant secretary for educational research and improvement at the Education Department. At the same time, she added, "the gap remains."

Black students continue to score below other racial groups in mathematics, writing, science and other proficiency tests, and they are much less likely to enroll in the science and math courses that are needed to enter college and succeed in the work force.

"Generally, dropout rates are going down, even in the inner city," said Henry Levin, professor of education and economics at Stanford University. "But I'm not happy with how we're getting there. The kids don't learn more, but we're able to hold on to them longer."

He said many school systems are keeping students from dropping out by placing them in alternative schools, where they take watered-down courses. Students probably get some benefit from the added years in school, he said, "but for many it is a holding operation. . . . It's not the answer."

Also, a portion of the graduates—one out of seven—has

EDUCATION AND RACE						
	Total	White	Black	American Indian	Asian-Pacific Islander	Hispanic*
High school graduates, age 25-plus						
1970	52.3%	54.7%	31.4%	n/a	n/a	n/a
1980	66.5	68.8	51.2	55.5	74.8	44.0
1990	75.2	77.9	63.1	65.5	77.5	49.8
Bachelor's degree, age 25-plus						
1980	17.1	19.3	8.4	7.7	32.9	7.6
1990	20.3	21.5	11.4	9.3	36.6	9.2
Graduate or professional degree						
1990	7.2	7.6	3.8	3.1	13.9	3.2

*Can be of any race.

SOURCE: U.S. Census Bureau

earned an equivalency degree by passing a test rather than going through the traditional high school experience. But those with equivalency degrees end up earning only slightly more than dropouts, Levin said.

The statistics, which are the most detailed yet to be released from the 1990 Census, do not show comparable gains for Hispanic students. Among Hispanics aged 25 and older, just under half have completed high school, up only slightly from 44 percent in 1980.

In the case of Asian Americans, high school graduation rates, like college graduation rates, are higher than those for other groups. And while the highly educated status of Asian Americans has been associated mainly with Japanese Americans and Chinese Americans, it is also becoming true for the newer Asian immigrants, according to Rosalind Bruno, a demographer-statistician at the U.S. Census Bureau who specializes in education.

At the same time, a substantial portion of the Asian-American adult population has less than a ninth-grade education: nearly 13 percent, compared to 10 percent for the nation as a whole.

While high school graduation rates have improved for all ethnic groups, young blacks have made much greater improvements in their high school completion rates than have whites, Bruno said. While the proportion of 25- to 29-year-old whites with high school degrees has remained at around 86 percent for the past decade and a half, the rate for blacks in that age group has climbed from 55 percent in 1970 to 82 percent.

"We are very pleased about that,"

said Shirley McBay, president of the Quality Education for Minorities Network, a private group promoting education reform.

But she argued that black and other minority students, even as they enter school, are behind and placed in lower-track classes, "while their peers are moving ahead, and they're never able to catch up."

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FRIDAY
July 24, 1992

The Philadelphia Inquirer

STATE

Can a few hours make a difference?

Using the wisdom of age to redirect young lives

By Laurie Hollman
INQUIRER STAFF WRITER

Steven Mason, a handsome 13-year-old with dark, curly hair and serious eyes, had the ball and was heading downcourt. But there was too much traffic to drive to the basket himself. He had to pass off.

There was only one player open. Earl P. Powell, the lone adult on the court, a bald, 63-year-old retiree, was standing under the basket. "Mr. Powell!" Steven called.

He flicked the ball. Powell caught it easily, the light glinting off the gold rims of his glasses, and flipped the ball up. It wobbled on the rim of the basket, then fell in. Powell's face broke into a grin. Steven nodded.

Ever since last fall, the two have been building a relationship as part of a one-year-old program called Across Ages. It matches older adults with teenagers and preteens who are coping with rough neighborhoods, troubled families or the

turbulence of adolescence. So far, the relationship between Steven and Powell is like their basketball game: Powell is there to receive the passes when Steven wants to throw them. The two communicate through simple gestures.

But Across Ages, sponsored by the Center for Intergenerational Learning at Temple University, is anything but simple in its aspirations. The hope is that the older adult will attain a sense of purpose, and the young person will find a friend and guide who can coax and prod the youngster onto a safe, happy and productive path.

As many as 10,000 students in Philadelphia, or about 5 percent of all those in the public schools, are in some kind of mentor program. But the unique feature of Across Ages is the age of its mentors: All are 55 or older.

"We look at older adults as a tremendous resource. Not only are they experienced, but they also have time and patience," said Andrea S.

See ACROSS AGES on B4

Cont.

7-24-92

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Plenty to give: time, patience, wisdom, confidence

ACROSS AGES from B1
Taylor, Across Ages project director.
Heart and mental strength help, too.

Some of the sixth graders where Across Ages is being tried — Elizabeth Gillespie, Jay Cooke and John Paul Jones Middle Schools — face overwhelming odds. In a survey of 270 sixth graders at the three schools last year, roughly 10 percent said they regularly abused drugs or alcohol. Eighty-five percent said they lived only with their mothers. When they were asked to identify the most important adult in their lives, only 6 percent said their fathers. Slightly less than half felt positively about themselves.

Steven was one of 90 sixth graders

selected by teachers to be paired with an older person. Among those chosen were students with single parents, with behavioral problems and with troubled home lives.

The program included a child who had seen his mother shot, and Lizbette Lopez, 14, a sixth grader at Jones, who had to go home every night to a neighborhood filled with drug dealers.

Steven was cutting up and cutting class, despite his obvious intelligence, and his teacher at Gillespie, Colona Roberts, was concerned. When he and a friend collaborated on a play for a class assignment, they wrote a grim saga about murder and drugs.

Steven's mother, Cassandra Mason,

was also concerned about her son. She could see he had unusual skills: He could fix things, bikes and motors. But he also "had to deal with what's going on in the streets, and I wanted him to go in the right direction," she said.

One of the goals of Across Ages is to build self-confidence. The program aims to make young people strong enough to resist the lure of alcohol or drugs. Supported by a five-year grant from the federal Office of Substance Abuse Prevention, it has four components: workshops for parents in religious or community centers in their neighborhoods; workshops for children in their classrooms, focusing on how to make good decisions and resist peer pressure; community service by the children, and the chance to form a close relationship with an older adult.

Powell, a retired guidance counselor and teacher who spent 30 years in the Camden school system, was one of 40 older adults who volunteered to be part of Across Ages. His only hesitation was that teachers might resent his visiting their classrooms, but they didn't. They welcomed him.

In the first year of the program, most of the volunteers were women. Recruits are not required to be college graduates. It is, however, important that they spare at least four hours a week and that they have nurturing skills. Across Ages determines those qualities while screening and interviewing volunteers.

Powell and the other volunteers were introduced to the children in a series of workshops at the schools. The object of these sessions was to see what partnerships would naturally develop.

Lizbette quickly took a shine to Iona Galloway, 67, a warm, enthusiastic woman who had worked as a supervisor in a clothing factory until she got cancer. The great-grandmother from North Philadelphia and the gregarious teenager hit it off right away.

Soon, Lizbette was showing Galloway the stories she wrote, phoning her nearly every night and asking if she could call her "Grandmother." (Her own grandmother lives in Puerto Rico, and Lizbette misses her a lot). She and Galloway made plans for sewing classes and for a barbecue in Galloway's neighborhood this summer with the other girls Galloway sees.

Because there are fewer older adults than youths in the program, many of the older people are paired with more than one child. Powell saw another boy besides Steven this past year, while Galloway worked

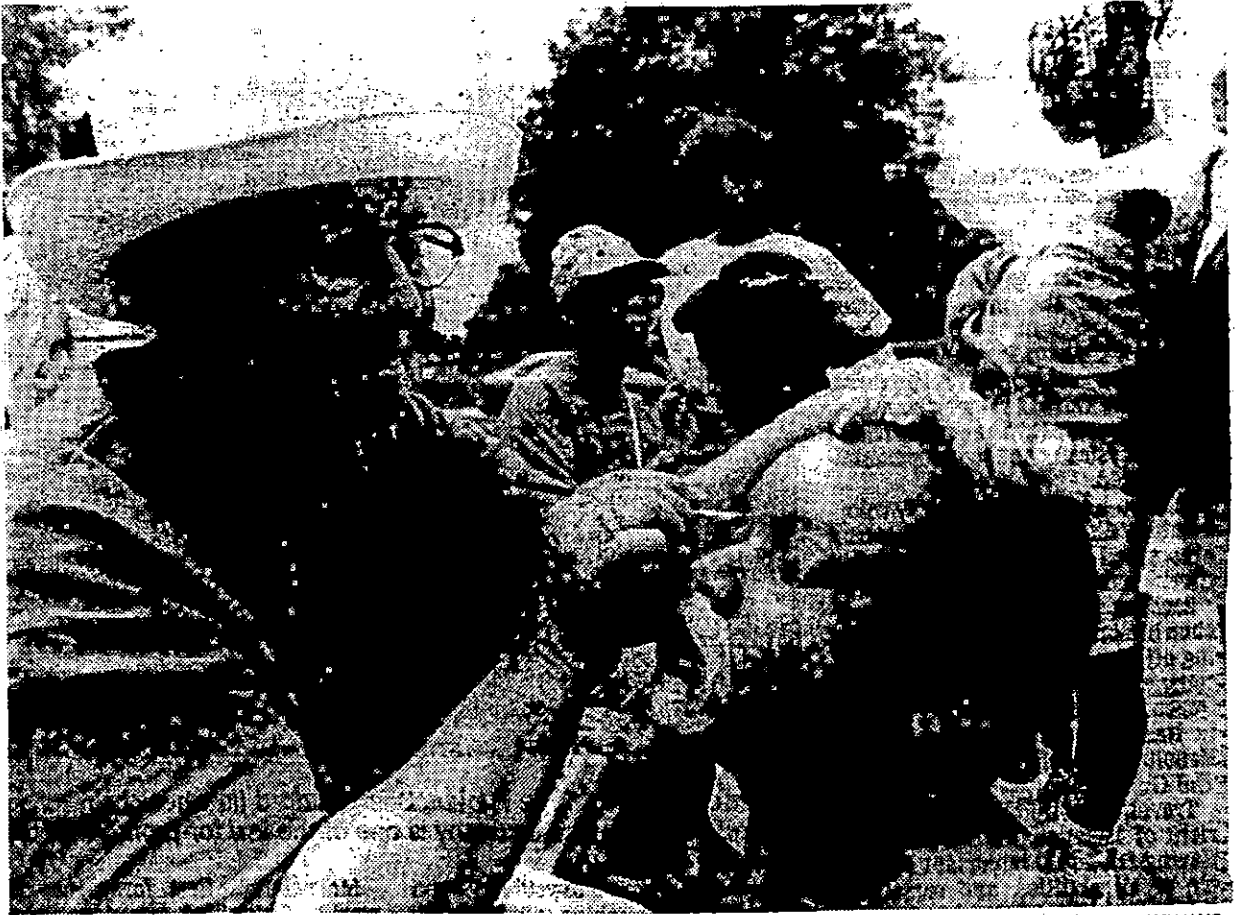


Steven Mason, 13, and Earl Powell spend some time in Fairmount Park. Steven's mother has noticed a change in her son's attitude.

cont.

7-24-92

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The Philadelphia Inquirer / GERALD WILLIAMS

A day at Fairmount Park brought together many mentors and students in the Across Ages program, a new effort to give guidance to children. Pat Lewis, 61, painted the face of Sheerie Walker, 11.

with three girls.

Still, the first year of Across Ages was an unqualified success.

"I have so much to learn from her," Lizbette said of her mentor.

The relationship between Steven and Powell has taken longer to evolve. Steven's not the sort to talk about his problems. But Powell has been patient. He knows that children are wary about trusting adults.

Because the program pays some entertainment expenses, the two have been able to see each other over meals at Spaghetti Warehouse and Ponderosa Steak House. With other Across Ages participants, they went to a Sixers game. There was also a picnic at Fairmount Park for Gillespie children. That's where Powell played basketball with Steven and his classmates.

As they played, other mentors painted hearts and balloons on the faces of sixth graders.

Samuel Wyche Sr., 75, a retired detective sergeant, described some

of his frustrations as a partner to teenagers. Too many wanted help, he said, and he didn't have the time to spend with each. Plus, after he and the youngsters were together, they went home to an environment he couldn't control.

The great unknown about Across Ages and other programs like it is whether they can serve

as a model for helping children in real or potential distress. Can a person old enough to be a child's grandparent make an impression — through weekly contact — that is big enough to sustain them through whatever bad stuff is happening to the child

among his peers, in his family or in his neighborhood?

Taylor thinks the answer is yes, although she is willing to concede that there hasn't been sufficient research on the subject.

As a way of testing its own effectiveness, Across Ages has organized classes in each of the middle schools. One class gets all four components of

the program, another gets three components and no older adults, and a third gets none of the components. The older adults are supposed to stay paired with the young people throughout middle school.

Taylor said preliminary results from the first year of Across Ages look promising in at least one respect: Sixth graders who had older adults as partners improved their attendance.

Steven did. "He calmed down a lot," Colona Roberts said. When he and a friend collaborated on another play before school ended, the subject was a person in a bad neighborhood who is able to improve himself.

Roberts gives part of the credit for Steven's improved performance to his relationship with Powell.

Steven's mother has also noticed a change. She said Across Ages was important because her son had "learned how to do things that are not trouble."

Powell believes he and Steven have a good thing going.

"He is quite shy," the older man said, "but one thing I notice is he just looks at me and doesn't say a word. His body language tells me he's happy."

A new plan: Help two lives by matching troubled teenagers with seniors.

Vdaily

TEXAS A&M UNIVERSITY
COLLEGE STATION, TEXAS 77843-1246
(409) 845-2217



William H. Mobley
President

23 July 1992

PERSONAL

The President and Mrs. Bush
The White House
Washington, D.C. 20500

Dear President and Mrs. Bush:

Thank you for your hospitality at the White House on 22 July 1992. It was a pleasure joining you and the CRSS Architectural team to discuss some of the concepts for the George Bush Presidential Library Center. Your comments and reactions were welcomed by all in attendance. We look forward to further development and the opening of a superb facility in 1997, a facility that will make you and all Americans proud.

Your thoughtfulness in taking time to show us through parts of the White House is appreciated. Thanks!

I look forward to seeing you in Houston next month and to applauding your reelection in November. America needs your continuing effective and steady hand at the helm.

Sincerely,

Bill

William H. Mobley

P.S. I have one of our scholars researching the origins of the term "docents". I'll drop you a note in a few days.
Best personal regards.

DATE: July 23, 92

DAILY NEWS CLIPS

The Washinton Post

The Washington Times

The Wall Street Journal

USA Today

The New York Times

Bush campaign 'Mr. Fix-it' stands by

'A lot of crazy rumors around'

By Judy Keen
 and Johanna Neuman
 USA TODAY

Secretary of State James Baker's shift to President Bush's campaign may be a done deal, but they side-stepped confirming it Wednesday.

Bush dismissed questions about Baker, saying, "A lot of crazy rumors floating around, aren't there?"

Bush was more definite about another rumor, concerning Vice President Quayle's departure, saying it is "very certain" that he'll remain on the GOP ticket.

Quayle, while saying he had Bush's "complete confidence," is ready to do what the president wants: "Believe me, if I thought that I was hurting the ticket, I'd be gone," he said on CNN's *Larry King Live* Wednesday night.

Bush told his senior staff he's made no decision the Baker shift.

Baker, on a Mideast peace mission, said: "I wouldn't make book on it" until it comes from the president.

But the gossip has drawn cheers in Bush's camp. Campaign chairman Robert Mosbacher said it's "typical Washington: If it looks like something's going to happen, you say you were for it all along."

Bill Clinton is not for it: "America needs him more where he is."



By Richard Drew, AP

CONFIDANT: President Bush confers with Secretary of State James Baker during a U.N. Security Council session in February. They have known each other since the late 1950s.



By Cliff Owen, UPI

GOOD BUDDIES: Bush, Baker on '89 fishing trip to Texas.

COVER STORY

Old pal is president's ace in hole

'When you got a guy with that kind of a record, he plays'

► **Index, 5A**

By Judy Keen
USA TODAY

When James Baker arrived to rescue George Bush's 1988 campaign just before the GOP convention, the first thing he did was fix the phone system.

Supporters calling headquarters were riled by constant busy signals and aides were wringing their hands over the problem, remembers

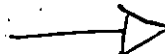
Sheila Tate, Bush's 1988 campaign spokeswoman.

Baker replaced the phones. Then he got to work on more serious problems: honing a coherent message and making sure it was repeated often, imposing order on the staff, telling Bush — in blunt terms only a Texas pal dared use — what he had to do to win.

"He made the trains run on time and he did it very quickly," says Tate. "He paid attention to everything."

Desperation for a miracle to salvage Bush's stalled campaign has led — despite coy denials from Bush and Baker — to the assumption at the White House and campaign that the secretary of State is about to gallop into the fray again.

Please see COVER STORY next page ►



COVER STORY

'Baker has all the ... attributes'

Continued from 1A

Bush loyalists have grumbled for months the president has offered voters no convincing reason to award him a second term. Staffs at the White House and campaign headquarters bicker incessantly. Bush's poll rankings have dropped precipitously and a lot of people wonder if the president's heart is in his campaign.

Baker is a veteran of five presidential races and his competitive but tight three-decade friendship with Bush "gives him his authority," says Tate.

Speculation he'll join the campaign — which flares up whenever Bush's popularity plummets — has evolved into near-certainty because it just makes so much sense.

"It's a little like if the San Francisco 49ers are in the championship game, you don't leave Joe Montana on the bench," says Texas GOP chairman Fred Meyer. "When you got a guy with that kind of a record, he plays."

Those who know both men say Baker's impact on the campaign could be dramatic:

- He'd halt squabbling between White House and campaign staffs — probably by deciding most conflicts himself.

- He'd close the Oval Office door, ask Bush to define his reasons for wanting a second term and instruct him to share that rationale with voters.

"I hope one of his top priorities would be getting a very clear and convincing message as to why the president should be re-elected," says Tennessee GOP chairman Tommy Hopper. "That's what we need."

- He'd quickly shape a plan for battling Bill Clinton and put it into play.

- He might be able to reintroduce fun into a campaign in the dumps. "One of my favorite recollections," says Tate, "was that he instituted an ugly tie contest" at staff meetings.

Baker loves his statesman role and most assume he's thinking ahead to his own probable 1996 presidential campaign, which he presumably wouldn't want tainted by shepherding Bush to a loss this year.

And it's a given that the Bush-Baker relationship includes a heavy quotient of rivalry that might preclude the president from humbly seeking a bail-out.

But it's assumed by insiders that Bush is hesitating to anoint Baker his White House and campaign overseer because the move would signal panic and disarray — and it probably would be interpreted that way.

The move would probably also be criticized as a betrayal of foreign policy priorities for crass political motives.

"I think it's kinda strange to involve the secretary of State in domestic politics," says Rep.

David Obey, D-Wis., chairman of the House appropriations panel on foreign operations.

Says Brookings Institution analyst Lawrence Korb: "Do I think it makes sense to take a secretary of State and make him a campaign manager? I wish we didn't have to do that."

Then there's the potentially sticky problem of Baker's relationship with Vice President Quayle, to whom the president remains stubbornly loyal.

Baker said soon after Quayle's selection in 1988 that he didn't agree with the choice, and the two had a teacher-pupil relationship that Quayle has said he came to resent.

But virtually everyone associated with the Bush campaign is desperate for some kind of boost, and "hype" about White House panic is a short-term price worth paying, says Jack Flanigan, Bush's California campaign director.

"What you have to do is

what's best for Bush, and at this particular point Baker has all the professional and personal attributes that make him the right guy for this job. You'd be crazy not to do it."

Senior Bush adviser Charles Black says voters don't care about reports of internal trouble: "Well, that's what was said last time (in 1988) for two or three days and then we went about our business and won."

This year's circumstances have many parallels to 1988. Before the GOP convention in New Orleans, Bob Teeter and Lee Atwater ran the Bush campaign. But Baker consulted with them often and talked to Bush on the phone as often as a dozen times a day — a practice that's continued.

Baker, who is said not to mind his calling as savior, dismissed the Bush 1988 team as "sophomores." He kept his distance until the convention because he didn't want to be per-

ceived as solely a political operative.

Bush and Baker, sometimes described as twins in their lanky stature, political instincts and preppy Texas backgrounds, have a friendship that dates back to Houston in the late 1950s.

Doubles tennis champions at the Houston Country Club for two years in a row, Baker, a corporate lawyer, and Bush, an oil entrepreneur, shared political initiations in Bush's 1960s congressional campaigns.

Their mentor-protégé relationship began in 1969, when Bush made his second bid for the Senate and suggested Baker run for his House seat.

He didn't, but in 1978 Baker ran for Texas attorney general and lost. Three days later, Bush asked him to manage his first presidential campaign.

Many campaign aides and GOP leaders are rooting for a Baker rescue. But at the top

ranks of the White House and campaign headquarters, his arrival would mean an instant — and permanent — loss of clout.

That may be why Bush hasn't told any of them his plans. A week ago most were denying a Baker job switch was afoot; now they compliment the secretary of State.

"If you can get somebody with his experience and his relationship of trust and confidence with our candidate, it would be a big asset to have him," says Black.

Of course, not even Baker can magically heal the economy or communicate Bush's vision without a willing candidate. The president's failures, and successes, are his own.

Says Republican strategist Eddie Mahe: "Something has to change and this is the best change that's available to us."

Contributing: Richard Benedetto, Marilyn Greene

Call off the dogs

On another subject, USA TODAY warns voters to steel themselves; the attack ads are on the way.

Prepare to start feeling rotten about both presidential candidates. Now that the primary season is over, some self-appointed henchmen are cooking up a new batch of negative ads.

Try to ignore them.

This year's independent political ads — those not approved by either campaign — pull no punches. They're likely to focus on the personal and the trivial, not the critical issues of the presidency.

One pro-Clinton group says it plans to launch an assault on President Bush's son Neil for his association with a failed savings and loan. It may offer a call-in line so viewers can listen to a tape of Bush's and Quayle's verbal blunders.

The pro-Bush camp has produced an ad — criticized by Bush — that imitates a phone-sex commercial, complete with

a \$4.99 charge for listening to a tape of Gennifer Flowers, who has made unsubstantiated claims of an affair with Bill Clinton.

If this election is like the last one, attack ads will become a big part of the campaign story. In this election, as in the last one, attack ads usually tell voters precious little about how someone will govern.

For all the attention the infamous 1988 Willie Horton ad got, its subject — prison furloughs — dropped from sight once the ballots were counted.

Fortunately, there are more reliable sources of more valuable information about presidential candidates: the candidates themselves.

So, listen to their speeches. Tune in to press conferences. Demand that they debate each other. Call campaign headquarters and ask tough questions.

Try to tune out the attack ads. You'll learn more about politics and feel better.

Today's debate is on **PAYING FOR PEACE**
through funding the United Nations.

Supporting U.N. efforts is in the USA's interest

OUR VIEW With the Cold War over, the United Nations can promote U.S. goals of peace, but only with U.S. support.

Dollars or death.

That's the issue for people in Yugoslavia, where United Nations' peacekeepers are trying to promote a truce but need money to remain on guard.

That's the issue in Iraq, where U.N. inspectors are trying to keep Saddam Hussein from making nuclear weapons.

And that's the issue for AIDS victims around the globe, as the underfunded U.N.'s World Health Organization battles that plague.

The U.S. can do a lot to fight all three scourges. All it need do is drop its dead-beat habits and pay its obligations.

This Friday, the House should vote to provide \$80 million more to support United Nations' peacekeeping efforts this year. Later, Congress should approve a \$1.2 billion appropriation for all activities next year.

Some object that the U.S. pays too much to the U.N. — 30% for some peacekeeping activities.

The result: The nation is \$270 million

in arrears.

Assessments deserve to be reviewed, but President Bush is right to push for full payment of our debt to the U.N.

Failing to pay the millions owed to WHO is deadly when it leads to a 40% cut in its AIDS funding.

And not providing the money earlier this year for peacekeeping was dangerous because it delayed U.N. troops from stepping in earlier in Yugoslavia, thus contributing to the carnage.

Overall, the USA's dues are cheap compared to the cost of an Operation Desert Storm or other military actions the U.N. can help avert.

More important, the U.N. fulfills a nearly 50-year-old American dream.

After World War II, the U.S. pushed for its creation to help combat war, disease, hunger and pestilence. But then the Cold War intervened.

Now, the Iron Curtain has come down, and table-pounding stalemates are over. But the United Nations will never be able to accomplish its mission if nations succumb to a cheapness of soul and fail to pay for their common commitments.

A few dollars can save a lot of deaths.

Don't waste \$\$\$ on U.N.

OPPOSING VIEW Supporting these bureaucrats and bunglers is a bad investment for the USA.

One of the cruel fallouts from the near-collapse of communism is the ethnic strife within the former Soviet empire. Past atrocities that went on behind the Iron Curtain included arbitrary new boundaries imposed on historic nations as well as the forced resettlement and brutal persecution of entire ethnic groups. A tight lid was put on this boiling cauldron, but now the world is experiencing just what the communists concocted in Yugoslavia, Armenia and elsewhere.

To ask the bungling, bureaucratic United Nations to introduce its twisted version of peace in these hot spots is perilously counterproductive. Just ask the Palestinians, Cambodians or free Chi-

nese on Taiwan how the United Nations equitably settled their problems. Or look at occupied Cyprus, Cuba or China to see how human rights issues are really decided: Political inequality is the policy dynamic at work on the East River.

In spite of its failed record, naive editorialists and manipulative internationalists are promoting even more money, prestige and power for the United Nations — and they are dangerously deceived. It's a bad investment of U.S. resources and our reputation to increase support for an organization which provided less effective famine relief in Africa than did the free-enterprise efforts of the Live Aid concerts.

The world's eclectic ethnic loyalties, diverse national issues and disparate cultural differences — which, like strong fences, make good neighbors — can be sources of friction only when confronted by a blind new world order.

Regional traditions, economic interests and religious alliances can create peaceful, practical accords between nations. Supernational Big Brother solutions — from the Kremlin or the United Nations — are the wave of the past.



By Peter B. Gemma Jr., an Arlington, Va., writer and former contributing editor to *Conservative Digest*.

Show time in the audience at Guns N' Roses

Camera's eye turns spectators into performers, making a clean breast of it.

No one knows why, or how it got started. It occurs at the crazy crossroads where rock music and safe sex come together, aided by the technology of the video age.

You'll witness it in virtually every 50,000-seat stadium on the Guns N' Roses concert tour as it winds its way around the world playing collectively to nearly a million fans.

The band is unique. So is its intermission show. At that time — or between sets if GNR is performing with other bands — the five cameras that project the performers onto huge video screens during the show start panning the audience. The cameras search for girls sitting atop their boyfriends' shoulders.

When they find one, they put her image on the screens and the crowd begins chanting the plural form of a three-letter word beginning and ending with "t," defined in the Random House dictionary as a vulgarity meaning "breast."

The chant turns to "boos" if the woman doesn't expose herself. But the astonishing thing is that almost everyone does. And they do it with enthusiasm, glee and invention.

In fact, for nearly an hour, the women — your daughters, sisters, mothers(!) — struggle and beg for the camera's attention so they, too, can have their breasts enlarged to the size of hot-air balloons on video screens so big they can be viewed from passing airplanes.

As many as 30 girls do this per show, and the ritual has been going on for over a year at nearly every GNR concert except the ones in Europe. It never happens there.

But in the crazy world that is rock 'n' roll, it is really not viewed as anything out of the ordinary.

I read a lot of newspapers and magazines, and more about GNR than is probably healthy for an aging 40-year-old. But I have never seen reporting on this bizarre



Joe Urschel's column appears on Tuesdays and Thursdays.

social dynamic. What is it about the band that prompts such an unusual response?

"This is really outlaw music. I don't think it would happen at a Garth Brooks concert," says Bryn Bridenthal, spokeswoman for the band.

"I am absolutely amazed at what people do. But it's really just a passage of youth. A hormonal thing."

Your hormones make you do it?

"I would never do it! But sex has become a voyeuristic act these days. And this is a very safe personal expression."

Am I missing something? Hasn't anybody complained? Like some hapless parent who just happened to accompany his or her kid to the show?

"Not to my knowledge. In fact, at Madison Square Garden, they thought it helped with security. They thought it was a unique and effective way to control the audience."

So what does the band think about this?

"Well, they have monitors in the dressing rooms so they can watch, but frankly they are kind of jaded about it. It is not the kind of thing that gets their attention."

Which only makes you wonder: What does?

Nah. Never mind. I don't want to know.

THURSDAY, JULY 23, 1992

Fed Is Leaning Toward Cutting Money Target

Greenspan, on Capitol Hill,
Says Questions on M2
Kept Aides From Acting

ECONOMY

By RICK WARTZMAN

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Federal Reserve

Chairman Alan Greenspan said officials of the central bank are leaning toward lowering their targets for money-supply growth but haven't yet made the move because they haven't finished studying its implications.

Mr. Greenspan, appearing before a House Banking subcommittee, said Fed policy makers recently discussed bringing the ranges down another notch "to conform to our long-term goal of price stability." He called the current ranges "still a fraction higher than they should be."

But the Fed elected to delay such a step, Mr. Greenspan said, until it has a better grasp of the connection between current money-supply figures and the overall economy. "What we did not want to convey to the Congress is that we have some insight . . . that we do not have," he said.

Asked by panel chairman Stephen Neal (D., N.C.) whether the Fed is "closing in on a better understanding," Mr. Greenspan answered, "Yes." Earlier, he said that the Fed's policy-setting committee would revisit the issue no later than its meeting next February.

In the past, setting the targets has been a source of tension within the Fed. Hardcore inflation fighters want to lower the targets to underscore the central bank's commitment to bringing down inflation. But other Fed officials, including those who are more concerned about fostering short-term economic growth than further reducing inflation, have resisted.

At their meeting this month, Fed policy makers left the target range for growth in the M2 money-supply measure unchanged at 2½% to 6½%. But M2 grew at an annual rate of only 2.1% in the first half of the year, and the measure has held steady for the past three months. M2 includes currency, checking accounts, money-market funds and some certificates of deposit.

Lowering short-term interest rates, as the Fed has done 23 times since 1989, in the past would have been expected to spur M2 growth, Mr. Greenspan said. He added that overall economic growth — even the slow growth being experienced now — also normally would coincide with an expansion of M2.

But Mr. Greenspan said that "a couple of years ago, both of those relationships broke down." A good part of that, he said, can be explained by people moving their money out of instruments that are included in M2 and into more lucrative investments. But there are "lots of other secondary reasons" that still need to be explored, the Fed chairman said.

Mr. Greenspan stressed that the Fed at this point isn't recommending a change in the definition of M2. He also took care to say he wasn't arguing that "M2 no longer matters." The Fed still believes the measure has "significant forecasting and analytical properties," he said. But he said more needs to be learned about consumer and investor portfolio preferences, especially in the wake of the massive debt buildup of the 1980s.

The comments on the money supply came during the second and final day of Mr. Greenspan's semiannual testimony before Congress on monetary policy. The cordial tone of the sparsely attended hearing, which lasted just 90 minutes, contrasted sharply with the Senate Banking Committee's contentious 4½-hour session on Monday.

Regarding other matters, Mr. Greenspan said:

- Long-term interest rates would "have a good way to go down if inflation expectations could be purged from the system."

- Consumer confidence continues to be undermined by a "foreboding" sense that the next generation may not enjoy a standard of living "comparable to our own."

- Banks are still somewhat "traumatized" by their earlier lending practices, which created "huge threats" to their capital positions. In response to a question, Mr. Greenspan said bank lending policies in New England, in particular, have become "only marginally" better and are still "unacceptable."

U.N. Team May Have Lost Chance to See Iraqi Records on Mass-Destruction Arms

By JOHN J. FIALKA
And GERALD F. SEIB

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON — A United Nations inspection team in Iraq appears to have lost an opportunity to examine archives containing procurement records and design information on Saddam Hussein's weapons of mass destruction.

Nikita Smidovich, a spokesman for the U.N. Special Commission, confirmed reports that the U.N. inspection team, which ended its 17-day watch outside Baghdad's Ministry of Agriculture, had intelligence information that the building contained records on nuclear, chemical and biological weapons. Previously, the ministry had been reported to contain information just on missile technology.

Mark Silver, an American who was the team's leader, withdrew the team to a downtown hotel after one inspector was attacked by an Iraqi wielding a skewer. U.N. officials said the team was harassed in recent days by angry crowds and received several death threats as Iraqi officials refused entry to the building.

The refusal, coupled with a hardening attitude toward other U.N. activities previously authorized by Saddam Hussein as

part of Iraq's agreement to end the Persian Gulf War, increased the likelihood that the U.S. and its allies, France and Britain, would mount an air strike against Iraq, though an attack didn't appear imminent.

"They seem to have been uncooperative on a whole series of fronts all at once, which suggests Saddam may have changed his tactics," said one Western diplomat. "There's a sense he may almost be inviting a military strike so that he can portray himself as the victim of imperialist aggressors."

Iraq has declined to accept a U.N. plan to sell its oil in exchange for food and medicine, and it isn't cooperating with a U.N. commission setting the Iraq-Kuwait border. U.N. guards in northern Iraq have been victims of recent attacks that some officials think are the work of the Iraqi government.

For the first time in the recent dispute, the White House said a military strike is possible. Iraq "is stonewalling U.N. inspectors who are trying to identify and destroy Iraq's weapons of mass destruction," presidential spokesman Marlin Fitzwater said. "We are not ruling out any option, including the use of military force."

Highlighting the importance of the records, which Western experts could have used to identify more of Iraq's suppliers in the West, the U.N. team asked permission to continue monitoring the building by helicopter. But Iraqi officials rejected that. Rolf Ekeus, head of the U.N. Special Commission empowered to disarm Iraq, told reporters there were other "means" to watch the building, presumably by satellite.

U.S. officials said they believe the Iraqis will move the records quickly to other hiding places. Gary Milhollin, director of the Washington-based Wisconsin Project, which monitors the spread of nuclear-weapons and missile technology, said an intelligence agency outside the U.S. located the records in the agriculture building.

"Inspectors have told me that this was the archive of the entire weapons program," he said. "If it had been lost, it would have been a tremendous technological blow against Saddam Hussein. He would have lost procurement records, blueprints and calculations and, no doubt, the results of numerous scientific tests."

An air strike — if the U.N. Security Council opts to punish Iraq — could be weeks away. The U.N. probably would have to remove many of its 1,100 security troops and aid workers in Iraq first. A more likely immediate response, according to one senior Bush administration aide, would be for the U.S. and its allies to send

Iraq, through the U.N., a "more specific ultimatum" spelling out what Iraqi cooperation is demanded and the penalty of failure to cooperate.

The U.S. and other members of the Security Council agree there doesn't have to be a new Security Council resolution to authorize limited military action. Military moves to force cooperation are authorized in several existing resolutions. Moreover, President Bush's worsening political situation at home might make a military move a more tempting option for him.

If a strike comes, diplomats said, it wouldn't necessarily be aimed at the Agriculture Ministry, but at related sites connected to Iraq's weapons programs.

Some U.S. officials believe, though, that Iraq will look for a face-saving way out, preventing military action. "I don't think it will be necessary," said one Bush administration aide.

Lufthansa to Cut More Jobs

FRANKFURT, Germany — Air carrier Lufthansa AG plans to eliminate 3,600 jobs next year after cutting 1,748 this year, the head of the workers' council at the Hamburg hangar said.

Holger Hagge also said the company suffered large losses in June, but he didn't indicate an amount.

This month, Lufthansa Chairman Juer-gen Weber told shareholders that the company would have another year of "high operating losses."

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The Dutch Auction, a Bogus Solution

By MICHAEL E. BASHAM

Next month, it will be exactly a year since Salomon Brothers admitted that it had submitted fraudulent bids in several Treasury auctions. This admission gave rise to criticism of the Treasury's management of the public debt and to suggestions — largely from academic economists — that the Treasury experiment with a bond-selling technique commonly known as a "Dutch auction."

The experiment is misplaced. As important as the auction process is to the Treasury, the vast majority of investors who buy Treasury securities just don't care about auctions anymore. Investors have slowly been abandoning the Treasury auction over the past decade. In the period from 1979 to 1981, non-dealers bought an average of 52% of the notes and bonds sold at auction. In 1989-1991, that figure dropped to an average of only 30%.

Investors have deserted Treasury auctions because they have found a much simpler way to purchase new Treasury securities. Since 1981, the Treasury has allowed market participants to buy and sell a Treasury security in the secondary market before it is actually sold at auction. As a result, investors have been able to avoid the uncertainties of the auction, and, more important, they have been able to avoid the interest rate volatility associated with postponing their decision to buy until the auction is held. They are able to transfer these risks to market intermediaries who have the capital and the desire to take risk,

as well as the sophistication to hedge against it.

None of the proposed benefits of a Dutch auction system would offer the same advantages to investors as buying in the pre-auction secondary market. As a result, efforts to entice significant numbers of investors into bidding in auctions will meet with little success. The only investors with an incentive to bid will continue to be those who want to buy large amounts of securities without the price dislocation a large order can cause in the secondary market, and those whose desire to buy happens to coincide with the time Treasury desires to sell.

The argument that a Dutch auction would lower Treasury borrowing costs is based primarily on studies of bidder behavior in auctions for assets such as art, stamps, coins, flowers and oil leases. These are not appropriate comparisons. Most of these markets have inefficient or non-existent price discovery mechanisms. As a result, it is difficult for most bidders to determine accurately in advance what price they must pay to buy the asset for sale.

The Treasury pre-auction trading process, however, in addition to providing a market for the transfer of risk, is also a wonderfully efficient price discovery mechanism. As a result, bidders know almost exactly what price they need to bid in order to buy securities. Only if there were a high degree of uncertainty among bidders as to what price to bid, as there was before pre-auction trading began in

1981, would there be significant pricing benefits to be gained from a Dutch auction.

It is unfortunate that the focus on auction techniques has overlooked the importance of the pre-auction trading market. Because of this market, the success or failure of an auction is a function of how successful market intermediaries have been in distributing the security to investors before the auction has been held.

A market intermediary's willingness to sell a new Treasury security and maintain a short position that will be covered in an auction is based on the belief that the auction provides each bidder with fair and reasonable access to the securities being sold. If they become convinced that the auction is stacked against them, their willingness to participate in the pre-auction distribution, as well as the auction itself, will quickly disappear. The Treasury would then find itself auctioning securities to only a handful of bidders.

The most important lesson of the May 1991 two-year note squeeze is the need to promote and maintain the integrity of the pre-auction trading market. The Dutch auction is beside the point. The target of beneficial change should be the place where Treasury securities are really sold.

Mr. Basham, a New York investment banker, was deputy assistant secretary of the Treasury in charge of federal finance from 1969 to 1991.

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Stiffing the Voters

Many Republicans believe that George Bush's political fortunes headed south the day he retreated on his no new taxes pledge, a move he now admits hurt his "credibility." But maybe the GOP should be the party with a mule for a symbol, a group of pols who learn nothing from reality. Check out the Republicans in New Jersey, one of the most politically volatile states in the Union.

Republican legislators in New Jersey this week repudiated a solemn promise to allow voters to propose laws through initiatives. It was only last November that New Jersey voters, enraged over Governor Jim Florio's tax increases, defeated more than a third of the Legislature's incumbents and gave the GOP veto-proof majorities in both houses. The Republicans won because they all ran on three main planks: a repeal of the Florio tax hikes, a cut in the size of state government and passing the right of initiative and referendum that voters in 22 states have.

Republicans delivered half a loaf on the first two planks. A penny increase in the sales tax has been rolled back, but the rest of the Florio tax program remains. Government spending has been slowed, but the runaway cost of big-ticket items hasn't been addressed. But citizen groups were counting on Republicans to deliver on the initiative promise. The GOP platform last year explicitly noted the need for I&R when an entrenched government becomes beholden to interests who think their feedings at the taxpayers' trough are some sort of untouchable right.

This week the Republicans stiffed the voters who supported them. Their legislative leaders were able to convince less than half of the GOP rank and file in the state Assembly to back I&R. Not a single Democrat voted in favor, though Governor Florio himself now supports it.

After I&R lost, lobbyists representing everyone from the teachers' unions

to business groups cheered from the legislative galleries. "If I&R had won, the investment they had made in having legislators see things their way would have been threatened," said John Budzash, a founder of Hands Across New Jersey, which collected one million signatures favoring I&R.

The same entrenched interests that oppose I&R in New Jersey are also in the forefront of efforts against term limits, which will be on 15 state ballots this fall. Nonetheless, even some lifelong politicians are now admitting the grip of interests addicted to special political treatment must be broken.

Last week, Los Angeles's Mayor Tom Bradley shocked the establishment when he announced he would support term limits (eight years) on all elected city officials. To answer concerns that this would turn over City Hall to the bureaucrats, he also wants to strip 500 senior city officials of iron-clad civil service protections. "Regardless of their performance, the city is prevented from dismissing a top department official under almost any circumstance," Mr. Bradley said with the voice of experience.

We've argued that one of the big battles in American life right now is over people in the public sector claiming what amounts to unaccountable job tenure. This is hardly an ideological or partisan issue. In New Jersey it was Republicans this week who ultimately didn't want legislators to become more accountable to voters. In Los Angeles, Tom Bradley, a Democrat in his fifth term, has decided the system he has served for so long needs reform.

New Jersey and California are at the opposite edges of this country. Yet their citizens share a disgust at getting stiffed by the politicians. New Jersey's Republicans, given political power, have just thrown in with the capital's entrenched lobbies. We suspect another political earthquake is in New Jersey's future.

Asides

Newt's Close Call

Newt Gingrich survived his Republican primary in Georgia this week by less than 1,000 votes. As we noted on Monday, every liberal group from Ralph Nader's Public Citizen to the contingency-fee trial lawyers contributed big bucks to defeat him. In effect, Mr. Gingrich had to run a general election campaign in his primary race. Georgia voters can vote in any party primary they want. An environmental

group called Clean Up Congress made 40,000 phone calls asking Democrats to vote against Mr. Gingrich in the GOP primary. In the end, the Republican primary attracted more than 70,000 voters; only 15,000 people voted in the Democratic primary. Mr. Gingrich now faces token Democratic opposition in November. He says the tactics of the trial lawyers have convinced him more than ever of the need to achieve one goal: Reform the nation's tort and health-care systems.

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REVIEW & OUTLOOK

Bank Shots

Neither a borrower nor a lender be.

The Shakespearean admonition has rarely seemed as apropos as today. Not only do bold enterprises complain that it's still awfully hard to get credit, but being the banker can be trouble as well. While the cost of funds has been down and higher bank earnings have started to repair balance sheets, new troubles mount.

For many smaller banks, the biggest of these woes is the Community Reinvestment Act, the source of a paper work ordeal that only grows worse. The latest commotion over "redlining" of some minority areas, stirred up both by the Los Angeles riots and stories in this newspaper and elsewhere about mortgage-rejection rates, has intensified the pressure.

The banking system enjoys special charters and backstops from the government, and surely those come with certain obligations to dispense loans in as full and fair a manner as prudence permits. In a time of worry over loan soundness, though, it's paradoxical to insist that banks lend uniformly to all persons of a certain income level, without regard to credit history or the riskiness of the fixed asset. Yet this would seem to be the thrust of what Rep. Maxine Waters and her California legislative sidekick, Diane Watson, are pressing for.

So-called community banks are hoping that another bill by Senate Minority Leader Robert Dole will succeed in exempting them from requirements to meet widely with local groups and fully document those and other efforts to broaden outreach. They contend that with limited staffs, such burdens are hardly bearable. Not every bank is set up to offer full services, after all, and room should be left for niche players.

Meanwhile, a new law with the wonderful title of "Federal Deposit Insurance Corporation Improvement Act" is designed to weed out bad banks faster by instituting tighter capital requirements based on loan quality. (Anyone smell a contradiction in all of this?) Unfortunately, it also smothers the system with continued limits on what banks can do. It tells them how much they can pay on certificates of deposit, what documentation they'll require on a loan, even how much their executives can be paid.

That was another law passed in the dead of night, adding to the more than \$10 billion a year that regulation costs U.S. banks. Meanwhile, Congress is unwilling to permit them to broaden their franchise to better match their international competitors. We sympathize with some recent remarks by William Seidman, who charmed the Beltway while head of the FDIC. He compared the restrictions on the banks to those imposed on another mainstay industry years ago: "The government said, 'You're in the railroad business. You can't be in the airline business; you can't have trucks.' What happened? Eventually, they lost all the market and went broke."

If this weren't enough, the banks have the go-getters at the Securities and Exchange Commission trying to get them to value their portfolios, or much of them anyway, on a daily basis. With everything else swirling about the banking system, sober deliberation on "marking to market" is in order. At the very least, if banks' portfolios are adjusted to market value every day, when markets move the banks' residual capital will fluctuate sharply. If markets are depressed for apparently transitory reasons, will regulators close down institutions because capital dips below some arbitrary line? Or will they let the banks continue to operate, under the "forbearance" regulators are now supposed to eschew? Mr. Seidman again, in a 1990 quote: "I think we have to be talking about something except forbearance, so what we need is a new title."

The bankers — both big ones with Third World loans and little S&Ls — have indulged themselves and the taxpayers who stand behind them in a frightful way these past 20 years. Partly that can be attributed to an unstable environment that monetary authorities created for them. Partly it can be blamed on the other way that politicians shape the lending climate: the boundaries that they set on banking and the channeling of credit flows that result.

In the end, however, what's expected of the banks has amounted to this: You will limit yourselves to traditional lending, you shall rarely say no, and you shall nearly never err. Good luck.

Disability Insurance's Crippling Costs

By CAROLYN L. WEAVER

The disability insurance program is on a collision course with insolvency, according to the annual report of the Social Security Board of Trustees, released this spring. When this non-news becomes news, the growing deficits will probably be written off to the recession. But the disability insurance program has been headed for insolvency since the mid-1980s, when it quietly entered a period of rapid expansion of the benefit rolls.

Disability insurance is the government's largest income support program for the disabled, providing monthly cash benefits to workers who sustain severe, long-term disabilities. Under the law, a worker's disability must be so severe that it precludes "any substantial gainful activity" (the equivalent of \$500 monthly) anywhere in the national economy or is expected to end in death. The strictness and simplicity of the law are deceiving; deciding disability is a highly subjective, complex business and the number of people awarded benefits varies widely depending on the economy and the adjudicative climate. Currently, there are 4.6 million people, including disabled workers and family members, on the benefit rolls at an annual cost of \$31 billion. The program is financed by a portion of the Social Security payroll tax.

According to the Trustees' intermediate projections, spending will outstrip revenues every year from now on, with this year's projected deficit of \$300 million climbing rapidly to \$3 billion in 1995 and \$6 billion in 1997. At this rate, the disability insurance trust fund's \$13 billion reserve will be exhausted and the program insolvent in five years.

There's little doubt that the recession has had an impact on disability insurance. Employment and wage growth have been slower than projected, putting a damper on revenues. The weakened job market, moreover, has boosted the number of people filing claims. But if the recession were all that was ailing disability insurance, chronic deficits and insolvency would not be a serious risk. The risk is posed by other

OUR Pensions

trends that were firmly established before the recession began.

First, the Social Security Administration has become far more lenient in granting benefits in recent years. Whereas 31% of applicants were granted benefits in 1980, 44% were granted benefits in 1990 and 1991. Over the 1980-91 period, the number of workers added to the rolls jumped from 397,000 to 540,000 annually. Social Security actuaries estimate that a 1% jump in the net allowance rate adds \$1 billion to the five-year cost of disability insurance.

Second, decreasing numbers of workers, once granted benefits, have been leaving the benefit rolls. The proportion whose benefits were terminated due to "recovery"—that is, they returned to work or their conditions were found to have improved—fell from 2.1% in 1980 to 0.4% in 1989 (having surged briefly during the Reagan administration), and to 0.3% in 1990, the lowest in 30 years. Less than 0.5% of disabled-worker beneficiaries leave the rolls each year, fewer than the proportion who die or reach retirement age.

These are the visible signs of program expansion. No less important are the

changes in the ages and disabilities of workers entering the program. Increasingly, disability insurance is serving younger people claiming benefits on the basis of mental disorders. This group has very poor prospects of returning to work.

Between 1980 and 1990, the most recent year for which data are available, the average age of new male beneficiaries fell to 48 from 51, and the proportion of new beneficiaries under 40 jumped to 28% from 18%. Social Security Administration researchers report that people granted benefits at ages 18 to 34 can be expected to stay on the rolls 18 years, or nearly twice as long as average.

In addition, between 1980 and 1990, the proportion of people awarded benefits based on mental disorders surged to 22% from 11%. Among workers under 35, the proportion rose to 46% from 32%. These people are likely to stay on the rolls longer than those in any other major diagnosis group.

Evidently, disability insurance was being positioned for a major expansion even before the recession began. The danger signs were obscured by "the Social Security surpluses." The surplus numbers being bandied about in public debate merge a large and growing surplus in the giant retirement program with the small and dwindling surplus in the disability insurance program, despite the fact that the programs have separate trust funds, separate tax rates, and cannot, by law, borrow from one another.

When Congress takes up the issue of the impending insolvency of the disability insurance trust fund, it will be confronted with cutting disability benefits or raising taxes. The temptation will be to do neither,

and to simply "reallocate taxes" from the retirement program to the disability program, leaving the public in the dark about the increasing cost of the Social Security system and of the disability insurance program in particular. This would simply delay the day of reckoning and, in the meantime, undermine national saving.

This option is available to Congress only because the current funding arrangement is neither fish nor fowl—Social Security is not fully funded, in which case assets would be maintained to meet all (or a stated fraction) of accruing liabilities, nor is it pay-as-you-go financed, in which case spending and income would be kept roughly in balance. The surpluses bear no necessary relation to program costs or to accruing liabilities—and anything goes. Until or unless Congress straightens out the way Social Security is funded, linking spending and tax decisions, the accounts in the federal Treasury will be more akin to government slush funds than to meaningful trust funds.

Ms. Weaver is resident scholar and director, Social Security and Pension Project, at the American Enterprise Institute.

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An Undue Burden on Pregnant Teens

The Supreme Court in its *Casey* decision refrained from asking how society can best help a pregnant teen-ager make an informed, responsible decision about her pregnancy. Such a girl requires unbiased information and autonomy. By ignoring the lessons of both research and experience, the court gave the go-ahead to those forces that would control rather than inform her.

The court supported mandated parental consent laws despite overwhelming evidence that these do not foster better parent-child interaction. We know quite a lot about how the small minority of teen-agers who do not want to inform a parent

and-white moral codes, their intolerance of differences of opinion between themselves and their children, and their need to control their children's most intimate decisions (such as whether to become a parent), supporters of parental notification laws resemble the non-abusive parents whom daughters in fact avoid notifying.

One nurse in California (where the parental consent law has just been overturned by the state court) described abortion deaths that occurred needlessly because teens omitted salient parts of their medical histories. She assumed that notified parents would have gladly volunteered all pertinent medical facts. But parents whom daughters choose not to notify might equally well have pressured their daughters into completing an unwanted pregnancy, with the attendant greater risk to maternal health.

The risk to maternal life of a pregnancy carried to term is at least 25 times greater than that from legal abortion and a greater multiple for women with unwanted pregnancies. The judicial-bypass alternative, which allows teen-agers to get court approval in lieu of parental notification, delays matters, adding to the "punishment" of an unwanted pregnancy. Ironically, upon giving birth, all teen-agers under 18 become "emancipated minors": scarcely the desired outcome for those who see their children as too young to make adult decisions.

The court's support of biased "counseling" flies in the face of a movement supported by both consumers and medical ethicists for informed consent for medical procedures. Truly informed consent requires a knowledge of the risks and benefits of the proposed procedure and the risks and benefits of alternative courses of action. Clearly, counseling designed to dissuade a woman from electing abortion (as in the Pennsylvania law) is not likely to present an objective picture of the health

consequences of abortion vs. those of pregnancy. Nor is it likely to inform a teen-age girl what good parenting of an infant entails or of the bleak social and educational outlook faced by most unwed teen-age mothers (practically none of whom opt to give up a child for adoption, the course most favored by anti-abortionists).

Nearly all American teen-agers lack unbiased medical and legal information on pregnancy, contraception and abortion. A 1990 study of teen focus groups around the country found that no participant knew abortion was legal in all 50 states; few could identify *Roe v. Wade*, and a majority thought abortion was physically dangerous, causative of sterility, and emotionally traumatic in most cases, despite much evidence to the contrary. The researchers called for adolescent-aged medically unbiased literature to counterbalance the one-sided propaganda these teens had clearly encountered.

The court inveighed against an "undue burden" placed before a woman seeking an abortion. Surely this should inspire concerned individuals and organizations to fund researchers who can assess whether ignorance and a lack of autonomy are undue burdens — and whether they weigh more heavily upon teen-agers than upon adult women. If polls comparing the sex and reproductive knowledge of Americans with that of citizens of other Western nations are any guide, what this country needs is not mandated propaganda for pregnant women but mandated factually accurate, comprehensive sex education for the entire population. That, I fear, is outside the province of the Supreme Court.

Ms. Burke, a Cupertino, Calif.-based demographer and health researcher, formerly headed the Maternal, Child and Adolescent Health Advisory Board of San Mateo County, Calif.

Counterpoint

By B. Meredith Burke

voluntarily about seeking an abortion differ from the great majority who do. A study in Minnesota (where notification of both parents is required) found that the key factor separating these two groups was how close the girls felt toward their mothers, unrelated to mother-daughter discussions about sexuality. Paradoxically, from a parental viewpoint, those who reported the most frequent attendance at religious services and those from families where parents exercised a high degree of control were both significantly less likely to tell either, let alone both, parents.

The researchers stressed that there were many other reasons for parental non-notification: an absent father, multiple concurrent family stresses, family violence, parental substance abuse, and a feeling of having "betrayed" the family by becoming pregnant. But what strikes me is that the people arguing for mandatory parental notification and even consent are correct in believing (fearing?) their daughters would not notify them. In their black-

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Postal Pickups Said to Help Seven in House

GOP Claims Rostenkowski Benefited by Deliveries Of Funds for Campaigns

By JACKIE CALMES

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — House Republicans identified seven lawmakers, including Ways and Means Committee Chairman Dan Rostenkowski, as beneficiaries of a questionable system in which House postal employees picked up and delivered campaign contributions to Capitol offices.

The Illinois Democrat issued a statement denying any knowledge of such pickups from lawmakers' post office boxes near the Capitol, a practice that could violate House rules and federal law. The other lawmakers consisted of five Democrats who have previously been named in news reports and have denied wrongdoing, along with one Republican not before named, Kansas Rep. Jan Meyers. According to the Associated Press, Rep. Meyers called the mail pickup an "inadvertent mistake" that she stopped on learning of it in 1988.

The disclosures came as a sharply divided House task force concluded its investigation of improprieties at the House Post Office, which is run by the House, not the U.S. Postal Service. Democrats and Republicans on the panel agreed the Post Office was grossly mismanaged and cited top employees. Only the Republicans, in a companion report, named House mem-

bers as possible transgressors, even as they acknowledged they had no evidence of wrongdoing by the lawmakers themselves.

The full House voted 414-0 to turn over all the task force's findings to federal prosecutors and the House Ethics Committee. The Justice Department already is conducting a criminal probe of the House Post Office and House Bank, both of which have been the subject of much public controversy this election year.

'Gross Interference'

The department was castigated in the task-force report for what Chairman Charlie Rose (D., N.C.) called "gross interference" in the panel's effort to see witnesses and documents.

House rules and federal law prohibit lawmakers from receiving political donations on government property, and bar their use of government employees or vehicles for campaign-related work. For that reason, many lawmakers maintain post-office boxes for campaign contributions at a location away from the Capitol complex.

While retrievals by House post office employees to the Capitol would appear to violate the restrictions, the Democrats' majority report said no member's behavior "contravened any federal statute or House rule." It did recommend that any such pickups end immediately.

The other Democrats named in the GOP report are Reps. Nicholas Mavroules of Massachusetts and Mary Rose Oakar of Ohio, both of whom have tough re-election races; Dennis Hertel of Michigan and Edward Feighan of Ohio, who are retiring; and Jim Moody of Wisconsin, who is running for the Senate.

Parties Assail Each Other

Democrats decried the Republicans' disclosure as politically motivated. Speaker Thomas Foley (D., Wash.) said, "There is no reason why the majority report should name names without any cause or reason to do that." But Republicans suggested Democrats were covering up. Rep. Bill Thomas of California, one of the GOP probers, asserted, "We did not prejudge. We try to provide sufficient fodder for the Ethics Committee to make a judgment."

On another matter that has received much attention, the task force said it found no evidence that post office clerks gave lawmakers cash either for campaign checks or for the vouchers intended to be used to receive stamps for official mail. "There were allegations in that regard, but they couldn't be corroborated," said GOP Rep. Pat Roberts of Kansas.

Rep. Rostenkowski, one of three Democrats whose voucher records have been subpoenaed by the U.S. Attorney's Office, claimed the report was a "total exoneration" on the cash-for-stamps matter. Two other Democrats who had received subpoenas, Pennsylvania Reps. Austin Murphy and Joe Kolter, weren't named in the GOP report.

The task force also reported "no conclusive evidence" of ghost employees on the post office payroll. Earlier leaks had implicated Ms. Oakar in that regard.

The panel called for an end to several practices involving the post office, including excessive leaves and overtime pay, "loans" of employees to lawmakers, and patronage hiring. The GOP report, among other things, said post office vehicles "were reported to have been used to drive members, former members and lobbyists to the airport."

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POLITICS & POLICY

Gay Staffer in the Bush Campaign Files Complaint Saying He Was Demoted

By MICHEL MCQUEEN

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — An administrative staffer from the Bush-Quayle re-election campaign filed a discrimination complaint against the committee, saying he was demoted and then pressured to quit because he's a homosexual.

The staffer, Tyler Franz, 37 years old, says that the head of the campaign personnel department assigned him just over a week ago to vastly curtailed responsibilities: setting up desks on an unoccupied floor at the Washington headquarters. The personnel chief, he said, attributed the campaign's action to Mr. Franz's "ideological differences with the religious right."



Tyler Franz

Mr. Franz, who says he had been openly gay since the mid-1970s, filed the complaint with the District of Columbia, which has one of the nation's most comprehensive employment-rights ordinances. The former \$15,000-a-year staffer says he had earlier refused entreaties from the campaign to waive any legal claim against Bush-Quayle '92 in exchange for a month's wages. Campaign officials didn't dispute that Mr. Franz had been reassigned to a less visible position with the campaign, but said it was related solely to a case of job "burnout."

Bush's Comments in June

Mr. Franz's story stands in stark contrast to the comments of President Bush, who was asked in an interview with ABC's Barbara Walters in June about hiring gays for important positions. "We have no litmus tests on this question here, and there aren't going to be any," he replied.

But the erstwhile candidacy of Ross Perot, who had expressed misgivings about hiring gays for important government posts, put pressure on the Bush-Quayle campaign to solidify its support with its core constituencies. In his own view, Mr. Franz was caught up in the campaign's efforts to refocus on the right — particularly the religious right, some of whose leaders wrote to Mr. Bush objecting to the president's conciliatory comments denying any litmus test for government posts. Mr. Franz, who continues to support Mr. Bush's re-election, made his comments in interviews with The Wall Street Journal.

Mr. Franz joined the Bush-Quayle campaign in January as a volunteer. He was put to work answering phones the same day that he had his interview, and he was put on the payroll within a month. In time, his responsibilities grew to managing the Campaign Information Research Center, an all-volunteer force that fielded 1,600 calls a day, delivered documents and wrote reports summarizing comments from Bush supporters.

Meeting Involving Mosebacher

Mr. Franz had no policy responsibilities at the Bush-Quayle campaign. But he did undertake to set up a meeting between some prominent gay Republicans and the campaign's general chairman, Robert Mosebacher. Mr. Mosebacher was the focal point for the group's efforts because he has an openly gay daughter and had met with members of The National Gay and Lesbian Task Force in California in February. Mr. Franz told Mr. Mosebacher in a personal letter that gay Republicans wanted to meet with him to discuss their concerns and to explore ways of increasing their participation in the campaign. But, Mr. Franz says, they were willing to wait until the primaries were over because of the challenge posed by conservative Patrick Buchanan.

Mr. Mosebacher wouldn't meet with the group, but did meet with Mr. Franz privately on June 12. There, in a frank, heart-to-heart discussion, Mr. Franz said, "he assured me he was not biased, and he assured me his lifelong friend, the president of the United States, was not biased. And I still believe that."

But it was after that meeting that Mr. Franz said he experienced the first signs of trouble. He said he was told that an evangelical leader supporting the campaign had become angry when Mr. Franz requested that the religious group send its brochure to him at campaign headquarters for his personal use. The religious leader requested an ethics investigation of Mr. Franz, but the flare-up was later attributed to a misunderstanding, and Mr. Franz says he was told by a superior not to worry about it.

Then, he said, late in the day on July 14, Tom Harvey, the campaign's personnel director, told him he was being reassigned to a remote and unoccupied floor. Mr. Franz said that Mr. Harvey told him there had been complaints about his manner in working around the front desk. But he says that in pressing further he learned there was more to the story.

He says he was told Mr. Harvey had recently met with Mimi Dawson, head of the campaign's Office of National Coalitions, a group that manages contacts with organizations representing key GOP constituencies. "She told him she wanted me out of the campaign," he recalled, "because of my ideological differences with the religious right." At the time, Mr. Perot was still in the campaign, although he dropped out only days later.

Response From Campaign

Ms. Dawson didn't return phone calls. Campaign spokeswoman Victoria Clarke said that Mr. Franz's account is "absolutely untrue."

Mr. Harvey, for his part, complimented Mr. Franz's job performance and long hours, but said that he had grown surly to visitors to the headquarters, particularly to some individuals calling on Ms. Dawson. "We tried to move him to a different job that frankly would have less visibility, and less moment-by-moment stress," Mr. Harvey said.

As for the reference to "ideological differences," Ms. Clarke, the campaign spokeswoman, said the discussion never happened (though she acknowledges that she had not asked Mr. Harvey about it directly). Mr. Harvey doesn't deny that the subject was broached, but said Mr. Franz's account is "overblown" and "involves a great deal of extrapolating on his part."

In any case, both sides agree that two days after Mr. Franz was notified of the job change, he was offered a 10% raise and a job as an "assistant for building services." The job offer, in a letter from Bill R. Phillips, the campaign's administration director, praised Mr. Franz's "level of professional contribution" and assured him that in the new position, he would be a "key figure" in preparing the headquarters for the general election.

But Mr. Franz said he told campaign officials he considered the job a demotion and offered to resign. Campaign officials then offered him a month's salary if he would write a resignation letter citing "stress" and a release form waiving any legal claims against Bush-Quayle '92. "Once somebody starts talking among his co-workers that he's being terminated because he's gay," the campaign's Mr. Harvey explained, "you get a little nervous, irrespective of what you think the merits of the claim may be."

After thinking it over last weekend, however, Mr. Franz refused to sign the release or to take the money. "I could be on a beach in the tropics right now," he said. Calling attention to his situation, he said, may help persuade the Bush campaign to open the door wider for gays. "Call me naive," he said. "I think he's the right man for the job."

THURSDAY, JULY 23, 1992

Navy Secretary Orders Shake-Up Of Senior Brass

By ANDY PASZTOR

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Navy Secretary Sean O'Keefe ordered a major shake-up of headquarters brass, setting the stage for more dramatic personnel cuts and strategy changes prompted by the Soviet Union's collapse.

The command and operational changes — some of which won't be announced for several weeks — are part of Mr. O'Keefe's campaign to improve the Navy's public image and shore up morale. But after prolonged controversy and internal bickering over the Navy's future, the effort also is intended to reorient the service to a post-Cold War world requiring smaller, more flexible and less expensive maritime forces operating closer to shore.

In his first public demonstration of control since taking the job two weeks ago, Mr. O'Keefe unveiled what many Pentagon insiders said may be the most significant reorganization of the Navy's senior uniformed ranks in three decades.

Intended to curb infighting among advocates of submarines, carrier-based aviation and surface ships, the new structure eliminates some high-level positions and puts procurement plans for all three parts of the Navy directly under a single, newly created slot filled by a three-star admiral. The officer tapped for the job is Vice Adm. Bill Owens, a former military assistant to Defense Secretary Dick Cheney.

By 1995, budget cuts are expected to eliminate at least 30 of the 250 admirals currently on the rolls and to reduce overall naval personnel by 25%. While yesterday's reorganization had been in the works for months (and isn't directly related to the Navy's sexual-assault scandal), Mr. O'Keefe's comments to reporters emphasized the importance of breaking away from the Navy's traditional command structure, its war-fighting doctrine and its view of the world.

Secretary O'Keefe suggested that when senior officers "promote competition between and among" various parts of the Navy, the result may be an unbalanced and potentially weakened force whose commanders have sidestepped tougher questions of how to revise spending priorities since the end of the Cold War. "It's a possibility ... what you end up with is a three-quarter-scale model of what you had before the day the Berlin Wall fell," he said.

To try to avoid such missteps, the new organizational plan also centralizes control over what are expected to be revised training and war-fighting principles. Later this summer, for example, Secretary O'Keefe is to release a long-awaited policy paper spelling out changes in maritime doctrine for the 21st century.

The document, according to officials familiar with it, envisions increased deployment of smaller groups of ships that aren't part of a so-called battle group tied to the movements of an aircraft carrier. In addition, the new strategy is expected to emphasize maneuvers closer to shore, more joint operations with the Army and Air Force, and expanded use of sophisticated Navy radars possibly to track ballistic missiles.

Adm. Frank Kelso, the Navy's highest-ranking uniformed officer and the main architect of the reorganization plan, told reporters that Navy doctrine needs to be revamped to become more effective "within our own house and with our sister services."

But the Navy still faces a difficult road to achieve its goals. The Air Force, for example, nearly a year ago began spelling out sweeping changes in its doctrine and organization — partly to demonstrate its ability to take over some of the Navy's traditional war-fighting missions.

At the same time, some of the Navy's personnel changes can't be separated from the sex scandal that has badly tarnished its image.

THURSDAY, JULY 23, 1992

U.S. Budget Had Surplus Of \$3.78 Billion for June

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The federal budget showed a \$3.78 billion surplus last month, compared with a \$2.58 billion deficit a year earlier and a revised deficit of \$46.79 billion in May, the Treasury said.

Receipts totaled \$120.91 billion last month, up from \$103.39 billion a year earlier and \$62.24 billion in May. Outlays totaled \$117.13 billion last month, up from \$105.97 billion a year earlier and \$109.03 billion the month before.

In the first nine months of fiscal 1992, which ends Sept. 30, the deficit widened to \$227.74 billion from \$178.13 billion a year earlier. The federal deficit for all of fiscal 1991 was \$268.7 billion.

The Bush administration has projected a \$399 billion budget deficit for fiscal 1992, but that number is expected to be lowered when the White House releases its updated economic forecast today.

In the first nine months of fiscal 1992, government receipts rose to \$815.57 billion from \$789.90 billion the year before. Outlays through June totaled \$1.043 trillion, up from \$968.02 billion.

The government paid \$50.01 billion in interest last month on the federal debt.

THURSDAY, JULY 23, 1992

Health and Insurance PACs' Political Gifts Rose 22%, Group Says

By a WALL STREET JOURNAL Staff Reporter
WASHINGTON — Political action committees sponsored by the health-care and insurance industries boosted their contributions to congressional candidates 22% this election cycle, according to a report by a national consumer organization.

The report found that during the first 15 months of the 1992 election cycle — Jan. 1, 1991, through March 31, 1992 — health and insurance PACs gave \$9.6 million to congressional candidates compared with \$7.9 million between Jan. 1, 1989, and March 31, 1990. The 22% increase compared with a 14.5% rise in contributions from PACs representing other industries, the study said.

According to the report, which was prepared by Citizen Action using data filed with the federal government, PACs representing hospitals, doctors and pharmaceutical, medical equipment or insurance companies gave more than \$100,000 to 14 congressional candidates, 10 of whom were incumbents with seats on committees that have jurisdiction over health-care legislation.

The American Medical Association's PAC contributed the most, \$677,969, followed by the American Dental Association, \$531,644, and the Independent Insurance Agents of America, \$358,718.

Sen. Tom Daschle (D., S.D.) of the Labor and Human Resources Committee, which has jurisdiction over health legislation, received the most health PAC money so far this election cycle, \$178,425, followed by Rep. Dan Rostenkowski (D., Ill.), chairman of the Ways and Means Committee, \$162,498. House Majority Leader Richard Gephardt (D., Mo.), who has been a leader in drafting legislation to control health costs, was third with \$158,739.

in Mississippi

THURSDAY, JULY 23, 1992

Assets & Liabilities

How the Political Pros Figure the Equation Of Dumping Quayle

He's Unpopular and Makes
Gaffes, but Bush Is Loyal
And Needs Conservatives

A Face-Saving Exit Scenario

By JAMES M. PERRY
And JOHN HARWOOD

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON—Dump Dan Quayle?

It is not an easy call. By dropping Mr. Quayle from his ticket, President Bush would draw attention to two uncomfortable facts: that his campaign is desperate and that Mr. Quayle was his choice in the first place.

Nonetheless, the possibility is actively under discussion at the highest levels of the Republican Party. By dropping Vice President Quayle, Mr. Bush would shed a running mate who, for a wide range of reasons, appears to be unacceptable to many voters.

The impetus for the wave of dump-Quayle talk among Republicans seems to be twofold: the accumulated weight of four years of gaffes and missteps, most recently exemplified by his attempt to correct a schoolchild's correct spelling of the word "potato," and the stunning early success of Democratic nominee Bill Clinton's choice of Sen. Albert Gore to be his running mate.

Adding immediacy to voters' doubts about the vice president are Mr. Bush's age — at 68, he's among the oldest American presidents — and speculation about possible health problems. The president's physician has pronounced Mr. Bush in "perfect" shape, but his thyroid problem and his collapse at a state dinner in Tokyo earlier this year fueled concerns.

Mr. Bush yesterday tried to knock down the rumors about Mr. Quayle. The president walked into the morning senior staff meeting and called speculation that he might dump Mr. Quayle "absurd." Later, at a cabinet meeting that the vice president attended, the president told reporters that Mr. Quayle's hold on his job is "very certain."



Dan Quayle

Moreover, those who know Mr. Bush well doubt he'd dump Mr. Quayle because of his own oft-stated sense of personal loyalty and because of his assessment of the political repercussions. "It's not Bush's style, and he'd consider that it would be counter-productive," says Thomas "Lud" Ashley, a former Democratic congressman and a banking industry lobbyist who has known Mr. Bush since college.

Mr. Quayle himself, on Cable News Network's "Larry King Live" program, said last night that "if I thought I was hurting the ticket, I'd be gone," because "I want George Bush re-elected." But he questioned the significance of his current low ratings in the polls, and asserted, "This campaign's going to be won or lost by the president and Bill Clinton."

'Flailing Around'

Still, Mr. Bush plainly wants to keep his job — "It's a dog-eat-dog fight, and I will do what I have to do to get re-elected," he told TV interviewer David Frost last January — and the combination of his own political erosion and the Democratic ticket's success in recent days has left many Republicans desperate for some way to reshuffle the political deck. "When you're down in the polls, there's a lot of flailing around," acknowledges William Kristol, Mr. Quayle's chief of staff.

Not surprisingly, Mr. Kristol adds that, "to say the least," dumping Mr. Quayle "would be no solution at all."

The scenario under which Mr. Quayle would be dropped goes something like this: The vice president initiates the move, saying he has become a lightning rod for criticism. Mr. Bush then hails Mr. Quayle's courage in tackling such politically sensitive topics as deregulation and single motherhood, but accepts his decision — possibly then promising to appoint him to a high-level cabinet post, such as secretary of state or defense.

White House counselor Clayton Yeutter did little to damp speculation about Mr. Quayle's fate when he told a TV interviewer earlier this week that "I'm 99.9% certain" that the vice president won't be dumped. And, in any event, there is a historical precedent for presidential candidates overstating their loyalty to their running mates.

In 1972, after stories broke that Democrat George McGovern's pick, Sen. Tom Eagleton of Missouri, had been hospitalized for psychiatric care, Mr. McGovern drafted a short statement: "I am 1,000% for Mr. Eagleton and have no intention of dropping him from the ticket." Of course he was dropped, replaced by Sargent Shriver, and the ticket went on to a landslide defeat.

If Mr. Bush does choose a new running mate, political analysts say, the Democrats will hammer him with his own previous words, compounding the damage he has already suffered by flip-flopping on his no-new-taxes pledge. So would many Republicans, particularly conservatives.

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Assets & Liabilities: How the Pros Figure The Quayle Equation

Continued From First Page
drawn to Mr. Quayle's feisty rhetoric.

"Very quickly, the talk would turn from the issue of Quayle to the question of Bush's character, and whether Bush has the ability to stand by an idea — or a man — when the going gets tough," says Gary Bauer, a former domestic policy aide in the Reagan White House who now runs Family Research Council.

Some GOP strategists have suggested a possible replacement who could overcome the negative reaction: Gen. Colin Powell, chairman of the Joint Chiefs of Staff. Putting the first black American on a national ticket would send a jolt through the most reliable Democratic constituency, and would permit Mr. Bush to argue that he was launching a domestic version of his Desert Storm triumph.

But the GOP right wing would be "outraged" if Mr. Bush replaced Mr. Quayle with Gen. Powell, says David Keene, who heads the American Conservative Union. "At best, he's viewed as an ideological neuter. It would be, in many cases, the last straw."

Conservatives represent the rock-solid base of today's Republican Party. They are the party's foot soldiers, the people who canvass door to door and turn out for the rallies. They also supply much of the cash that keeps the party going. "You start to erode that base and you can really say goodbye," says William Bennett, Mr. Bush's former drug czar and himself a popular conservative leader.

No one believes that conservatives would defect in large numbers to the Democratic ticket. Rather, says Mr. Keene, they would likely "sit it out — and Mr. Bush needs those troops on the ground." Another possibility is that disgruntled conservatives would turn out in November, but cast their votes for Ross Perot, who despite his withdrawal from the race will appear on many state ballots.

There are other possibilities. Anne Anstine, the GOP state chair in Pennsylvania, says the president believes deeply in loyalty and hopes he will stick with Mr. Quayle. But she adds that "some of our people would like to see a change happen, and they feel maybe [Housing and Urban Development Secretary] Jack Kemp would add something to the ticket." But Mr. Kemp has a huge drawback: his strained personal relationship with the president. Another possibility: Secretary of Defense Dick Cheney.

'Happy Campers'

Though the vice president's efforts have won more favorable press reviews in recent months, he hasn't come close to overcoming the big public doubts about his abilities.

Following his disastrous 1988 campaign, he kept a low profile initially and worked dutifully to build credibility within the administration. More recently, to counter his lightweight image, he has championed the cause of deregulation in his post as head of the White House Competitiveness Council. He has won acclaim from conservatives and scorn from liberals for his attempts to assist business interests on such issues as industrial pollution, development of environmentally sensitive wetlands and approval of new drugs.

But his accomplishments in the job have been largely political rather than substantive. He has kept open lines of communication between the GOP right wing and an administration that has outraged conservatives by raising taxes and federal spending. By speaking out on such issues as legal reform, congressional term limits and "family values," Mr. Quayle helped the president rally his conservative base and ward off a challenge from conservative commentator Patrick Buchanan in GOP primaries this spring.

Although Mr. Quayle has adopted a painfully careful public style in an effort to avoid verbal missteps, that hasn't stopped his periodic gaffes from provoking fresh new ridicule on late-night TV talk shows and elsewhere.

On a trip to American Samoa, he puzzled his audience by saying, "You all look like happy campers to me. Happy campers you are, happy campers you have been, and, as far as I am concerned, happy campers you will always be." He gave advance notice of his "potato" problem by sending out thousands of Christmas cards expressing the hope the U.S. would continue to be a "beacon" of hope around the world. Traveling in Chile, he purchased an anatomically correct doll and then took special delight in making the parts work, to the horror of Marilyn Quayle and his staff. Mangling the well-known slogan of the United Negro College Fund, he once declared, "What a waste it is to lose one's mind."

Missing no chance to take advantage of the ridicule Mr. Quayle attracts, the Democrats last week recruited the 12-year-old whose spelling of "potato" tripped him up to recite the Pledge of Allegiance at their convention.

No Parallel

If Mr. Bush should choose to make a switch, he would be breaking new ground, for there is no precise parallel to a reasonably healthy, elected incumbent president dropping his running mate to shore up his re-election chances.

Franklin Roosevelt got rid of two vice presidents — John Nance (Cactus Jack) Garner in 1940 and Henry Wallace in 1944. Mr. Garner never wanted to be vice president in the first place — he said, in a cleaned-up version, the job wasn't "worth a bucket of warm spit" — and as time went on he became increasingly disenchanted with Mr. Roosevelt's liberal policies. Ultimately, Mr. Garner jumped ship before he could be pushed, by declaring his own candidacy for the Democratic presidential nomination.

Mr. Roosevelt then turned to Agriculture Secretary Henry Wallace, an Iowa farmer with strong, sometimes fuzzy-

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headed and idealistic, notions. The ticket won with relative ease, 55% to 45%.

But Mr. Wallace, writes Jules Witcover in his recent book, "Crapshoot: Rolling the Dice on the Vice Presidency," "scared" FDR's political lieutenants because of "his eccentric ways and excessive affinity toward the Soviet Union." Mr. Roosevelt's closest advisers were also worried: They had observed the rapid deterioration of the president's health and knew he might die in office. They urged a replacement for Mr. Wallace, and Mr. Roosevelt went along with it in a series of bewildering moves that led a number of people to think they had the inside track for the job. The final choice was a safe one: Missouri Sen. Harry Truman.

The most recent example of a president dumping his No. 2 was Gerald Ford's switch from Nelson Rockefeller to Sen. Bob Dole of Kansas in 1976. But that was something of a curiosity, for neither Mr. Ford nor Mr. Rockefeller had been elected to serve in the White House. Mr. Ford had been chosen to replace the disgraced Spiro Agnew as Richard Nixon's vice president, and assumed the presidency when Mr. Nixon resigned. He then chose New York Gov. Rockefeller as his vice president. (One of the finalists for the job, before Mr. Rockefeller was chosen, was the Republican national chairman, George Bush.)

But Mr. Rockefeller, the last progressive power in the GOP, was unacceptable to the party's growing right wing led by Ronald Reagan. Murmuring began in GOP ranks that Mr. Rockefeller would do Mr. Ford a real service by stepping down. The White House said his resignation was voluntary, but Mr. Rockefeller, who nominated Mr. Dole at the national convention, later said he had been shoved.

GOP strategist Douglas Bailey, who worked in the Ford campaign in 1976, says the decision to dump Mr. Rockefeller was aimed more at winning the nomination over Mr. Reagan's challenge than at winning the election. "It probably hurt us in the fall," says Mr. Bailey. "Rockefeller was a substantial player with support that extended beyond the party. Bob Dole wasn't that kind of a national figure."

The ticket, with Mr. Dole aboard, lost to Jimmy Carter and Walter Mondale, 50% to 48%.

Los Angeles Times

Bush Makes Clear He Won't Dump Quayle

From a Times Staff Writer

WASHINGTON—Trying to squelch a new round of rumors, President Bush vehemently denied Wednesday that Vice President Dan Quayle would be forced off the ticket.

Quayle's status as his running mate is "very certain," Bush told reporters during a photo session.

He also complained about a "feeding frenzy" of rumors about his supposed ill health and said he is feeling fine. "My health is pretty good," he said, challenging members of the press corps—"anybody 67 or over"—to a race. "It's a crazy time on rumors."

Quayle himself said on CNN's "Larry King Live" on Wednesday night that he has the President's "complete confidence" and that if he thought he was a hindrance to Bush's reelection, he would resign.

"I'm totally dedicated to the President. He knows that," Quayle said. "Believe me, if I thought I was hurting the ticket I'd be gone."

The vice president, a staunch foe of abortion, also said that he would support his daughter if she became pregnant and chose to terminate her pregnancy.

King asked Quayle what he would do "if your daughter grew up, had a problem, came to you with that problem all fathers fear? How would you deal with it?"

"I hope I never do have to deal with it," Quayle said. "But obviously I would counsel her and talk to her, and support her on whatever decision she made. . . . I'd hope that she wouldn't make that decision."

Quayle and his wife, Marilyn, have two sons and a daughter.

The Republican Party advocates a constitutional amendment to ban abortions; Bush and Quayle have said they favor abortion only in cases of rape, incest or a threat to the mother's life.

Quayle said the GOP will be open to those who support abortion rights—even though its strict anti-abortion-rights platform plank will not be changed.

Los Angeles Times

WORLD

Baker Hails Israeli Plan to Reduce Settlements

■ **Mideast:** The secretary, winding up talks in Cairo, says Rabin pledges 'severe' cuts in construction.

By KIM MURPHY
TIMES STAFF WRITER

CAIRO—In his most positive assessment since his latest round of Middle East diplomacy began, Secretary of State James A. Baker III said Wednesday that Israel has pledged "severe and substantial reductions" in Jewish settlement building in the occupied West Bank and Gaza Strip.

Baker, concluding talks with Egyptian President Hosni Mubarak before flying off to Syria, said Israeli Prime Minister Yitzhak Rabin has affirmed that construction of new settlements in the territories, the most controversial issue blocking talks between Arabs and Israelis, will be substantially curtailed by his new government.

"The discussions that I've had with Prime Minister Rabin have satisfied me that there are going to be severe and substantial reductions and curtailment of settlement activities by Israel," said Baker, who indicated that final details of an agreement on settlements would be resolved after Rabin meets with President Bush next month.

"Let me say that I am really, as I have indicated, very satisfied in the philosophy and orientation of this new government in Israel toward the question of settlements," he said. "All of the details have not been worked out. Some have. Many have. We are having ongoing discussions, so I'm not going to say any more than that there really is a new approach to this whole question of settlements by this new government, and it's one frankly that pleases the United States, because as you know, we think settlements are an obstacle to peace."

Indeed, Arab officials have made it clear that they will not be prepared to make substantial new concessions toward peace agreements with Israel, including such measures as an end to the economic



James Baker, in Cairo, said he is satisfied with Israel's attitude toward settlements. Reuters

boycott against Israel, until the Israeli government moves to end new Jewish settlement building.

Mubarak, who met with Rabin on Tuesday, said he has not discussed "details" with him. The temporary settlement freeze now in place, Mubarak said, is "a very good step forward in the right direction," but not enough.

"What's being offered still needs much more, so as to persuade the Arab countries to move quickly and move

much more vigorously in the peace process," he said.

Rabin has said he is opposed to "political" settlements in Arab population centers but remains committed to settlements in areas deemed vital to Israel's security. But sources familiar with the talks said that Israel, while not willing to compromise on security issues, has indicated that it is prepared to be "pragmatic" in a wide range of areas. Israelis, the sources said, are encouraging the Arabs to watch Rabin's actions but not to expect him to make broad

statements that might spark controversy home for his new government.

In Amman, a senior Jordanian official told reporters that Baker said during talks with King Hussein on Wednesday that Israel is willing to freeze settlements in exchange for loan guarantees for new housing construction from the United States, currently blocked because of the dispute over settlements.

Israel Radio reported Wednesday that it is likely that Rabin's government will recommend completion of about 11,500 houses currently under construction in the occupied territories and cancel approval for an additional 8,500 units for which contracts have not been signed.

Baker said U.S. officials are still having discussions with Israel over the issue of the loan guarantees and said those discussions would continue with Rabin's meeting with Bush next month.

After his talks with Mubarak, which included a working lunch at the presidential palace, Baker returned to Syria for talks with President Hafez Assad, his contacts there having been cut short Tuesday by the death of Assad's mother.

It is in Syria that Baker has his biggest job, convincing the Syrians that the new Rabin government is serious about making peace with all the Arab states.

Based on Rabin's statements since his new Labor government was elected, Syria fears that Israel does not intend to discuss withdrawal from the Golan Heights, Syrian territory occupied during the 1967 Arab Israeli War.

Egyptian officials hope they can use assurances gained in the week's talks to reassure the Syrians during an Arab strategy planning session scheduled to begin Friday in Damascus.

"We are making a big effort with the other parts of the Arab world to persuade them to continue discussions, negotiations and move through the peace process," Mubarak said after his session with Rabin. "Syria is a friendly country. We are trying to help between Syria and Israel. . . . But we cannot pressure them."

Los Angeles Times

Baker Can Help but Maybe Not Enough to Solve Bush Problems

■ **Politics:** President's campaign operatives have new hope but know the savvy secretary of state may not succeed this time.

By DOUGLAS JEHL
TIMES STAFF WRITER

WASHINGTON—With the return of James A. Baker III to the White House helm now only a matter of time, a sense of Republican relief is mixed with concern that even the savvy secretary of state cannot right a badly listing George Bush reelection campaign.

In the craft of politics, Baker is a recognized master: an organizer, a decisive leader, a trusted confidant able to speak frankly to the President—and to speak authoritatively on his behalf. To a White House drifting in indecision, Baker will fill a long list of voids.

But if the impending shake-up has stirred nostalgia for a 1988-style Bush comeback—when he overcame a 17-point deficit in the polls—officials close to the White House were unusually frank in warning that this time the President's problems may not be solved simply by bringing Baker aboard.

"What the American people sense is a President who doesn't have real convictions about the country's concerns," an influential Republican official said. "They want leadership. And that's hard for anyone else to impart."

On a day when Bush refused to confirm that Baker would move to the White House—and dressed down his senior staff for alleged leaks about an impending transfer—Republican officials were unusually reticent when asked to talk for the record about what the shake-up would mean.

But the close-knit world of Republican operatives involved in the Bush campaign was charged Wednesday with a renewed sense of hope and with the glum resignation that comes when a wish is fulfilled and then found to be less valuable than it had been perceived.

One ranking GOP operative eagerly praised Baker's "discipline and coherence" and suggested that his close bond to Bush and his service at the helm of four previous presidential campaigns might at last help the White House team "figure out how to get through with voters."

But the official worried aloud that the force of the current political storm might be too much for even the seasoned captain to weather. "It's pretty hard to talk about change when you're a 12-year incumbent," the source said.

Susan Estrich, a Democrat who went head-to-head with Baker in managing then-Massachusetts Gov. Michael S. Dukakis' 1988 presidential campaign against Bush, said: "I think Jim Baker is the most talented person I've ever run across in politics. But George Bush's problem four years ago was style, not substance. This time it's the other way around."

If there was a single consensus about the course Baker was most

The Republicans' Right-Hand Man

Here are some of the key positions held by James A. Baker III:

■ Campaign chairman for George Bush.....	1979-80
■ Senior adviser to Reagan-Bush campaign.....	1980-81
■ Member of Reagan transition team.....	1980-81
■ White House chief of staff.....	1981-85
■ Secretary of the Treasury.....	1985-88
■ Bush campaign chairman.....	1988
■ Secretary of state.....	1989-

Source: Who's Who in America

likely to chart, political professionals said, it was that he would embark on a more aggressive bid to question the record and character of Democratic nominee Bill Clinton.

Baker was said by knowledgeable sources to have told associates several weeks ago that Bush could win reelection only by attacking his rivals. "Voters are never going to like Bush much more," one source paraphrased Baker as saying, "but they can like Clinton a lot less."

At the Clinton campaign, a senior official said the arrival of Baker would bring to the Bush team a strategist "a lot smarter and savvier and [more] experienced" than "the rest of that crew put together." But the Clinton aide said he believed that Baker might be inclined to wage the current campaign on the basis of "last year's playbook."

While dodging questions about Baker's status, Bush appeared careful Wednesday at the morning senior staff meeting and in answering reporters' questions to leave the door open for such a move, which is expected to be announced next month.

But the President was blunt in seeking to squelch a new round of rumors that Vice President Dan Quayle would be forced off the Republican ticket. He told reporters that Quayle's status as his running mate was "very certain." He also complained about a "feeding frenzy" of rumors about his supposed ill health and said he was feeling fine.

In preparing to turn again to Baker, Bush would be putting his campaign in the hands of a onetime Houston lawyer who not only is one of his closest friends, but also may be uniquely experienced in the business of politics and government.

With ties to the President that go back to the early 1960s, Baker ran Bush's 1968 congressional campaign and later ran for Texas state attorney general himself. He has been at or near the helm of every Republican presidential campaign since 1976 and managed Bush's unsuccessful 1980 quest. He has served as White House chief of staff, Treasury secretary and secretary of state.

And almost exactly four years ago, it was Baker to whom Bush appealed—as he has appealed now—to help rescue a presidential campaign from a disastrous defeat.

Administration officials said Wednesday that it remained unclear exactly when Baker would return to the White House, but that the change would likely take place

after Israeli Prime Minister Yitzhak Rabin visits Washington in early August. They said Baker would be asked to relinquish his post at the State Department, rather than take a leave of absence, as he had once hoped.

In his new job at the White House, Baker is expected to take the title of senior counselor charged with coordinating Bush's agenda for the next four years. But no one in the Bush camp expressed any doubt Wednesday that Baker would be the man in charge of the White House staff and the troubled Bush campaign.

In both settings, Republicans said, Baker will bring an authoritative voice to institutions recently troubled by excessive timidity. Bush campaign chairman Robert M. Teeter has frustrated associates with what they see as a penchant for charting the reelection-bid course according to public opinion polls.

And at the White House, Chief of Staff Samuel K. Skinner has been increasingly scorned even by close aides as an indecisive leader who holds little sway with Bush.

"They say the Oval Office has the coldest floor in the world, and that everyone who goes in there gets cold feet," former Education Secretary William J. Bennett said. "You can be sure that Jim Baker won't."

Baker's task may be much the same as it was in 1978, before Bush made his first attempt to win the Republican nomination, when—according to the newly published book "What It Takes," by Richard Ben Cramer—he told Bush that if he wanted to be President he needed to "define himself" and give voters a clearer idea of his beliefs.

"I don't know," Bush is reported to have replied. "I don't get the feeling people want that."

One Bush campaign aide suggested that the addition of Baker's stature and managerial skills would at minimum improve the performance of a White House that "heretofore has not been either managed or effective."

But other senior officials questioned whether even a Baker takeover could overcome what is criticized in Republican circles as an unusually weak White House staff.

"If he doesn't fire those people at the White House, he's gained nothing," an Administration official said. "I don't care if he's Jesus Christ, you can't make a campaign out of a staff like that."

Times staff writers David Lauter and Doyle McManus contributed to this story.

Los Angeles Times

Eagleburger Waiting in the Wings

■ **Foreign policy:** Well-liked and experienced, he is set to take over if Baker joins the Bush reelection campaign.

By DOYLE McMANUS
TIMES STAFF WRITER

WASHINGTON—If Secretary of State James A. Baker III leaves his job to run President Bush's reelection campaign, as expected, he will leave considerable unfinished business behind: peace negotiations in the Middle East and the reconstruction of a newly-democratic Russia.

"We're going to be on automatic pilot," a State Department official complained. "We're basically dog-paddling already, because of the [presidential] campaign."

But the transition will be made easier by the fact that the man waiting in the wings is one of the country's most experienced and best-liked diplomats, Deputy Secretary of State Lawrence S. Eagleburger.

Once a top aide to former Secretary of State Henry A. Kissinger, Eagleburger is a charming, blunt-speaking, wisecracking veteran of almost 30 years in the foreign service who can be relied on to manage the Administration's foreign policy with no surprises—and who, equally important, is popular among both Democrats and Republicans on Capitol Hill.

Even in the middle of an election campaign, Democrats raised no objections to Bush's reported plan to leave Eagleburger in charge of the State Department until election day as "acting secretary."

"Larry won't have any real problems



Reuters

Deputy Secretary of State Lawrence Eagleburger is experienced, well-liked.

up here," an aide to Senate Foreign Relations Committee Chairman Claiborne Pell (D-R.I.) said.

Eagleburger has been the point man in defending the Administration's pre-Gulf War policy of seeking friendship with Iraq's Saddam Hussein, an unenviable assignment in the best of times.

"It was worth trying," he has insisted to a series of congressional committees, while acknowledging that the policy turned out to be a failure.

But his reservoir of good will in Congress is so deep that one committee chairman decided not to call Eagleburger as a witness in further hearings on the issue—because "he likes him too

much," an aide said.

"Eagleburger is part of the professional elite of American diplomacy," noted Terry L. Deibel, a professor at the Pentagon's National War College. "It will be a very comfortable fit, because he's worked with all these guys for so long."

"It's been a very close group for many years—maybe too close for its own good," he added. "There aren't a lot of new ideas bubbling up."

"Like Kissinger, Eagleburger is something of a pessimist," Deibel said. "He is skeptical that the world's problems have permanent solutions; he believes you do

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Los Angeles Times

DIPLOMAT: Job for Eagleburger if Baker Takes Over Bush Campaign?

Continued from A5

what you can on the margins. And he's probably right."

In any case, officials noted, Bush's decision to leave Eagleburger in charge would be designed not to launch any new diplomatic initiatives, but to protect the Administration from unpleasant surprises during the election campaign.

"The two issues that are visible at the moment, Iraq and Yugoslavia, are both losers," said one. "They're issues you don't want popping up like ugly warts in the middle of a campaign."

A key issue still facing Bush and Baker is how many top aides Baker would take from the State Department to the White House—and what the effect would be on his own foreign policy projects.

"Obviously, he will be sorely tempted to bring them all on board," one White House official said. And a longtime Baker associate suggested that the secretary of state would need his own team in the White House to jump-start the flagging Bush campaign operation. "He hasn't got time to play around," he said.

But other officials noted that Baker's closest aides have been key to the success of his diplomatic efforts, and that stripping the State Department of its top talent could leave the Administration vulnerable to criticism.

"Are they going to put 'actings' in all over the place?" the Senate aide asked. "In that case, the Democrats genuinely do have an issue."

Democratic candidate Bill Clinton opened that assault already on Wednesday, saying Baker's involvement in the campaign would "show where the priorities of this Administration are; not on pursuing a decent foreign policy for a post-Cold War era, but on winning an election."

Officials said they expect Baker's spokeswoman and closest political aide, Margaret Tutwiler, to join him at the White House. "She's his alter ego," one GOP operative said.

In addition, some officials said they expect Baker to invite Undersecretary of State Robert B. Zoellick, a talented all-around policy expert, to take a position on the White House staff. But Zoellick has been one of the architects of the Administration's drive to help Russia carry out economic reform, and his departure could hamper that effort.

A third top aide, Dennis B. Ross, has been a key figure in keeping Arab-Israeli peace talks on track—and the betting among Administration officials was

that the negotiations would keep him at the State Department.

If Ross moved to the campaign, one official cracked, "There goes the Middle East"—a line Bush and Baker would not want to hear from Clinton.

Another senior GOP official noted that Baker might turn for help to officials outside the State Department with whom he worked during the Administration of President Ronald Reagan, when Baker was, successively, White House chief of staff and secretary of the treasury. The most frequently named was Jim Cicconi, a Washington lawyer now serving as issues director for the Bush campaign.

"To a certain extent, Baker will start building a new team anyway," a White House official said.

Eagleburger did not return reporters' telephone calls on Wednesday, and aides said he would not comment on any reports of who will be running the State Department until after President Bush makes an official announcement.

A career foreign service officer, Eagleburger, 61, served at several U.S. embassies before becoming a relatively junior aide to Kissinger, President Richard M. Nixon's national security adviser, in 1968. He soon became Kissinger's executive assistant and later served as ambassador to Yugoslavia, assistant secretary of state for European affairs and undersecretary of state for policy. In 1983 he retired from the government to become president of Kissinger's private consulting firm; one of his (and Kissinger's) partners was Brent Scowcroft, now Bush's national security adviser. Bush appointed him deputy secretary of state, the department's second ranking position, in 1989.

Eagleburger, an overweight chainsmoker and workaholic, has been in poor health for several years, with ailments ranging from asthma to circulatory problems. He frequently walks with a cane and inhales medicine from a small spray can. As a result, he has tried to avoid the kind of grueling official travel that Baker has undertaken, one aide said.

His status as "acting secretary of state" for the months preceding the election would be unprecedented since the administration of President James Monroe. In 1817, Attorney General Richard Rush filled in for six months as acting secretary of state—because Monroe's nominee, John Quincy Adams, was the U.S. ambassador in London, and needed that much time to move back.

Eagleburger, an overweight chainsmoker and workaholic, has been in poor health for several years, with ailments ranging from asthma to circulatory problems.

Los Angeles Times

THURSDAY, JULY 23, 1992 A9

Perot May Be Off Calif. Ballot

By JACK CHEEVERS
TIMES STAFF WRITER

In a move that has angered die-hard Ross Perot loyalists in California, Secretary of State March Fong Eu is threatening to keep the Texan's name off the state's November ballot unless he declares he is a candidate for President.

Perot said last week that he will not run for the White House but urged backers to continue efforts to put his name on all 50 state ballots to give them "leverage" over other candidates. Perot's California supporters had gathered 1.4 million signatures—10 times more than legally necessary—to qualify him for the ballot.

But Eu spokeswoman Melissa Warren said Wednesday that state election law bars "non-candidates" from appearing on the ballot.

"Mr. Perot has said in so many words that he is not and will not be a candidate," said Warren. "His name will not be certified unless we get . . . a clear statement as to his status."

California Perot chairman Bob Hayden and other state leaders could not be reached for comment Wednesday. But in an interview Tuesday, a

Hayden assistant said Perot supporters were drafting a letter for Perot to submit to Eu.

Warren said Eu will accept a statement of Perot's candidacy "at face value" despite his abrupt July 16 announcement that he will not run for President.

"All we need is . . . four words—I am a candidate"—and he's on the ballot," she said. Perot's statement must be submitted by Aug. 27.

Sam Johnson, a Visalia home builder and assistant to Hayden, said Tuesday that many Perot volunteers believe Eu, a Democrat, was invoking the 1937 law against Perot for partisan reasons.

Warren said her office has gotten dozens of calls from angry Perot supporters in the last few days "saying we're being obstructionist and partisan and nasty."

She denied Eu had any political motive in enforcing the law, which has never before been invoked by the secretary of state's office.

Warren said Perot's supporters also must submit the nomination papers for all 54 of his representatives to the Electoral College by Aug. 7. So far, only 37 electors have handed in papers, she said.

Los Angeles Times

Clinton Bus Tour Ends on High Note at Packed Rally

By CATHLEEN DECKER
TIMES POLITICAL WRITER

ST. LOUIS—From a thunderous rally here to a buoyant gathering in his hometown of Little Rock, Bill Clinton closed out his six-day tour across middle America on Wednesday with an emotional appeal for optimism.

In front of the main public library in downtown St. Louis, close to 30,000 people waited for hours in stifling humidity to see the Democratic presidential nominee and his running mate, Tennessee Sen. Al Gore. Arriving to a deafening din, Clinton urged his followers to join him on a "great crusade" to change America's political course.

"We didn't get into this mess overnight and we won't get out of it overnight. But we'll make progress," declared Clinton, thrusting his fist into the air as his running

mate looked on approvingly.

"The thing that kills a country is when people get up every day and they don't think tomorrow is going to be any better, when they think that nothing is going to change,

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when they think nobody cares about them.

"We want to restore to this country a genuine sense of community and caring, to say we're all in this together, we're going up or down together

"This is America. Let's start acting like it."

Clinton's criticism of Bush's handling of the economy bristled with rage. He excoriated Bush for policies that Clinton said favored the

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CLINTON: Bus Tour Ends on High Note

Continued from A1

rich and left the poor and middle class struggling to stay afloat.

"What has it brought us? More decline, more inequality and an America that is the mockery of the world. When I'm your President and Al Gore your vice president, people will look up at us with respect and not down on us with sympathy."

Later, after coming home to Little Rock for the first time since he formally accepted the Democratic nomination last week, Clinton defiantly pledged to spare no effort in his quest for the presidency.

"We have just a little over 100 days in this campaign, 100 days of struggle and effort, 100 days of spirit and hope, and I want you to know that no matter how tough it gets and how long the days get, we're going to stay to the end and we're going to win this campaign," he declared before about 1,000 hometown fans.

The two rallies ended a remarkable journey that delivered the Democratic presidential ticket into the town squares and front yards of an America usually forgotten in the hustle of modern political campaigning.

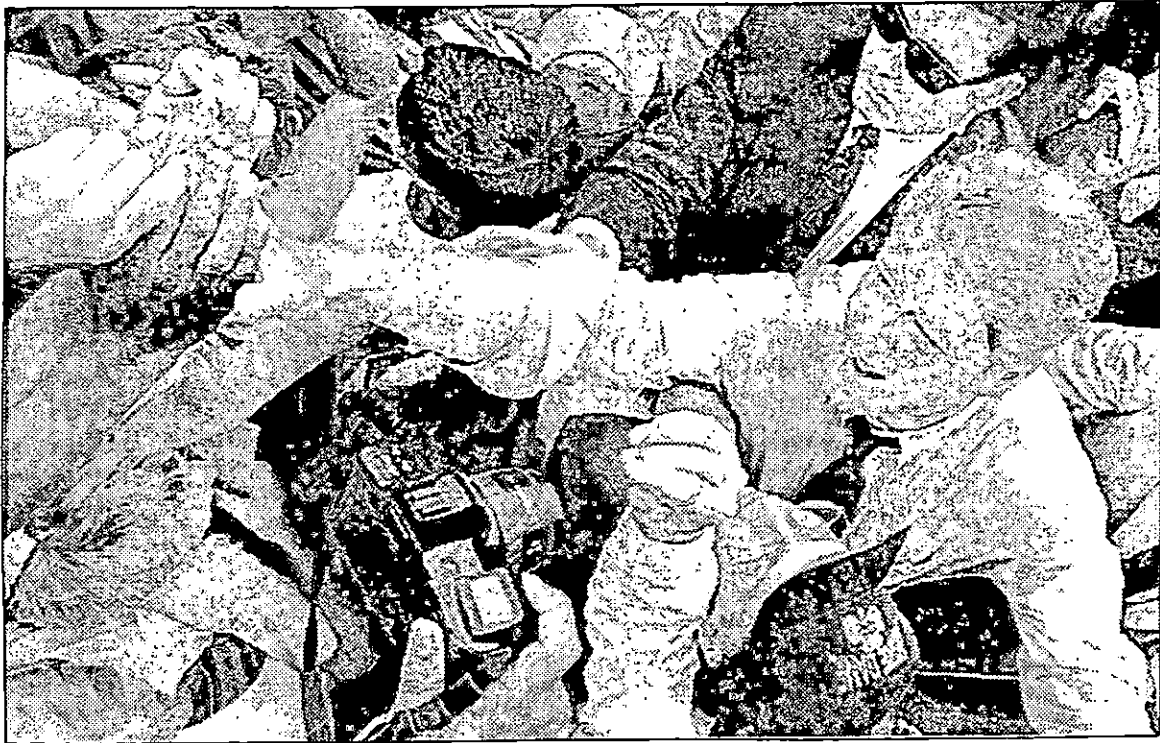
The adventure began the morning after the Democratic National Convention in New York and took Clinton and Gore, their wives and scores of aides and reporters on a winding tour of New Jersey, Pennsylvania, West Virginia, Kentucky, Indiana, Ohio and Illinois before the buses rolled to a stop in Missouri.

The candidates and their entourages parted company Wednesday afternoon in St. Louis, with each returning home by airplane—Clinton to Little Rock and Gore to Carthage, Tenn.

Throughout the novel tour, the Democratic candidates were swept up in an emotional embrace not seen by Clinton in the long months of this roller-coaster campaign, not even when he was flying high earlier this year.

All six days brimmed with political theater and photogenic images of heartland America, precisely as the campaign had hoped.

On Tuesday night, as the candidates made their way across southern Illinois, townspeople drawn by the candidates or the commotion—or both—gathered on



Associated Press

Bill Clinton greets supporters after speaking to crowd of almost 30,000 at St. Louis rally Wednesday.

their porches to wave and twirl American flags. Children stood at the roadside, shaking sparklers in the night air.

As the entourage entered Vandalia, Ill., more than 10,000 people—nearly twice the town's population of 6,000—stood on street corners and in the grassy square surrounding the former Illinois state Capitol. Many of them had staked out their positions 12 hours before the candidates arrived,

hundreds pressed against the buses in the motorcade and signed their names and messages of support to the Clinton/Gore banners tied to the vehicles' sides.

The optimistic messages were a reflection of the generally upbeat tone Clinton has adopted since accepting the nomination a week ago—and of the emotional high he was riding as the tour ended.

"I love it," he told reporters traveling aboard his campaign

'Abraham Lincoln is turning over in his grave tonight to think of what George Bush and Dan Quayle have done to the Republican Party There was a time when both parties at least tried to speak for mainstream America and the families and the working people of this country who get up every day and work hard and play by the rules. But no more.'

BILL CLINTON

townspeople said.

After Clinton spoke, he and hundreds of others lit candles that flickered against the glowing image of the towering, pillared old Capitol. As Clinton moved into the crowd to shake hands, a thousand arms reached toward him, moving like waves in a sea of adulation and curiosity.

That mood continued Wednesday in St. Louis, where the noon-time rally drew the tour's biggest crowd. After the speeches ended,

plane en route to Little Rock.

Comparing the bus tour to the more traditional big-city, airport-to-airport schedule of recent presidential campaigns, Clinton said, "You can't imagine from my point of view how much more grounded in reality it is."

The Clinton campaign had planned for the tour to serve as an introduction of the ticket to the nation, and it worked: In every town, the Democratic visit drew reams of publicity.

Over and over, Clinton sought to send a message that his brand of Democratic activism is different from that repudiated by voters in five of the last six presidential elections.

"We want a new day for the Democratic Party and a new day for America," he said in St. Louis.

In Vandalia, the Capitol square was lined with American flags—the symbol used so definitively by Bush in the 1988 campaign. And Clinton invoked the words of the first Republican President, Abraham Lincoln, to dress down Bush.

"Abraham Lincoln said once, in a time of great crisis for our country, 'As our cause is new, so we must

And everywhere he went, the Democratic nominee criticized Bush for what he called "the worst economic record since Herbert Hoover," who presided over the opening of the Great Depression.

Clinton described, sometimes sparingly and other times in detail, his plan for boosting investment in education, job training and economic relief for the middle class. He also issued familiar calls for welfare reform and promised to crack down on parents who refuse to support their children.

"Every American will have to be more responsible for the future of this country," he said.

As that approach indicated, the Democrats moved aggressively during their journey to co-opt the political identity Republicans have used to their benefit—that of the party that represents the patriotism and values of the middle class.

think anew and act anew," Clinton said. "Abraham Lincoln is turning over in his grave tonight to think of what George Bush and Dan Quayle have done to the Republican Party There was a time when both parties at least tried to speak for mainstream America and the families and the working people of this country who get up every day and work hard and play by the rules. But no more."

Clinton also repeatedly played on the campaign's theory that, in a world no longer dominated by tensions between the East and the West, Americans are ripe for a new focus on domestic prerogatives.

"We won the Cold War and everywhere around the world people say we want freedom and democracy, free enterprise, the things that made America great," Clinton said Tuesday night in Vandalia. "What will we say if everywhere they embrace our ideas and we let the American dream die at home?"

The reaction sparked by Clinton demonstrated the difference between being a politician seeking the presidency in the primaries and having officially claimed the nomination. During his campaign's previous upswings, Clinton drew good crowds. But no appearance compared with the reception he received in St. Louis to cap his bus tour. Crowds filled the nearby streets for blocks on all four sides of the stage. People crowded onto balconies and stared out of office windows. And as the motorcade left town for the airport, hundreds more lined the streets and overpasses, waving gleefully.

Clinton Firmly Plants Roots in Cultural Soil of Mid-America

■ **Values:** Symbolic images of his bus tour are central to the campaign. He wants to show voters that his life was shaped in country's moral heartland.

By RONALD BROWNSTEIN
TIMES POLITICAL WRITER

WILMINGTON, Ohio—Bill Clinton's eight-state bus tour these last few days has provided a kaleidoscope of heartland images: Steel mills and farms, churches and truck stops, flags flapping on freshly painted porches.

In large measure, it is with such quintessentially mid-American symbols that Clinton hopes to blunt accelerating Republican attacks on him as a liberal hiding behind a moderate's rhetoric.

To a degree unusual for a Democratic presidential candidate, Clinton is seeking to define himself for voters not only through his policy agenda, but through his cultural experiences and preferences.

He began the process last week in his nomination speech, when he declared himself a "product of [the] middle class." Since then, Clinton has tried in ways large and small to send signals of cultural compatibility to middle-class voters who have abandoned his party in droves in recent presidential elections.

Reinforcing His Image

On the bus trip, this effort has ranged from stopping for a well-photographed round of miniature golf and some touch football to discussing—in greater detail than ever before—his difficult upbringing and religious faith. Even the music at his rallies—a medley of baby-boomer rock and contemporary country and Western—seemed designed to reinforce Clinton's image as an energetic young man still mindful of old values.

All of this followed his convention acceptance speech last Thursday in which Clinton twice quoted Scripture, talked about the death of his father just before he was born and said he had learned more "about equality in the eyes of the Lord" from his grade school-educated grandfather than all of his professors at Georgetown and Oxford universities and Yale Law School.

In contrast, neither of the past two Democratic nominees—Michael S. Dukakis or Walter F. Mondale—quoted the Bible or mentioned God in their acceptance

speeches. Even Jimmy Carter—a "born-again" Christian—did not quote the Bible in his 1976 acceptance speech.

Driving Clinton's cultural offensive is the belief among his key advisers that voters will reach their verdicts on the Arkansas governor—and assess his place on the ideological spectrum—as much from their sense of his values and roots as his policies. They believe that if they can ground Clinton in the cultural soil of mid-America, it will be that much more difficult for the Bush campaign to convince voters that he is too risky and too liberal to trust with power.

Establishing a cultural affinity with voters "is critical," said David Wilhelm, Clinton's campaign manager. "It's hard to tag somebody as out of touch where there is a sense of shared values and common interests."

With President Bush and his surrogates already trumpeting their support of "family values," Clinton advisers say they are determined to avoid a repeat of 1988—when the GOP used a devastating array of cultural symbols and polarizing issues, from the flag to the death penalty, to portray Dukakis as an elitist who was contemptuous of mid-American values.

"The suggestion was there was a moral and cultural heartland of America from which Democrats were alienated," says William A. Galston, a professor of public policy at the University of Maryland and an occasional Clinton adviser.

To combat that, Clinton "is saying in every way possible that he is part of that heartland—that's what framed him, that's what guides him," Galston said.

That was the subtext of the bus trip itself, which wound through small towns and cheering crowds before concluding Wednesday in St. Louis. Although economic policy was front and center in Clinton's stump speeches, his campaign sought to make a statement by choosing as its first post-convention foray an itinerary that took the nominee along so many back roads and highways.

"It's kind of giving people a sense that we share their values, know where they live . . . and have empathy for what they are going through," Wilhelm said, promising more bus trips.

The bid to portray Clinton as a resolutely ordinary guy who happens to have his own motorcade sometimes runs into the more complex reality of his life as a powerful man who has long mingled with other powerful people—and whose wife has achieved considerable financial success as a corporate lawyer. On Monday, he waded into a crowd in Kentucky while



Associated Press

Presidential nominee Bill Clinton holds a child during his stop in Louisville, Ky.

wearing a polo shirt emblazoned with the logo of a private golf club.

And at about every stop, anti-abortion protesters were on hand to remind Clinton that for many conservative voters, traditional cultural values do not include his liberal position on abortion rights.

"He's trying to make the Democratic Party out to be family-oriented using the Bible," said David Enix, a schoolteacher who drove 40 minutes to carry an anti-abortion sign at a Clinton rally in Ohio. "He uses the Bible and the blood of innocent babies to try to win the election. He's a hypocrite."

But Clinton's newly personal approach seems to have allowed him to reach other voters more intimately than earlier this year, when he would stop quoting his policy papers only long enough to defend his character from allegations of adultery and draft-dodging.

"He seems like real people to me; someone I'd like to have as a neighbor," said Nelson Adams of Wheeling, W.Va., after watching Clinton speak at a church there last Sunday.

Throughout his campaign, Clinton has tried to reclaim for the Democrats basic American mores that Republicans have long appropriated—such as rewarding the work ethic and demanding personal responsibility. But beginning with his acceptance speech, he has started to portray his own life story as the triumph of those values.

He has argued, for instance, that his commitment to an activist government is grounded in his climb from modest roots.

Even more striking has been the intensified use of religious references. A Southern Baptist and a regular churchgoer, Clinton has always been comfortable quoting the Bible while campaigning,

in black churches. But since the convention, his religious imagery has now moved much closer to center stage.

In his acceptance speech, in addition to the two references to Scripture and his mention of "the Lord," he also used the word "God" five times—once to emphatically quote the Pledge of Allegiance and declare the United States, "One nation, under God."

Last Sunday, Clinton spent an hour in a Wheeling Presbyterian church offering more details about his religious beliefs on a nationwide television program called "Sunday Go To Meeting."

Answering questions from denominations around the country—including Jewish and Roman Catholic congregations—Clinton strongly endorsed separation of church and state and defended the ban on school prayer. But he questioned the recent Supreme Court decision preventing prayers even at special events, such as graduations. And he presented his religious faith as a central pillar of his life.

"If I weren't in my view a Christian, if I didn't believe ultimately in the perfection of life after death, then my life would have been much more difficult," he said.

Republicans Take Aim

Republican strategists and conservative activists hope to undercut Clinton's drive for the cultural center by highlighting his support for abortion rights, gay rights and the distribution of condoms in schools—and perhaps by recirculating the questions about his personal behavior that appear to have receded.

Religious figures associated with the GOP also are opening fire. Earlier this week, religious broadcaster Pat Robertson said Clinton's description of his program as a "New Covenant" between citizens and government "borders on . . . blasphemous" because it was a term used by Jesus in the Last Supper.

But Clinton shows no signs of being dissuaded by such attacks—or a fear of unsettling liberal voters who favor a strictly secular approach to politics. In typical fashion, he is trying to build his own distinctive bridge over the nation's cultural fissures: a blend of cosmopolitan baby-boomer tolerance on some lifestyle issues combined with heartland respect for such traditional values as individual responsibility and religious faith.

On these questions, as on so many others, Clinton's deepest faith may be in his own ability to reconcile the seemingly incompatible.

Los Angeles Times

Gore Backs Use of Force to Gain Iraqi Compliance

By SAM FULWOOD III
TIMES STAFF WRITER

NASHVILLE, Tenn.—Returning home to a wandering hero's welcome, Democratic vice presidential nominee Al Gore issued a stern warning to Iraqi President Saddam Hussein Wednesday that Americans are united in their support for U.N. inspection of records and suspected weapons sites.

Gore said he and presidential nominee Bill Clinton would support using force to enforce the U.N. resolutions. "If the use of force is necessary to resolve [the matter], if that is required as a way of enforcing the United Nations' resolutions, then that will be the case," he said.

"Saddam Hussein ought to understand very clearly that we are unified as a nation . . ." he added.

At the same time, the Tennessee senator chastised the Bush Administration for "playing footsie" with Hussein before the Persian Gulf War. A few weeks ago, Clinton accused Bush of appeasing Saddam—citing reports that the Iraqi leader diverted U.S. food aid for weapons, and that U.S. leaders had reason to know of the diversion.

"Should President Bush and Vice President Quayle be held responsible for playing footsie with Saddam in the weeks prior to Saddam's invasion of Kuwait?" Gore said. "Sure. They made a mistake and it was a serious mistake."

Gore charged that the White House empowered Saddam to attack Kuwait. The senator said he "was on the floor of the United States Senate with a bipartisan group of senators calling for a cutoff of foreign aid to Saddam Hussein just two weeks before the invasion."

They were rebuffed by Bush and Quayle, whom he described as eager to continue dealing with Saddam. "President Bush and Vice President Quayle said, 'Oh no, he's our good buddy. Leave him alone. . . . We like for him to be in power,'" Gore said. "We know that only days before the invasion, our ambassador there was coddling [Saddam], playing up to him."

Gore's comments followed a boisterous homecoming welcome by several hundred supporters who crowded into an airport hangar to greet him on his return from a six-day, 1,000-mile campaign journey after the Democratic National Convention in New York.

"I believe a dam has been broken," Gore told the cheering crowd, noting that the bus tour through the Midwest convinced him and Clinton that "Americans are beginning to hope again . . . that we can change our country."

Los Angeles Times

Clinton Cuts Campaign Deficit

From a Times Staff Writer

WASHINGTON—Democratic presidential candidate Bill Clinton was able to pay off some of his campaign debts last month, but he was still nearly \$3 million in debt at the end of June, according to reports received Tuesday by the Federal Election Commission.

Clinton told the FEC that he raised \$4.7 million while spending more than \$4 million during June. He finished the month with a deficit of about \$2.9 million, or about \$1-million less than his debts at the end of May.

The FEC report does not substantiate claims by Clinton aides that the Democratic nominee's fund-raising picked up in June following the last presidential primaries. In fact, his receipts during June were slightly less than the \$5 million he raised in May.

Although Clinton's receipts in June exceeded those of President Bush, who reported raising \$2.5 million last month, the President continued to report a surplus of more than \$8 million.

Clinton and Bush each will receive more than \$55 million in public funds to help finance their general election campaigns.

Los Angeles Times

Perot Says Depression Is Near, Urges Action

■ **Economy:** 'The American dream is gone,' he declares. He wants politicians to take tough measures now.

By EDWIN CHEN
TIMES STAFF WRITER

DALLAS—Warning that America is "on the edge of a severe recession or depression," Ross Perot urged the nation's leaders Wednesday to "get started now" on revitalizing the economy, adding that he may soon run television ads to highlight the dangers of not taking tough measures immediately.

At the present rate of decline, he declared, "The American dream is gone."

But Perot, who abruptly ended his independent quest for the presidency last week, also expressed optimism that economic revitalization can be achieved.

"We can do it now. And if we do it carefully and do it well, we can avoid an economic catastrophe," he said in a wide-ranging interview—the first he has given a newspaper since quitting the race last Thursday.

Perot said he would happily meet with President Bush or Arkansas Gov. Bill Clinton, the Democratic presidential nominee, to discuss his concerns.

"If they want to visit, certainly, I'll visit with anybody anywhere," he said. Both Bush and Clinton called Perot right after he withdrew and have been unabashedly courting his supporters.

Perot also spoke bitterly about the "brutal and intrusive" political process that, he said, deters well-qualified people from seeking public office, singling out the news media in particular.

"We've lost sight of what's good for the country," he said. "I marvel that anybody would put up with it—and certainly anybody that loves his family."

Perot also defended his decision to abruptly abandon his insurgent bid for the White House, a unilateral decision that shocked and

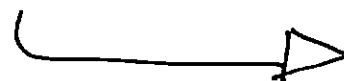
outraged his supporters throughout the country, many of whom felt Perot had betrayed their trust.

"I can now, maybe, make the issues the center of attention—as opposed to me being the center of attention—and this intense desire to destroy any person that threatens the two-party system," he said.

Despite his harsh indictment of the process, which he insisted was not personal, Perot was relaxed throughout the interview, held in his posh, memorabilia-filled office in a glass high-rise overlooking North Dallas, at one point slouching back and draping one leg over the arm of a chair.

He laughed heartily, with an

Please see PEROT, A9



Los Angeles Times

PEROT: Swift Action Urged to Fix Ailing U.S. Economy

Continued from A1

impish glint in his eyes, at some of the political reforms he would like to see enacted, such as subjecting congressional salary hikes to a "pay for performance" voter referendum. "That would shake the system," he said.

Citing congressional perquisites, Perot decried the "disconnect" between politicians and the electorate, saying public officials now show "a total lack of sensitivity" to the public. "They all need to go back and become servants of the people," he said.

Perot also called for eliminating special interest groups' clout.

What clearly emerged from the hourlong interview was the Texas billionaire's determination to remain a voice to be reckoned with in this and perhaps future election campaigns, at all levels.

"I will speak out in the unique position that I'm in," he said. "We just have a lot of work to do right here, and nobody wants to face it."

Perot also offered what, in effect, is a post-mortem on his own short-lived campaign, which has so altered the dynamics of this presidential campaign.

Referring to his supporters, Perot said: "They gave the individual citizen a voice again. Until now, the individual citizen has had no voice because of the cost of television time. The politicians have to go to the special interests to get enough money to buy enough TV time to run. And so that has turned . . . the citizens, the owners of this country, into listeners."

Perot was most spirited when he talked about the dire economic consequences of not acting immediately to fix the nation's economy. And he spoke in terms far more graphic than he—or Bush or Clinton—has articulated to date.

"If we have an economic catastrophe, tens of millions of ordinary people, of the type that signed petitions, will be devastated. And it'll probably take us 20 years to recover," Perot said.

"A severe recession or depression or call it what you will—and we're on the edge of that now if you look at the numbers."

Perot said such "numbers" will be in his long-awaited economic revival plan—"and in a form where the average citizen can understand them and react to them." He said the plan may be ready for release by late next week.

A severe recession or depression, he said, would lead to "what I call the avalanche."

That scenario, as Perot depicted it, would see the collapse, or "avalanche," of the nation's banks

and savings and loan institutions far beyond the ability of the FDIC and FSLIC to salvage.

"So all of those salaried jobs will be paid for by the taxpayers from current taxes—at a time when huge numbers of people are out of work," Perot said. "Then, if huge numbers of people are out of work, huge numbers of people will lose their homes and all the federally guaranteed home mortgages will kick in and that will have to be paid for—at a time when people don't have work and the tax base is deteriorating."

Furthermore, Perot added, "You've got federally guaranteed pension funds, including Social Security . . . and that number is in the trillions [of dollars] in terms of underfunding."

In its near-final draft, Perot's plan is known to include a \$700-billion budget deficit reduction within five years, an annual 10-cent-per-gallon rise in gasoline taxes over the same period, higher taxes on alcohol and tobacco, the elimination of various federal subsidies, limits on mortgage interest deductions for homes costing more than \$200,000, a 10% across-the-board cut in administrative costs of the federal bureaucracy, elimination of the proposed space station, a cut in cost-of-living increases in Social Security for the wealthy—which he did not define—and giving new tax incentives to businesses.

"All of these things are thinkable," Perot said, adding that his plan would take 12 years to implement. "Our country is not geared to long-term thinking because of the political process. Our friends in Japan, and I mean that sincerely, have pointed out, they think 10 years ahead; we think 10 minutes ahead. So we've got to think 10 to 12 years ahead to straighten all of this out. And we can."

He added: "What we desperately need is for the average citizen of the country to understand it and to create an environment where Congress and the White House can discuss these really ugly little things."

Toward that end, he said, he is prepared to air "a series of ads" on various economic issues.

As one example, Perot envisions an ad showing the map of the United States, highlighting the Mississippi River—with every American's tax dollars to the west being used merely to service the national debt.

"Now, if that doesn't make a point, nothing will make a point."

He denied speculation, fueled by some campaign advisers, that the tough medicine contained in his economic revitalization package

was a major reason that he withdrew from the race.

"No, I knew what the plan would have to be. I've known that from day one," Perot said.

The Dallas businessman, a one-time IBM salesman who made his fortune in the computer services business, said his delay in putting together his plan was simply due to his desire to first "have all our facts and numbers right."

He seemed most bitter when he talked about the "brutal, brutal, brutal" process of running for President.

"We ought to really think about the system. Have we got the best system? I'm just saying that we've created a system that is so intrusive and brutal and so unrelated to getting any facts straight," he said.

"But do you have to destroy anybody that that person cares about and loves?" Perot continued.

"When I look at Gov. Clinton and his little girl, I say: 'Oh, my God. Now what will she have to endure?' That shouldn't be that way. What will the wife have to endure? What will your grown children have to endure? What will your grandchildren have to endure?"

"There are no rules regarding facts. There are no rules regarding truth. All those things get thrown out the window for a good story."

"And so, I would say at some point in time people ought to sit down and say: 'Are we so involved in a game that we've lost sight of what's good for our country?'"

Perot insisted he was not personally hurt by his own run for the Oval Office. He insisted that he withdrew because, as he stated last week, he had concluded that he could not win a three-way race and that the results would throw the election into the House of Representatives—and the country into chaos.

"But then the last thing you want to do is not be able to deliver for the people," Perot said, leaning forward in his chair once more. "See, the one thing that would really break my heart would be to fail the American people. . . ."

Toward the end of the interview, Perot came close to apologizing to his backers for having quit.

The decision came, he acknowledged, "as a shock to the volunteers because a narrow, single mission of putting one person in is something you can really focus on. But when you focus on: Can that one person get this done for us, you go immediately to the fact that it all has to go through Congress. You say, no this is a better plan."

Perot closed with a warning to the two parties and their candidates that his supporters could rally around him if their wishes are ignored.

Los Angeles Times

Report Finds Few Latinos in Federal Jobs

By STEPHANIE GRACE
TIMES STAFF WRITER

WASHINGTON—Latinos are severely under-represented in the federal work force and nowhere are their numbers lower than in the White House, according to a report released Wednesday.

Only 15 of the 1,312 employees in the Executive Office of the President, or 1.1%, were of Latino descent in 1990, down from 21 in 1984, said the National Assn. of Latino Elected Officials.

"These are some of the lead positions within the government," said Harry Pachon, national director for the association. "We're shocked, really. . . ."

The report, which was based on 1990 statistics compiled by the government, said Latinos composed 5.4% of the federal work force of 2.1 million, excluding military and postal employees. That compares to Latino representation of 7.7% in America's civilian work force.

The study broke out figures for Latino employment in Cabinet-level departments. It included the White House, which employs comparatively few federal employees, because of its "symbolic importance in terms of showing leadership," Pachon said.

"It's only the slightest of exaggerations to claim that it would've been easier to find a Latino on the Mayflower than it is to find one in the President's own Executive Office," said Rep. Edward R. Roybal (D-Los Angeles), president of the Latino organization's board of directors.

A White House spokesman said he believes the Latino numbers are higher than the study indicates.

The Justice Department led all executive agencies in Latino hiring, with 9.6% of its work force of Latino descent. More than half of those employees worked for the Immigration and Naturalization Service, where 25.4% of workers are Latino, many of them employed in border areas. The Justice Department's Drug Enforcement Agency also employed a comparatively high number of Latinos.

The Treasury Department was second among federal agencies, with Latinos composing 6.5% of the labor force. Many of those employees worked for the Customs Service.

Four percent of workers at the Commerce Department were Latino in 1990, but that figure was exaggerated by the temporary employment of Spanish-speaking census takers that year, according to Pachon.

The lowest level of Latino representation was found in the Interior, State, Transportation and Education departments, each of which were less than 4% Latino.

Those in hiring positions in Washington have done a good job of bringing blacks into the government, said Pachon. "We applaud that, but we need an equally good job in reaching beyond that population."

Latinos also lag behind in federal hiring even in areas outside Washington with large Latino populations, the association said in a separate report. It showed, for instance, that Latinos held 9.7% of federal jobs in 1990 in California, where 25.8% of the population is of Latino descent.

Los Angeles Times

Panel Demands a New Vision for a New World

■ **Policy:** Foreign affairs experts, citing lack of U.S. direction, call for bold steps in post-Cold War era.

By ROBIN WRIGHT
TIMES STAFF WRITER

WASHINGTON—Condemning both presidential candidates for demeaning or discarding foreign policy at a crucial time, a panel of U.S. foreign affairs specialists called Wednesday for bold steps to provide clear direction in the post-Soviet world, including doubling foreign aid over eight years and increasing energy prices.

"We are a country ill-equipped for new priorities," the Carnegie Endowment's National Commission on America and the New World says in its report. "Our institutions creak with anachronisms. Many leaders proclaim change but act as if nothing has changed. And we are not preparing the next generation of Americans to understand, much less lead, in a transformed world."

The treatment of foreign policy issues is "somewhere between distressing and appalling," commission chairman Win-

ston Lord, former U.S. ambassador to China and former head of the State Department's Policy Planning Staff, added at a press conference Wednesday. "We see no coherent vision here or abroad."

Lord said the United States has only its third chance this century to reshape world affairs. "This is our chance," the report says, "to ensure that recent enemies become future friends and that present allies do not become new antagonists."

A central conclusion of the report is that foreign policy must now "be founded on a renewal of our domestic strength; rebuilding our economic base is now our highest priority." Revival, the report says, will require emphasis on investment rather than consumption.

In part because of those economic problems, the nonpartisan panel of 21 ranking U.S. policy-makers, economists and military officers concludes that the United States is not the lone global superpower in the aftermath of last

year's Soviet demise.

In the future, Washington's role is instead likely to be "more catalyst than commander in a wide array of collective leadership arrangements extending beyond the kind of military cooperation demonstrated during Operation Desert Storm."

"We will inevitably rely more and more on collective security to cope with new military challenges—or they will not be dealt with at all," the report says. "The United States, at its moment of triumph, will have to learn about not always getting its way."

The commission, sponsored by the Carnegie Endowment for International Peace, calls for maintaining the United States as the world's preeminent military power while reducing defense spending and withdrawing troops overseas. At the same time, however, it proposes evening the balance of global political power by adding Japan and Germany to the U.N. Security Council.

"Few great goals can be reached without America, but America can no longer reach many of them alone," the commission says.

Yet the report clearly foresees a strong U.S. leadership role on several fronts. On economic issues, it calls for Washington to initiate an overhaul of the world economic system to encourage growth, by such means as strengthening the General Agreement on Tariffs and Trade and working with the other six largest industrial powers (Japan, Germany, France, Britain, Italy and Canada) to devise programs to revive multilateral trade.

Several recommendations differ sharply from U.S. policies over the last 12 years. Among the most dramatic proposals is an increase of up to \$1 a gallon in the federal tax on gasoline to improve energy efficiency, enhance national security, improve the environment and produce revenues.

The panel calls for increasing U.S. assistance to former Soviet Bloc and developing countries to levels equal to the funding provided by other wealthy nations. The target should be to at least double current aid to \$31.5 billion, in 1990 dollars, by the year 2000. That is a small sum, the report says, compared to the decline in defense spending.

The commission stipulates, however, that U.S. aid should be linked to recipients' records on political and economic reforms, environmental standards and weapons proliferation.

On military issues, the panel urges a U.S. role in helping cut global defense expenditures to \$600 billion, or half of their 1988 peak. It condones force, if necessary, to reduce or eliminate proliferation of weapons of mass destruction.

On social and environmental issues, the panel differs radically from Bush Administration policy by calling for the United States to work to make access to voluntary family-planning services universal by the year 2000 and to stabilize domestic greenhouse gas emissions at 1990 levels by the year 2000.

Commission members include former Defense Secretary Frank C. Carlucci; Adm. William J. Crowe Jr., former chairman of the Joint Chiefs of Staff; former Washington Gov. Daniel J. Evans; United Negro College Fund President and former Democratic Rep. William H. Gray III of Pennsylvania; former National League of Cities President and San Antonio Mayor Henry G. Cisneros, and World Bank President Barber Conable.

Los Angeles Times

IRAQ: U.S., Allies Seek a Mandate

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rhetoric sharply Wednesday. In his strongest public statement yet about the Iraqi affair, White House Press Secretary Marlin Fitzwater charged that Baghdad is "stonewalling" a U.N. inspection team trying to obtain data on Iraq's weapons program, and he warned that the United States will consider whatever steps are appropriate, "including the use of military force."

"The Iraqi regime must be held accountable for its defiance of the U.N. resolutions and for the safety of all U.N. personnel in Iraq," Fitzwater told reporters. He said the stalemate with Iraq is "about as serious as any we've faced" since the Gulf War.

The confrontation with Iraq intensified when the U.N. inspectors in Baghdad, who have been trying for days to gain access to Iraq's Agriculture Ministry building, were forced to withdraw early Wednesday morning to protect themselves from harassment and possible violence.

Rolf Ekeus, the senior U.N. official in charge of arms inspections, told reporters here that a member of the U.N. team was attacked Wednesday by a man who tried to stab him with a skewer but that Iraqi guards simply let the man go. The U.N. official escaped only by defending himself, Ekeus said.

"These incidents have numbered 1 [the] dozens in just the past several days," Ekeus said. He called the situation "totally contrary to the promises that had been made" by the Iraqi government. And he repeated warnings that Iraq would face "serious consequences" if it continues.

Diplomats say Iraq also has refused to renew procedural agreements that it had with the United Nations concerning humanitarian relief efforts and sales of Iraqi oil and has served notice it will not participate in a special commission on boundary demarcation, set up to settle its border spates.

The action in the United Nations on Wednesday was mainly behind the scenes. Cape Verde representative Jose Luis Jesus, the Security Council's president, met with Iraq's U.N. ambassador, Abdul Amir Anbari, to warn him about the harassment of U.N. personnel.

The Security Council itself did not meet Wednesday, and diplomats insisted that no new proposals are being circulated and that there is no indication the panel will take up the Iraqi issue any time soon. They said there was little enthusiasm for dealing with the Iraqi problem.

Although the Security Council rallied to Washington's side when Iraq invaded Kuwait in August, 1990, officials said Wednesday there is not the same sense of urgency about Iraq's defiance now. And many Third World countries appear to resent Western aggressiveness in dealing with Iraq.

One diplomat from a developing country said that while Third World governments are not fond of Hussein, they are reluctant to support any strike because they continue to believe that Iraq, as a developing country, is being subjected to a double standard.

There also was a further complication—the question of how to ensure the safety of the 70 U.N. inspectors now in Iraq if the United States and its allies should launch attacks. Ekeus said the United Nations has some contingency plans, but he declined to discuss them.

While Russia, Belgium and Venezuela are considered likely to go along with a new resolution, some Third World countries on the Security Council, such as Zimbabwe and Morocco, are expected to oppose the measure flatly, while others, such as China and India, are considered apt to abstain.

The West's fast-rising impatience is a reaction to Hussein's new, increasingly blatant defiance of the Western-dominated Security Council. Although the Iraqi



Iraqi men burn a U.S. flag and an effigy of President Bush in protest of U.N. inspection team.

leader has repeatedly taunted the major powers, this time he may have pushed them to the limit.

Over the past several weeks, Baghdad has rebuffed U.N. attempts to inspect the Agriculture Ministry building, which Western officials believe has become a repository for nuclear, chemical and biological warfare documents. And it has threatened and intimidated U.N. personnel all over Iraq.

The Bush Administration indicated Tuesday that it has prepared a detailed plan for carrying out air and naval strikes if needed, rang-

ing from punitive sorties against remaining nuclear weapons sites to attacks against Iraqi military strongholds.

What will happen after that is anyone's guess. If Hussein backs down, either before the expected air strikes or after, the United Nations' dealings with Iraq are still expected to remain strained and tense. If he does not, some analysts say, the military intervention could escalate—quickly.

Meanwhile, the major Western

powers apparently remained convinced that Hussein must be penalized harshly if he continues to flout the U.N. demands. If Iraq is allowed to get away with it, "where is our credibility?" a European diplomat asked.

Besides Iraq, the United Nations also is facing challenges to its authority from the Khmer Rouge in Cambodia and the Serbs and Muslims in Bosnia-Herzegovina, one diplomat noted.

He said officials are worried that if Iraq is allowed to thumb its nose, the other situations could escalate.

Los Angeles Times

Bush Caught in Dilemma on Iraq Standoff

By JACK NELSON
and ROBIN WRIGHT
TIMES STAFF WRITERS

WASHINGTON—President Bush is caught in a thorny political dilemma as he ponders whether to respond militarily to Iraqi dictator Saddam Hussein's continuing defiance of Persian Gulf War cease-fire conditions.

Using force would risk creating a public perception that the President, who is suffering from his lowest-ever ratings in public opinion polls, was taking the action to boost his chances of being reelected in November.

But failure to respond forcefully to continued Iraqi violations could

NEWS ANALYSIS

damage U.S. credibility abroad, further erode Bush's standing as a leader and leave in power a tyrant who some White House officials say is manipulating the current crisis to exploit Bush's vulnerability in an election year.

The President, said one senior foreign policy official, is "in a real bind . . . and it doesn't make any

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difference whether he's right or wrong in what he does. If he orders military action, his political enemies will accuse him of taking us to war to save his presidency. If he doesn't, Saddam Hussein stays in power defying the U.N. conditions and thumbing his nose at us."

Military intervention also carries an inherent risk of public backlash if the operation should go badly for the United States—for example, if aircraft losses are high or allied forces inadvertently bomb civilian targets.

Adding to the complications for Bush is the growing body of evidence, contained in secret intelligence reports and other government documents that have come to light in recent months, that Bush lavished massive U.S. aid on Hussein's regime before the Persian Gulf War despite repeated warnings about his thirst for conventional and even nuclear weapons.

In effect, these documents have shown, the Administration's unsuccessful effort to woo Hussein with financial aid and militarily valuable technology helped create the vast war machine that triggered the Gulf War and still threatens the region.

Any resumption of conflict with Iraq could underscore in voters' minds the shortcomings of Admin-

istration policy up to now.

On Wednesday, for example, Democratic vice presidential nominee Al Gore said Hussein should understand that "Republicans and Democrats see eye to eye" on forcing him to comply with the cease-fire agreements. But he also accused Bush of "playing footsie" with Hussein before the war.

For its part, the White House believes that Hussein is acting aggressively because he thinks the election campaign will be an obstacle to any U.S. military response, a senior Administration official said Wednesday.

"He thinks that he can get away with it because we're involved in a campaign, and we have to disabuse him of that notion," the official asserted. As a consequence, he said, the Administration intends to "ratchet up" its anti-Iraq rhetoric in coming days unless Hussein backs down—as he has done in previous showdowns.

But one thing is clear: Any decision to use force against Hussein now could have far different political consequences than it did the last time. Bush's stern resistance to aggression in the Gulf War won the overwhelming support of most Americans, regardless of party, and sent his approval ratings to historically high levels.

Today, with millions of voters struggling through economic hard times and convinced that Bush has led the country down the wrong path, renewed conflict would inject an explosive new element into the presidential campaign.

It also could complicate the fall campaign for Democratic nominee Bill Clinton. Renewal of the conflict would make it more difficult for him to attack the President without seeming self-serving or even unpatriotic.

Still, Bush bears most of the political risk. If he does order a strike, he will face a difficult task of making the case that Iraq threatens America's vital interests.

"Nobody thinks the United States faces an imminent threat from Iraq," says former Democratic Chairman John White. "And unless you can show a threat to U.S. security, it will look political, and it will boomerang."

Some U.S. policy analysts, who usually avoid domestic political considerations in their assessments, say both the campaign and the background of the war with Iraq make Bush's political position almost untenable.

When Iraq was attacked and driven out of Kuwait last year, Bush said the United States had no quarrel with the Iraqi people—only with Hussein. But an estimated 100,000 Iraqis died in the war, and

Hussein survived. After it became clear that Hussein would not be easily overthrown—and therefore could be an embarrassment for Bush—speculation has been widespread that Bush might order a military response, most likely a round of air strikes.

The implicit goals of such action would be to bring down Hussein or at least force his compliance with the cease-fire agreement, and to recoup some of the glory and poll ratings of Operation Desert Storm, which Bush saw as his greatest foreign policy achievement.

Military actions usually create a rallying effect for a President, as they have done twice for Bush—after the Panama invasion of December, 1989, when his approval ratings shot up to 80%, and after the Gulf War in January and February, 1991, when the ratings soared into the 90s.

But with the public focus now on the nation's domestic problems, the President's approval ratings recently plummeted into the 30s. As the glory of the Gulf victory becomes a fading memory and Hussein remains in power, even some of Bush's staunchest supporters believe that ordering a military strike would do little to boost his ratings.

"My instincts are that the Democrats would jump all over him and

accuse him of taking us to war to save his presidency," said a senior Administration official who is a longtime friend of Bush.

This official said the President has been showing the strain of having to deal with such problems as the Iraqi standoff while out campaigning and running far behind Clinton in the polls. "He just isn't looking well physically, and he looks disengaged," the official said.

In the past, the Administration has counted on the Iraqi leader's backing down at the last moment, as he did during the longest previous standoff, which lasted four days last September. The thinking has always been that Hussein is testing the limits and the cohesion of the allied coalition.

U.S. officials still hope that he will once again back down, but one official said GOP strategists are "frenzied" over the possibility that he will not.

Administration officials believe that Hussein, who is known to monitor Cable News Network, is closely following the presidential election campaign and using the information in gauging how far he can go in violating the cease-fire conditions without facing a military attack.

Times staff writer Douglas Jehl contributed to this article.

Los Angeles Times

GOP Bumper Stickers Tell All: BUSH! / Quayle

■ **Politics:** The vice president is an embarrassment, but Bush is stuck with him.

By CHRISTOPHER MATTHEWS

The 1992 Republican bumper sticker, now available at your local GOP headquarters, tells all you need to know about the asset value the Bush people themselves attach to Dan Quayle.

From the looks of things, it's not very high. You would think, gazing at the freshly printed stickers, that the President was running for reelection solo. His name leaps at you in bold white letters against a Navy blue background.

BUSH!

Those gifted with a combination of 20/20 vision, clear skies and daylight can make out another name on the just-released bumper sticker. Below and to the right of the bold "BUSH" is written "Quayle." Printed in thin red type, it contrasts with the blue background just enough to be visible.

This is not some dirty Democratic trick I'm describing here but the Republicans' official 1992 bumper sticker.

What does it reveal? The party's double-barreled battle plan for Vice President Dan Quayle in 1992: 1) run 'em; 2) hide 'em.

Why run 'em? Because if you don't run 'em, what do you do with the body?

So Bush is stuck with the guy. He faces the horrible specter of having to dodge the Democrats' bullets between now and Nov. 3 while dragging his wounded running mate across the battlefield.

It's not a pretty prospect. This week's Washington Post/ABC poll shows 60% of the public would approve a Bush decision to dump Quayle. Only 19% would disapprove the step. Worse yet, the new poll shows Quayle becoming an even heavier Bush burden, his "unfavorable" rating up from 54% to 63% the past month.

Bush can expect little help in trying to hide the Quayle embarrassment. There will be a vice presidential roll call in Houston next month, followed by a vice presidential acceptance speech. Expect the major television networks to cover both spectacles with relish. Democrat Bill Clin-

ton has picked a veteran national campaigner, Al Gore, as his running mate. Expect Gore to repay the honor by spooking Quayle, driving him more and more into the dreaded TV lights.

Dan Quayle. The GOP experts picked him four years ago for his cosmetic value. With the '92 election around the corner, the only thing they fear more than his name on the bumper sticker is the sight of that deer-caught-in-the-headlights face on the TV screen.

Christopher Matthews is a syndicated columnist in Washington.



Los Angeles Times

Comment

ON THE NATION

Is Clinton
Actually
'Young'?

Only politicians and opera singers are 'young' in their mid-40s. Name one official who likes rappers Kris Kross.

BY MICHAEL ELLIOTT

NEW YORK
On a golden day last fall, longer ago than now seems possible, I was in Lincoln, Neb., for Sen. Bob Kerrey's declaration that he would seek the Democratic nomination for President. Remember, for a couple of months, Kerrey was not just any old candidate—he was chief rival to Bill Clinton for the role as this year's man of a new generation, one whose cultural mind-set had been formed not by World War II but by the 1960s. You could tell this was how his handlers wanted him viewed because of the music blasting from the giant speakers on the podium—John Cougar Mellencamp and Bruce Springsteen.

But even on the day of Kerrey's announcement it was plain that the strategy wasn't going to work. One look at his forced grin as the music played was sufficient to reveal that he didn't like it. In fact, Nebraska rumor has it that he is a jazz fan.

It was obvious why there was no reason he should like it. Kerrey is 49. Even if Kerrey did like Mellencamp and Springsteen, he would still not be candidate of today's generation. He would be the candidate of yesterday's.

The role once earmarked for Kerrey has now, we know, been adopted triumphantly by Clinton, age 45. Now by any standards—except those that apply to politics or opera singers—45 is not "young"; it is middle-aged. In fact, last week the Democratic convention seemed larded with symbolism of a generation ago—Aretha Franklin sang the national anthem, the Clinton campaign's cute adoption of Elvis Presley continued (he was billed in the official convention guide as "Entertainment Coordinator").

The sad truth is that, even by the standards of their now-crumbling generation—which, for the record, is mine, too—the folks his own age around Clinton look decidedly unhip. They look as if they didn't inhale; they are emphatically not the kind of people that Abbie Hoffman's mother warned him against. I could not figure out what was so peculiar about one fortysomething Clinton adviser I spoke to last week until I noticed, with horror, that he was wearing his tie in a Windsor knot.

The real point is not that Clinton's generation would have been better represented by people who said, "Yeah, I inhaled. In fact, I used to drop a tab of acid once in a while, too." It is that we kid ourselves if we think the Clinton campaign represents everything that is on the cutting edge or even up-to-date about the culture. Cultural and political development did not come to a dead stop with the McGovern campaign and the Eagles.

Behind the political gang that now seeks to come into its inheritance has grown up a whole generation that, at least this year, is buying Nirvana albums, not Aretha's; whose drug of choice is ecstasy, not dope, and that—I suspect—is a whole lot less hung up about sex than those of us who (as we amusingly think) blazed the trail of sexual freedom.

I can think of little that most politicians have done to reach out to these new Americans. Not only has there never been a politician who admitted to liking Jane's Addiction; there has never been one—with the possible exception of Gov. Bill Weld of Massachusetts, or so my Boston friends tell me—who admits to liking Talking Heads.

Yet these new Americans are an interesting crowd—from the technonerd at Caltech splicing genes this way and that, to the computer programmers in the Pacific Northwest, to the Asian-Americans so at home in the global village. And—witness the efforts of Rock the Vote, which deserves every public service prize going—it is simply not true that this genuinely new generation is not interested in politics.

Clinton himself is far from being the worst culprit in missing the significance of the new generation. In what may, when the history books are written, have been the turning point of his campaign, he appeared on MTV, the voice of today's Americans, just as Dan Rather's is that of yesterday's. Perhaps he may have a few people around him who know what's going on.

Still, there is a long way to go. I look forward to the day when a candidate for office does not have to explain what she did with a joint, but why she has a red dot on the side of her nose, and brightly says, "Oh, yes, that's where I used to hang the safety-pin."

Michael Elliott is Washington bureau chief for the Economist.

Los Angeles Times

THURSDAY, JULY 23, 1992 A11

COLUMN RIGHT/
GEORGE F. WILLBold Steps
From Slush
to Revival

■ Bush is likely to do none of these things, though storm warnings are up.

Like the farmers who tilled fields at the foot of Mt. Vesuvius, Bush campaigners are confident that natural forces favor them. Rich Bond, GOP chairman, interviewed on television with a beach behind him, yawned about Clinton's surge. Noting that four years ago Dukakis led Bush 51% to 34%, Bond said: "You see behind me high tide. Time passes, gravity occurs, the tide goes out and low tide is on the way for Bill Clinton."

But Clinton is not Dukakis, who was passive when attacked. And as Paul Tsongas can attest, Clinton can "go negative." Furthermore, Bush in 1992 is not Bush in 1988. Back then he won because he was seen as an extension of Reagan. No more.

Bush's plan is less to attract voters than to portray Clinton in a way that repels voters, principally by associating him with the Democratic Congress. But the muddiness of Bush's message is apparent in Bond's response to the fact that domestic spending has exploded under Bush, growing twice as fast as under Carter, faster even than under Lyndon Johnson.

Bond: "The world is changing and that is what the American people want. As defense spending comes down, domestic spending increases . . . And I don't see that there's anything wrong with that as long as you can control government spending overall."

Interviewer: "So you're in favor of this explosion of domestic spending?"

Bond: "I'm in favor of cutting defense spending in appropriate ways . . . but then not seeing an explosion in spending that would go beyond what revenues are available. I think you've got to do a very strong control of government spending, but I don't care if it goes heavily into domestic spending as defense comes down . . . Let's just pay for it with the right revenues, and let's not raise taxes."

Making an anti-Congress campaign out of such slush is like making a sword out of applesauce. Reagan's last budget director, James Miller, notes that the Federal Register, which publishes regulations, grew to more than 67,000 pages in 1991, the highest number since Carter, and real (inflation-adjusted) spending on regulatory agencies was 22% higher than in Carter's last year. So what is Bush's campaign slogan? "Clinton would be even worse?"

What can Bush do? Almost anything would help, just to show that he has a pulse. But five things would be especially reviving:

— Sign an executive order indexing capital gains. This is equitable (people should

'Bush won't use his office because he is one of those people who seek office in order to be something, not to do something.'

not be taxed on inflation gains) and would trigger a surge of economic activity.

— Fire bumbling Treasury Secretary Nicholas F. Brady, replace him with Jack Kemp and instruct Kemp to end the credit crunch that is the primary reason for the economy's continuing sluggishness. Republicans run the regulatory apparatus that is keeping liquidity out of the banking system. If Bush cannot lead the country he should at least manage the bureaucracy.

— Start a constructive war with Congress by vetoing the legislative appropriation bill—the money, expected to be \$2.3 billion, that Congress will spend on itself. This has soared in the last four years. The current bill had 143 votes against it in the House, three short of the number needed to sustain a veto. Bush could get 30 more.

— Replace Richard G. Darman, head of the Office of Management and Budget, with Rep. Vin Weber (R-Minn.), who is not running for reelection. Darman's fingerprints are all over the 1990 budget deal that involved Bush's breaking of his no-new-taxes promise. Weber, who turns 40 this week, deserves his reputation as one of conservatism's brightest lights.

— Replace Quayle. Yes, he is the darling of the very conservatives who most despise Bush; and Bush has said he would keep Quayle; and this change might present a picture of an Administration in turmoil, as did Carter's personnel changes in the summer of 1979. Therefore Quayle's replacement must be so exciting that he becomes the topic of conversation. The choice is obvious: Colin Powell would be good for the country and would scramble the political equation, perhaps for a generation. (I know I repeat myself: I urged Powell for vice president four years ago.)

Probably none of these actions will be taken by the man who said he would do whatever it takes to get reelected. Bush really is, as Clinton said in his acceptance speech, like George McClellan, the Civil War general who would not use the army. Bush won't use his office because he is one of those people who seek office in order to be something, not to do something.

Besides, Bush and his minions, like Rich Bond waiting for the tide, seem as complacent as the residents of Johnstown, Pa., who scoffed at warnings about the earthen dam in the mountains northeast of town.

George F. Will is a syndicated columnist in Washington.

Los Angeles Times

Comment

ON CALIFORNIA

The Odd Flight of Jerry Brown

BY PETER H. KING

And so for Jerry Brown it has ended as it began, ranting and raving like some crazy man, struggling for a spot on the stage while the political pros ridicule him. Go away, they clucked at Brown. Cut a deal, they scolded. Shut up. Behave.

That Brown did not behave last week in New York was offered as proof of his immaturity. He was the party pooper, crashing Gov. Bill Clinton's big media fiesta. Of course, had Brown taken the opposite course and played ball with the insiders, this would have been presented as evidence of his insincerity.

So Brown couldn't win at the Democratic National Convention, but at least he made it there, riding his crude little 800-candidacy a lot further than anyone ever expected. Remember the first debate? Flashing his 800-number and newfound populist fury, he came across more like a Cal Worthington with rabies than a former California governor. It was embarrassing.

Brown hung in there, delivering a simple message. Politics, he argued, had degenerated into an insiders' game, lubricated by special interest money, irrelevant to most Americans. He would be the anti-politics politician, refusing contributions larger than \$100, reaching out to those who no longer bother to vote. Wonderful message, wrong messenger, snickered his foes, and maybe they were right. Still, isn't it curious how no other candidate adopted this wonderful message?

A remarkable achievement of Brown's anti-money campaign was how much money it raised. He collected more than \$6 million, at times outpacing Clinton.

Also, through his most unconventional campaign ever, Brown managed pretty much to shed his old Moonbeam image. His quest somehow resonated with people who once dismissed him as a flake. Even Mike Royko, the Chicago columnist who tagged him Gov. Moonbeam, was moved to declare the label "null, void and deceased."

Brown had a few big moments, winning Colorado, Maine and Connecticut. The Connecticut victory might have been his undoing. New York followed, presenting Brown with a golden opportunity to, as one adviser put it, "cast a long shadow," to ditch the Cal Worthington stuff and start acting presidential. Instead, all he could offer was Jesse Jackson and more of his shrill, listen-to-me rhetoric, and he crashed and burned.

His failure exposed a key riddle in this new science of outsider politics. It is one thing to ride the protest rocket, to become in essence the "no" vote against politics as usual. That gets you off the launch pad. So far, though, no one has figured out the next stage: how to shift in mid-flight from protest vehicle to electable candidate.

Brown talks now of building a movement, but I have doubts. For one thing, building is not his strength. He's more astronaut than rocket scientist, and while he rode this campaign as well as anyone could, by design it does not easily afford a second chance.

So why did he do it? People say he loves the limelight, or is arrogant, or is driven by a Messiah complex—analyses that could be applied to almost any politician. His conversion from two-time governor to political outsider was difficult to swallow. Well, we believe what we want to believe. Weary of voting for the lesser of evils, I prefer to believe that Brown ran for his stated reason—to knock down the wall that separates politics from reality.

I go back to a letter he wrote last September to his supporters: "Not for a moment, do I believe that I am the only person—or even the best person—to undertake this effort. However, by experience, conviction and circumstance, I am in a position to help open the political door through which many others might walk."

So he went out and gave voice to an anger felt by many Americans. Yes, the door got slammed in his face, but a crack was left open. His campaign showed there's something on the other side of politics as usual, and suggested a way to get there. We'll hear a lot about change from Clinton and President Bush and other candidates down the line. Someday one of them might actually deliver. That there is that hope, however faint, is Brown's principal achievement.

Los Angeles Times

EDITORIALS

of THE TIMES



Fine, but Far From Enough

Despite a desperately tight budget that is certain to require severe cuts in many worthy programs, the Los Angeles County Board of Supervisors managed to find \$2.9 million to fund Hope in Youth, a new community-based anti-gang program aimed at keeping youngsters out of serious trouble.

That is the largest single allocation ever to a local gang-prevention program. Though laudable in these tight times, it is also an indication of just how underfunded Community Youth Gang Services and other anti-gang programs have been in their battles to save children.

Youth Gang Services targets the toughest gangbangers and gang hot spots. Hope in Youth will pay attention to the young "wannabes" and their families before these youngsters embrace gang life. Both programs are brainchildren of United Neighborhoods Organization, the South Central Organizing Committee and newer church-based community organizations.

In communities patrolled by the

Sheriff's Department and the L.A. Police Department, gang-related violence claimed the lives of 340 Latinos and 179 African-Americans last year. This year, black homicides are down because of an ongoing truce between the two major black gangs, the Bloods and the Crips.

There are other gang peacemakers in Los Angeles. Among the better known is Father Gregory J. Boyle, a Jesuit priest who is leaving the Dolores Mission Church on the Eastside. Boyle argues that jobs are the best weapon against gangs. He has used donations attracted by his high profile in the media to pay, at last count, 63 gang members to paint out graffiti, maintain the church grounds and do other odd jobs. The pay, even at \$5 or \$6 an hour, is enough to make a difference for many young men and women.

More jobs are an integral part of any prescription against gangs. So are more police officers. And so are programs, like Hope in Youth, that address the social problems at the root of the gang problem.

It's a Two-Way Street

If drinkers must act responsibly, so must beverage makers

Responsible behavior. We expect it from individuals who consume alcoholic beverages: Responsible adults drink in moderation, and those who drive should not drink at all. But responsible behavior is a two-way street; we expect it from beer, wine and liquor producers as well. That's why U.S. Surgeon General Antonia C. Novello has been right to appeal in recent months for a public outcry against companies that she says target American Indians and blacks with high-alcohol products.

Novello's latest complaint involves Crazy Horse, a malt liquor named for the revered Sioux leader, that Hornell Brewing Co. is selling in some cities. Crazy Horse is the latest in a line of beverages designed to appeal to minorities, including PowerMaster malt liquor and Black Death Vodka, whose names have since been changed by the marketers in response to criticism.

To Novello, corporate responsibility means not targeting populations al-

ready devastated by alcohol and related disorders. Alcohol-related diseases disproportionately hit African-Americans and American Indians. Black men between the ages of 25 and 44 are 10 times more likely than the general population to die of cirrhosis of the liver; three times as many American Indian men per capita die of alcohol-related disorders than do white men.

Corporate responsibility also means not using cartoon characters, who make smoking look glamorous, to sell cigarettes. Concerned that Camel's "Old Joe" character is widely recognizable to children and may tempt them to smoke, last March Novello asked R. J. Reynolds Tobacco Co. to pull the cigarette mascot. It has not done so.

The surgeon general has no legal power to act in these cases, but her moral authority is great. For these products, short-term corporate profits carry a high price tag for public health care and private pain.

Los Angeles Times

CHINA WATCH

Sacrificial Lamb

Beijing needed a high-profile scapegoat for its murderous handling of the Tian An Men Square demonstrations in 1989. Three years later it has found one: Former Communist Party official Bao Tong was sentenced this week to seven years on trumped-up charges that he leaked state secrets and created "counter-revolutionary incitement" during the demonstrations.

Chinese authorities conducted the trial in private, barring even Bao's family until his sentencing. No wonder. Bao was arrested in May, 1989, *before* the June massacre. By design, Beijing obfuscated the specifics of his political crimes, never saying what secrets he allegedly leaked. It ignored requests from the United States and other governments to have independent observers present. Bao can appeal, but in China this typically is a dead-end process.

Bao was the sacrificial lamb in the political machinations of aging hard-liners, desperate to protect status quo politics. He is the highest-ranking official to be put on trial as a result of the Tian An Men massacre. Bao was chief aide to former Communist Party chief Zhao Ziyang, who himself has been under house arrest for his attempt during the demonstrations to meet with students. Bao, a former member of the party's Central Committee, was among younger party members trying to refashion China within the system, a strategy supported at the time by leaders such as Deng Xiaoping.

Imprisoning Bao is clearly aimed at further squelching free political expression in China. Truly confident leaders would not be intimidated by such dissent.

Los Angeles Times

A10 THURSDAY, JULY 23, 1992

No Retreat for U.N. in Face-Off With Hussein

Security Council's credibility is in the balance

Iraq's defiance of the United Nations grows steadily more impudent, and more dangerous. U.N. inspectors who since July 5 have been denied access to the Agriculture Ministry building in Baghdad, where secret files on Iraq's outlawed missile program are believed to be kept, have been driven from their nearby observation posts by rising threats of violence from government-mobilized mobs. The confrontation is the most serious since Saddam Hussein was forced to accept U.N. terms for ending last year's Persian Gulf War. But it is also part of a spreading pattern of challenges to the authority and will of the Security Council and its key members. First and foremost, it is a challenge to the United States.

What accounts for Hussein's boldness? Some see it as his effort to reassert leadership in response to spreading domestic discontent. Others think it stems from his perception that the key members of the coalition that threw him out of Kuwait last year have no stomach for resuming punitive military action to enforce U.N. resolutions. Certainly the coalition cannot effectively act without U.S. leadership and weapons. Hussein may be calculating that President Bush, facing a tough reelection campaign, dare not risk a renewal of even limited fighting against Iraq.

The White House, while not committing itself to any course of action, has again not ruled out air strikes as a means of exerting pressure on Hussein to conform to U.N. resolutions. The political downside to such actions could be that they would remind voters that the military victory over Iraq, Bush's most vaunted achievement, was incomplete and equivocal.

The political benefit is that military actions would probably be almost universally applauded as evidence of a determination not to be pushed around by one of the world's most detestable regimes.

What the United States may be prepared to do—and no less important, whether Saudi Arabia and Tur-

key would cooperate in allowing their air bases to be used—is likely to be known sooner rather than later. If air strikes are in the cards they would have to come quickly, so there would be no doubt about their direct relationship to Hussein's efforts to thwart the U.N. inspectors. This much at least is clear: The United Nations can-



Anti-U.N. protesters in Baghdad burn an effigy of President Bush.

not afford to back down, compromise or dissemble in the face of this direct challenge to its authority. Should it do so, the political and moral credibility it has only so recently regained would be lost.

What also becomes steadily clearer as congressional committees release more and more once-classified documents is the folly of the Iraq policies pursued by the Reagan and Bush administrations from about 1985 to 1990. Their ostensible aim was to help build a counterweight to Iran's ambitions in the Persian Gulf, while inducing Hussein to moderate his own villainous behavior. To that end, and despite repeated intelligence warnings, some remarkably foolish measures were approved at the highest levels, including sales of technology that ended up advancing Iraq's nuclear and other weapons programs. Ultimately, U.S. policy worked only to strengthen Hussein's repressive rule and wildly inflate his self-confidence. The price of that misguided effort continues to be paid.

The Washington Post

THURSDAY, JULY 23, 1992

Victims of the Balkan War

YUGOSLAVIA'S war, like most wars, is generating misery and destitution at a staggering rate. Hundreds of thousands of people are now trapped between the fighting and the closed borders of neighboring countries that are reluctant to take in a steadily increasing stream of refugees. Croatia is using machine guns to hold off a tide of desperate Bosnians on its southern border, while on its northern border it pleads with Slovenia and Austria to take more of the thousands packed onto trains trying to get away.

It's becoming clear that creating refugees is not an incidental byproduct of this war but rather the main point of it. The Serbs' purpose is not only to take land but to sweep it clean, by murder or expulsion, of all but their own tribe. The other tribes, in response, are doing some of the same on a smaller scale. It is a war mainly against civilian populations. That point was recently made by Sadako Ogata, the U.N.'s high commissioner for refugees, who carries the responsibility for both the international relief efforts in Yugoslavia—like the airlift in Sarajevo—and the resettlement of the unlucky people who lived in the wrong places.

There are now about 2.2 million refugees and homeless people among the former Yugoslavs, according to the U.N.—about one in 10 of the

population. The least unfortunate, some 400,000, have gotten out of ex-Yugoslavia, about half of them to Germany and most of the rest to Hungary, Austria and Sweden. Another 1.8 million are still in the Yugoslav lands, mostly in Croatia and Bosnia-Herzegovina. Last spring Mrs. Ogata appealed for a fund of \$140 million to feed and care for these people. So far just about half that much has been raised. (The American contribution is a meager \$10 million.) Some of the refugees are being sheltered and fed, and some are dying of neglect.

It's not hard to see where these events are going. The chance of foreign military intervention—the last hope of the Bosnians—is zero. The Serbs, who are the chief aggressors, are winning. With much more bloodshed and tragedy, they will slowly take the rest of the lands they claim and eventually the fires will burn themselves out. The new Serbia, impoverished and shunned as a pariah by the rest of the world, will then squat sullenly on these territories that it has cleansed, as the Serbs say, of other ethnicities. By that time all the neighboring countries will have large communities of embittered refugees waiting and working for the opportunity to take revenge. It doesn't sound like a promising beginning for the new Europe of peace and good feelings.

Shrinking Classes, Shallow Pools

COLLEGES HAVE been predicting the coming "baby bust" in enrollment pools for a decade; now, they say, it's finally arrived. Area universities report their freshman classes were easier to get into than they have been in years (though they say the quality of accepted applicants stayed high.) But the news isn't all good. The long-foreseen demographic change (a predicted 20 percent drop in the number of college-age students by 1996, 44 percent in the northeast, followed by a pause of several years before the baby boomers' kids start applying) is coming just when other pressures, mostly financial, could squeeze some colleges beyond endurance.

One factor in that squeeze will be how many enrolled students actually show up in the fall, which depends in turn on the overriding force in college admissions these days—cost. School officials say—with what may partly be bravado—that their shallower "pools" this season simply reflected kids' more cautious application processes. High school guidance counselors now urge kids to apply to fewer schools overall and to cut down on "long shot" applications, and the colleges have been nudging them in this direction for

awhile. But the flip side of students' caution, some officials fear, is the possibility that some of the promised fall enrollments are phantoms—that, in fact, nervous students are making deposits at several schools and hoping for a more advantageous aid package or a wait-list admission elsewhere.

If colleges this fall see markedly smaller classes than they had expected, their already touch-and-go budgets could face serious strain. Students, say college officials, are both jumpier and needier than in years past—qualifying for and asking for more aid and, even if they get it, more likely than in previous years to transfer or take time off once they've started. "We've never seen a situation as fluid as this" when it comes to predicting enrollment, says one official, who adds that even seemingly unrelated economic indicators—such as the plunge in Washington-area real estate values—affected colleges because so many parents had been urged to pay for their kids' educations by taking out home equity loans. For colleges, the financial numbers can be hard to see behind the less stark changes in enrollment and application statistics. But these latter could be indicators of serious trouble to come.

The Washington Post

THURSDAY, JULY 23, 1992

Sellout City

THE DEMOCRATIC presidential ticket is only one week old, and already White House spokesman Marlin Fitzwater is calling Sen. Albert Gore, the vice presidential nominee, "Mr. Sell Out America" for having dared to criticize American—i.e., administration—environmental policy at last month's international conference in Rio de Janeiro. Did he really mean to say "sell out America," as if the senator's behavior had been somehow not quite patriotic? Naw, not Mr. Fitzwater; he wouldn't try for a smear like that. The poor fellow was misunderstood.

Not that it's any better later, of course, but it does seem to us a little early in the campaign for this sort of thing. Are they really that panicky? Mr. Bush and his people have never been at what you might call their most substantive under the pressure of campaigns. They do a lot of name-calling; they're good at the pasting-on of labels. Defining your opponent, it's called. But this time they seem to be breaking even their own past dingy records; it's not a pleasant omen for the fall.

Mr. Bush did a little of it himself on Tuesday. In a campaign appearance outside a Russian Orthodox church in New Jersey, he rightly distinguished between himself and his opponent on the issue of choice in the schools. He would use public funds to let lower-income students go to private schools; Bill Clinton would not and would confine any "choice" plan to the public schools.

"They want to tighten the monopoly on our kids' education," the president said. That's fair enough. But then he went off into Label-land. "They," he said, "want public schools to hand out birth control pills and devices to teenage kids, and they believe it's no business of the parents" but "strictly a matter between our children and the government. They even encourage kids to hire lawyers and haul their parents into court. And I believe kids need mothers and fathers, not Big Brother bureaucracy." Now there's an issue for the presidential election to be settled on.

Mostly, though, it has been surrogates who have done the paste-up jobs so far in the campaign. Some of the better work was done on Ross Perot. "A vague, mysterious and authoritarian figure," Republican National Committee chairman Richard Bond called him, who "might violate everything that the Constitution of this country stands for and probably incarcerate a whole lot of innocent people." The vice president and the drug czar took similar shots, but after that—when Mr. Perot (about whom we too had our doubts) quit the campaign and both parties were busily courting his followers, as they are still—the campaign manager, Frederic Malek, went on TV to say that Mr. Perot "is a good man, a man of good intentions," and "you have never heard George Bush say anything nasty [or] critical about Ross Perot." History is something you rewrite—sell out—as need be and as you go along.

Today's Senate Vote on D.C.

FIRST THE House and now the Senate—pushing and pulling, adding to and subtracting from the local budget of this city—always with more thought to how it will play in the members' districts than to what this District's elected leaders agree is best. Today the Senate Appropriations Committee will address what its subcommittee worked over yesterday. Though the city's pleadings don't necessarily count in this process, wise members should undo some of the worst damage as well as protect some provisions that others may attempt to murder on this round.

The most serious assault yesterday was the subcommittee's decision to cut in half a payment the federal government has regularly made to the police, firefighter and teacher pension funds and use that money to cover other budget shortfalls. This ignores the horrifying fact that the city's unfunded pension liabilities remain a multi-billion-dollar problem that could ruin the municipal books in the future. Besides, it was Congress—not the District—that established the expensive pension benefits in the days before locally elected governments here. The pension funds shouldn't be cut at all. Will the members of the full committee be as irresponsible as the subcommittee? We hope not.

The next issue has its roots in what the House did first. The city is seeking to increase sewage treatment fees for service to the region by its Blue Plains plant. Though Mayor Kelly's decision to impose the fees on Maryland and Virginia residents as well as city residents may have been an ill-timed surprise for suburban leaders and members of Congress in an election year, the House just stepped in and cut it out. Yesterday, the Senate subcommittee put the sewer fee back—but today the full committee is reportedly poised to knock it back out. Isn't this issue one for the local leaders to hash out? Why should Congress be voting on what to do about sewer fees here?

Similarly, why should the House have ordered the city to close the Cedar Knoll detention facility by next June? Answer: because Maryland members in Congress want it closed. The Senate subcommittee went along with this order yesterday. Will the full committee go along with it today? Or is there a feeling among some members that perhaps the elected leaders of this city have and should exercise responsibility that in other cities would be theirs without question? On these matters is Congress just an arm of the Maryland and Virginia delegations? Is Congress wholly contemptuous of local democracy?

The Washington Post

THURSDAY, JULY 23, 1992

LETTERS TO THE EDITOR

Gov. Clinton's Clear Intentions...

The July 9 editorial criticizing Gov. Clinton's statement that he would apply a litmus test regarding abortion in the selection of Supreme Court nominees was a contribution to the climate in which truthful discussion of the nation's problems is largely absent from political discourse.

Presidents Bush and Reagan (because they were trapped) have been forced to nominate Supreme Court justices who had no discernible record on abortion. Those presidents knew that if they nominated justices who publicly advocated the overturn of *Roe v. Wade* the justices would not be confirmed.

It is a symptom of the dishonesty that permeates our politics that the

confirmation of Supreme Court justices has become an exercise that avoids the fundamental point—abortion—in the same way that the approval of the federal budget has become a process that avoids candid discussion of the deficit.

I find it refreshing, and "political" in the best sense, that Gov. Clinton has clearly declared his intentions on this important question for the voters' benefit.

I hope the campaign includes more forthright statements about real issues and less discussion of Willie Horton-esque distractions.

ALAN T. DONALDSON
Free Union, Va.

... Ross Perot's Political Flaw

One of the most popular clichés during election years, particularly among my fellow Republicans, is: "Government should be run like a business." What a patently absurd statement. It is equivalent to saying, "Armies should be run like day care centers" or "Football should be played like golf." Successfully running a business requires a different set of skills from those needed for successfully running the government.

Look at the closure of the Perot campaign. Ross Perot supporters, understandably disappointed, are quoted as saying, "How could he let us down like that?" "He had no guts." "He broke his promise."

In fact, from a business perspective, Mr. Perot made not only an appropriate decision, he made a brilliant decision.

He formed an idea to test in the marketplace; he pledged the financial resources (\$100 million) if the tests proved positive; and he committed limited resources (\$10 million) to test the idea. Having concluded the idea

would not fly, he cut his losses and went back to work to pay his bills.

No one can dispute that Ross Perot is a brilliant businessman. His hallmarks have always been to take limited risks, not to let his ego get in the way if the idea doesn't pan out, regroup and go about his business. That approach has made him a billionaire. And the Perot campaign was run like the Perot businesses. "It's my idea and my money. Do it my way or quit." That is how it was at Electronic Data Systems (which Mr. Perot owned).

It is not by accident that politics has been called "the art of the possible," and not "the art of I'll do as I damn well please." Politics requires consensus, compromise, patience and sensitivity to the needs of divergent constituencies—not typically the mandates of the executive suite. Ross Perot made an astute "bottom line" decision. But it wasn't the bottom line that his supporters were concerned with.

Certainly the likelihood of success appeared even less for Barry Goldwater in 1964, George McGovern in 1972, Walter Mondale in 1984 and Bill Clinton back in February. They didn't represent financial advisers who had an investment; they represented grass-roots citizens who had a cause. Goldwater, McGovern, Mondale and Clinton understood that. Ross Perot, the country's leading proponent of "run government like a business," didn't understand there is a difference.

Corporate history will show that General Motors should have listened to Ross Perot. General Motors should have been run like a business. But what's good for General Motors is not good for the U.S.A. Ross Perot shouldn't be president, and government shouldn't be run like a business.

DONOVAN D. RYPKEMA
Washington

The Washington Post

THURSDAY, JULY 23, 1992

"H-O-T P-O-T-A-T-O-E"

For the Record

From a call-in show in Moscow as published by the (U.S.) Foreign Broadcast Information Service July 6:

Caller: Galina Ivanovna Nenasheva here, a teacher from Moscow. Boris Nikolayevich, we voted for you and have given you so much support, why do you consult more with [President] Bush than with deputies and the people?

Boris Yeltsin: Am I not consulting with the people right now?

Caller: You do not consult much. You consult only with one country. Why? Television is under the control of Bush alone. Why is there this American dominance?

Yeltsin: . . . There are conflicts in the Dniester region . . . and all around Russia. Not a drop of blood has been shed in Russia, thank God. Russia is united. And the 20 republics in Russia are nevertheless leading a normal life now, without any conflicts.

Caller: . . . You are wrong about everything, or you are misinformed. Or else something has happened to you, because you are certainly not the person you were when you were first secretary of the Moscow [CPSU city] committee. . . .

Yeltsin: What do you mean? I'm the same. I have remained the same person.

Caller: No, Boris Nikolayevich, you have changed greatly, you have begun to carry out all Bush's orders.

Yeltsin: Good grief! What are you saying? Is the accord with Bush on reducing strategic nuclear weapons by two-thirds a bad thing? The mountains of weapons that have been stockpiled—surely there was a need to reach agreement. . . . And how can you say I do not consult with the people when every month I travel to [the] republics? And this phone-in today is also consultation with you.

Caller: All right. . . . Who is to blame for the fact that Russia is disintegrating?

Yeltsin: Russia is not disintegrating. And it will not disintegrate.



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The Washington Post

THURSDAY, JULY 23, 1992

Michael Kinsley

The Perot Proposal

The star salesman realized that his tough economic plan wouldn't sell.

We're all having an excellent time snickering at Ross Perot: Mr. Tough Guy who ducked a fight, Mr. Take Charge who took a powder. But the joke may be on us.

Perot became convinced, apparently, that the economic plan he was about to reveal would never sell. He is probably right about that. It was a serious, honest proposal to deal with the federal budget deficit. His handlers were quite right to tell him that seriousness and honesty on that particular subject are a lethal combination.

Cancel the space station. Eliminate the Rural Electrification Administration. Cut the White House and congressional staff budgets by 30 percent. Cancel big-ticket defense items like the Sea Wolf submarine. Raise fees for mining and foresting on public lands. End the tobacco subsidy and slash away at other farm price supports.

Cut Social Security cost-of-living increases (exempting the poor) and fully tax benefits of wealthy retirees. Make Medicare beneficiaries cover a third of their doctor bills instead of a quarter. In all, Perot's plan called for \$300 billion in entitlement cuts. (Bill Clinton's plan calls for \$4.4 billion).

Raise taxes on alcohol and tobacco. A 50-cent gasoline tax. End the interest deduction on mortgages over \$200,000. Cut the business entertainment deduction. The gas tax revenue would be spent on investment in public infrastructure. Even so, Perot's plan would slash \$700 billion and credibly balance the budget in five years. By comparison Clinton proposes to halve the deficit in that period, and Bush's most recent budget proposal optimistically claims to achieve a deficit of \$188 billion in 1997.

Perot's proposal isn't perfect. I could live without a lot of silly new investment tax breaks. But thanks to Ross Perot for sparing me a tough question. If you think that the overwhelming issue this nation faces is the way it is eating its seed corn, how could you not vote for the only candidate proposing to address that issue seriously?

Positions on issues are not the only consideration in choosing a president. Amorphous considerations like "temperament" obviously matter, and Perot had his problems in these areas. Yet such considerations have taken on an exaggerated importance in our politics because the most crucial issue has been taken off the table. The Democrats don't want to talk entitlements, so they talk autobiography. Republicans talk family values to avoid talking fiscal math.

Perot was hoist by his own handlers. All he got for hiring expensive professionals like Ed Rollins was leaks to their friends in the press about how he was doomed for ignoring their advice. In fact, a hilarious change came over Perot's press coverage as soon as he

signed up the pros. Suddenly he was being criticized for the very outsider qualities that previously had won him praise. Evans and Novak, who had been boosters, started warning darkly about the dangers of ignoring "the professional political managers." "Even today," they tsb-tsked on July 6, "there is no speechwriter, no advertising team. . . ."

Rollins wanted Perot to hire advertising man Hal Riney, author of "feel good" commercials for Ronald Reagan, Bartles & Jaymes wine coolers and suchlike products. Perot balked not only at the cost—\$100,000 per commercial—but at the very idea of imagey, atmospheric commercials. He wanted his commercials to say what he actually planned to do.

Writing in *Newsweek* after Perot pulled out, Rollins claims the candidate had said to him at the start, "Okay, . . . you guys know how to do this. I'm getting out of your way," then he refused to get out of their way. No doubt Rollins had no such problem with Ronald Reagan. But what an absurd idea: that a candidate should "get out of the way" of his own campaign so that political professionals can be unmolested in their efforts to portray him as a non-politician and take-charge guy.

And what is wrong with reluctance to spend \$100,000 on a campaign commercial? This is a man who wanted to balance the federal budget. Yet the pros' attitude seemed to be: Spare no expense in portray-

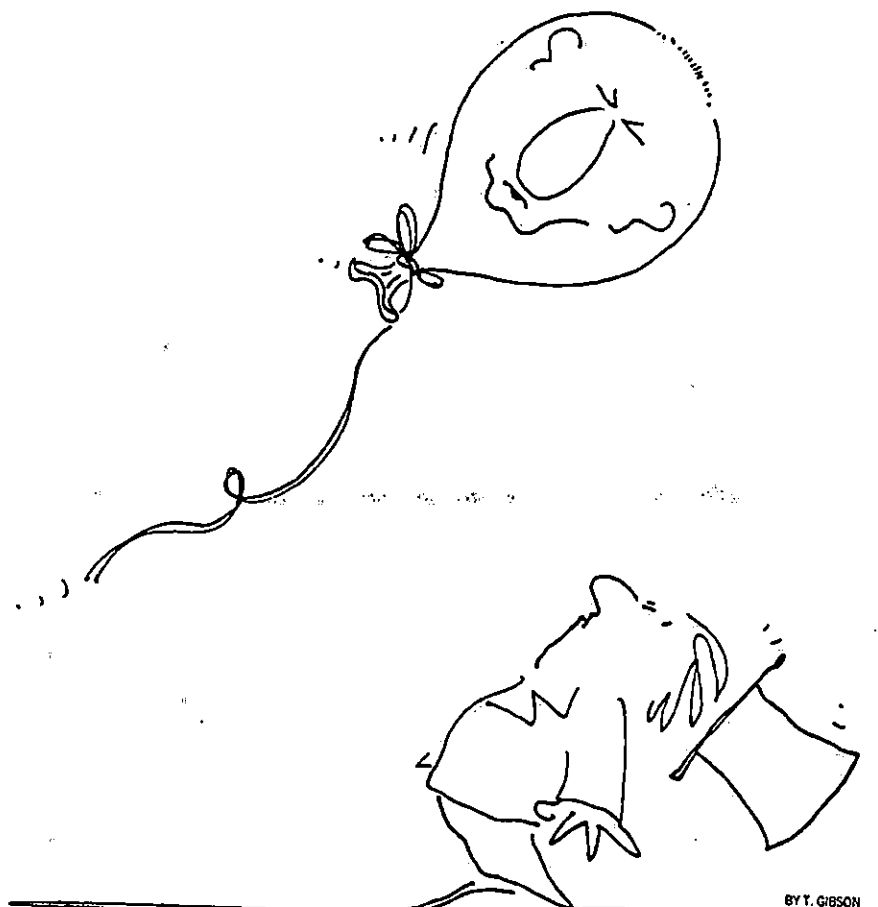
ing him as a tightwad. Revolutionize the government if you wish, but don't touch the way we run a campaign.

If I were Bill Clinton's adviser, I couldn't honestly recommend honesty to him. The Republicans have done too good a job at making fiscal honesty impossible. Clinton's budget proposals are about as honest as he can be expected to get away with—and more honest than Bush's.

But if I were advising Ross Perot, I would have recommended honesty with a clean conscience. First, I would say, if anyone can get away with it, it's you. You can say, "I'm not going to lie to you like those (ugh) politicians. Here's the unpleasant truth about getting out of the fiscal mess they've created." It might work. Second, I would say, why would you want to be elected without a mandate to do what you know needs doing? After all, you really aren't a politician like these other guys, running for office because that's the only reason they're alive.

Ross Perot chickened out. In the end, he didn't have the guts to tell the voters what he knows is the truth. After all that peacock strutting, he deserves the mockery he's coming in for now. But don't be too hard on the guy. Bush and Clinton also know the truth and are afraid to say it. They have chickened out too.

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BY T. GIBSON

The Washington Post

THURSDAY, JULY 23, 1992

George F. Will

Bush's Muddy Message

And five things he could do.

Like the farmers who tilled fields at the foot of Mount Vesuvius, Bush campaigners are confident that natural forces favor them. Rich Bond, GOP chairman, interviewed on television with a beach behind him, yawned about Clinton's surge. Noting that four years ago Dukakis led Bush 51 to 34, Bond said: "You see behind me high tide. Time passes, gravity occurs, the tide goes out and low tide is on the way for Bill Clinton."

But Clinton is not Dukakis, who was passive when attacked. And as Paul Tsongas can attest, Clinton can "go negative." Furthermore, Bush in 1992 is not Bush in 1988. Back then he won because he was seen as an extension of Reagan. No more.

Bush's plan is less to attract voters than to portray Clinton in a way that repels voters, principally by associating him with the Democratic Congress. But the muddiness of Bush's message is apparent in Bond's response to the fact that domestic spending has exploded under Bush, growing twice as fast as under Carter, faster even than under Lyndon Johnson.

Bond: "The world is changing, and that is what the American people want. As defense spending comes down, domestic spending increases. . . . And I don't see that there's anything wrong with that as long as you can control government spending overall. . . ."

Interviewer: "So you're in favor of this explosion of domestic spending?"

Bond: "I'm in favor of cutting defense spending in appropriate ways . . . but then not seeing an explosion in spending that would go beyond what revenues are available. I think you've got to do a very strong control of government spending, but I

"Replace Quayle."

don't care if it goes heavily into domestic spending as defense comes down. There's nothing wrong with that. Let's just pay for it with the right revenues, and let's not raise taxes."

Making an anti-Congress campaign out of such slush is like making a sword out of applesauce. Reagan's last budget director, James Miller, notes that the Federal Register, which publishes regulations, grew to more than 67,000 pages in 1991, the highest number since Carter, and real (inflation-adjusted) spending on regulatory agencies was 22 percent higher than in Carter's last year. So what is Bush's campaign slogan? "Clinton would be even worse?"

What can Bush do? Almost anything would help, just to show he has a pulse. But five things would be especially reviving:

Sign an executive order indexing capital gains. This is equitable (people should not be taxed on inflation gains) and would trigger a surge of economic activity.

Fire bumbling Treasury Secretary Brady, replace him with Jack Kemp, and instruct Kemp to end the credit crunch that is the primary reason for the economy's continuing sluggishness. Republicans run the regulatory apparatus that is keeping liquidity out of the banking system. If Bush cannot lead the country, he should at least manage the bureaucracy.

Start a constructive war with Congress by vetoing the legislative appropriation bill—the money, expected to be \$2.3 billion, Congress will spend on itself. This spending has soared in the last four years. The current bill had 143 votes against it in the House, just three short of the number needed to sustain a veto. Bush could get 30 more.

Replace Richard Darman, head of the Office of Management and Budget, with Minnesota Rep. Vin Weber, who is not running for reelection. Darman's fingerprints are all over the 1990 budget deal that involved Bush's breaking of his no-new-taxes promise. Weber, who turns 40 this week, deserves his reputation as one of conservatism's brightest lights.

Replace Quayle. Yes, he is the darling of the very conservatives who most despise Bush; and Bush has said he would keep Quayle; and this change might present a picture of an administration in turmoil, as did Carter's personnel changes in the summer of 1979. Therefore Quayle's replacement must be so exciting that he becomes the topic of conversation. The choice is obvious: Colin Powell would be good for the country and would scramble the political equation, perhaps for a generation. (I know I am repeating myself: I urged Powell for vice president four years ago.)

Probably none of these actions will be taken by the man who said he would do whatever it takes to get reelected. Bush really is, as Clinton said in his acceptance speech, like George McClellan, the Civil War general who would not use the army. Bush won't use his office because he is one of those people who seek office in order to be something, not to do something.

Besides, Bush and his minions, like Rich Bond waiting for the tide, seem as complacent as the residents of Johnstown, Pa., who scoffed at warnings about the earthen dam in the mountains northeast of town.

Richard Cohen

A Memo From Ross

"Hi, it's me. Ross. I know, I know. You thought you were through with me. But I need to say some things I didn't say when I quit and concocted that story about not wanting to throw the race into the House of Representatives. I quit because I knew I was going to lose. I shouldn't have quit, but when I did I should have told the truth. I should have said what I found out about politicians. I owe them an apology.

"I should have said that I know now that politicians are neither evil nor fools—most of them, that is. Take the budget deficit. I implied I could deal with it lickety-split—'without breaking a sweat,' is the way I put it. Well, that was just loony tunes.

"I found out it was not so easy. I found out, in fact, what I should have known from the start: Bringing down the deficit will be a tough chore. It means that taxes—income, gas, maybe both—will have to be raised. It means we might have to institute a value added tax—kind of a national sales tax—and we're also going to have to cut expenditures. That's tough medicine for a politician to prescribe.

"I should have known all that before I got into the race. But, funny thing, I was like a lot of Americans. I talked about government like it was a business. I thought all you had to do was put in some more efficient system, figure out where the money's going and do something about it. Now I know it means going to the people and saying, 'You're going to have to pay more for less.' The truth is, I couldn't get

myself to say that. I was afraid that I would lose most of my support and become unpopular. It was like putting something fragile in a washing machine. It was easy to be the cat's meow as long as you told people what they wanted to hear. I know that now. But I said nothing.

"Another thing. I found out businessmen have it easy. Never mind that when you give an order someone carries it out. I'm not talking about that. Instead, I got to tell you that it was something new to be held accountable for everything I said. Boy, I used to be able to pop off. Tell me the problem, I'll give you the solution. Just like that. Tell me there's a crime problem in South Dallas, and I'd say: 'Easy, simple. Cordon off the area, and go house to house searching for guns and drugs.' People loved that kind of thing. See, it made sense.

"But then when I became a candidate, I had to answer for those sorts of statements. Everywhere I went, there was some guy with a pad or a camera. I had to be consistent. I had to remember what I said last time out. Shoot, I like to say the first thing that's on my mind—what plays to that particular audience. But in politics, something you say in one place gets reported in another. So when I was confronted, I did what people always accuse politicians of doing: I lied. That's the truth. But even now I won't admit it.

"Another thing. I found that I suffered from what one writer called 'the arrogance of humility.' I thought that because I drove my

own car, because I kept my own organization lean—well, I thought that meant I was close to the people. Y'know, a regular guy. But I didn't know that black people would be offended when I said 'You people.' I just didn't know. I wanted to show where I came from and where my heart was, and that's why I told stories about how my father treated black people. That was back in the days when few whites treated blacks with much respect. But I came across as patronizing. God, it made me sick that I looked like a bigot. I never said so, though. I should have. I should have apologized, too.

"I learned so much in my short campaign. I learned that much of what I believed at first was flat-out wrong. I learned that I knew a lot less than I thought, and I guess I had an obligation to tell the American people what I learned and not have pretended to the very end that everything was so simple. That was sheer demagoguery on my part. Plus, a kind of scapegoating. Blame the politicians. Blame the bureaucrats. Blame the lobbyists. Keep looking for someone to blame. I should have said, 'Enough! Let's look at ourselves. These are the people *we* elected. But I didn't.

"That's why I'm rehearsing this speech in the shower. I owe it to the American people and, especially, my wonderful volunteers to finally tell the truth.

"God bless 'em.

"On second thought, forget 'em.

"Time to go to work."

The Washington Post

THURSDAY, JULY 23, 1992

Richard Harwood

What Is Campaign 'News'?

Every four years American journalists by the thousands go out to the political wars promising to do better. The promise is rarely kept because they do not agree on what is "better." This year there seemed to be a consensus that the priority should be "issues" rather than booze, marijuana, concubines and bad checks. But we quickly stumbled into the sleaze ditch with tales of Bill Clinton and Gennifer Flowers, suggestive hints of a dalliance by George Bush and with other gamey fruits of our probings into presidential "character."

A couple of months ago The Times Mirror Center for The People and The Press asked 413 reporters and news executives to evaluate our performance thus far. The split verdict revealed once again that there are no common standards in the news business, no agreement on what is "good" or "bad" or most useful to the phantom public we profess to serve. A majority looked back on what we had done since January with satisfaction. Nearly 70 percent blamed Clinton, not themselves, for whatever problems he and his campaign had encountered through the primaries. But there were some interesting and encouraging disagreements among these people who bear some responsibility for the health of our political system and for the success or failure of those who take part in it.

Three journalistic classes were involved in the poll: the local press, the national press and "The Powers That Be," meaning 34 of the "principal media decision makers" who are located principally in Washington and New York. These elitists—22 from the television networks and 12 from newspapers and magazines—split sharply in their responses to the poll.

The television people were upbeat—complacent might not be too strong a word—about the coverage this year; only two thought things have gone downhill since the last time around. Two thirds of them thought the coverage has improved, although they have a certain disdain for their brethren in what are called the "print" media. Eight out of 10 say that the "barriers between tabloid journalism and the traditional press have broken down."

The elite newspaper and magazine executives understandably reject that judgment of their work. But on the larger question of press performance this year, they take a darker view of things. Half of them think that in our often amateurish pursuit of scandal during the primaries we acted irresponsibly and sank below the lofty standards of 1988.

What these 34 people—"The Powers That Be"—think about the news business and how we go about it is not irrelevant. They exert influence on the rest of us by their example. They give us an agenda. Journalists, like ordinary mortals, get their information from one another and from what they read and watch on television. Some of their sources—notably a few national newspapers—are more influential than others. The Times Mirror survey reaffirmed the conventional wisdom that the New York Times, the Los Angeles Times, The Washington Post and the Wall Street Journal "are the principal outside source of campaign news for all sections of the press including the principal arbiters and decision makers as to what appears on the evening newscasts and front pages all around the country. Associated Press finishes in a distant second place with 14 percent followed by the evening network news broadcasts (7 percent), CNN (4 percent) and the weekly news magazines (3 percent)."

If this quartet exerts a heavy influence on the the daily news agenda, as I think is the case, they must take some responsibility for the general thrust of the campaign coverage we have had thus far. They may genuinely regret some of the things that have happened. But as agenda setters they cannot convincingly claim that the tabloids made them do it. The truth is that these four national newspapers were at the head of the pack last spring in the hunt for sin and sex in the lives of the presidential candidates.

In this business we measure time from edition to edition. The primaries are ancient history. The general election draws near. It offers the "Powers that Be" an opportunity to set an agenda for the press that will serve the people well in November.

They can begin with a reading of the economic program prepared by his advisers for Ross Perot. By the testimony of Democratic and Republican economists alike, it is a realistic assessment of the financial fix in which the federal government finds itself and of the sacrifices Americans must make to set things right. Taxes must be raised substantially. Government benefits must be reduced. Powerful interest groups and millions of individuals must feel the pain. Living standards inevitably will have to be lowered, perhaps for all of us.

There is a rational presumption that no candidate, Perot included, would dare run in this age of general affluence on a platform of blood, sweat and tears. Politics, after all, is supposed to be the science of who gets what, not the science of who gives up what. But reporters in the press entourages around the candidates are not running for office this year nor are editors and editorial writers. They can ask the basic questions and, like bulldogs, hold on until they get answers: How is the government financial crisis going to be solved? What's the butcher's bill?

This should not be another year for Panglossian politicians. If the press gets its agenda right, it might not be.

Ron Wyden

Health Care: Who Covers the High-Risk Customers?

Without a strategy to reduce costs, there will be disastrous premium hikes on those with medical insurance.

The Post [editorial, June 15] advocates that Congress take the "first step in health reform" by requiring health insurance companies to cover high-risk customers. The Post is right in asserting that many Americans are unfairly treated by health insurers, but its remedy would be a step backward, not forward, on the road to health reform.

The problem with The Post's proposal is that it advocates that insurance companies be forced to take "all comers," without simultaneously advocating that Congress enact a hard-nosed strategy to reduce health costs. The consequences of this approach are predictable: Without a comprehensive strategy to reduce costs, there will be disastrous premium hikes on those with health insurance as insurers seek to recover the cost of insuring a higher-risk population.

The Post, as an afterthought, acknowledges the possibility of some rate hikes. But it says that currently insured persons should be willing to accept higher health insurance premiums because they, too, may someday benefit from these modest reforms. In fact, the evidence shows that many of the Americans The Post expects to accept higher premiums gratefully are themselves just a rate hike away from becoming uninsured. How can higher premiums possibly help these people?

Moreover, the General Accounting Office suggests that few uninsured people will benefit from The Post's proposal, either. In a May report, GAO said that many states have adopted what The Post

wants implemented nationally—with little effect on access to health care. The reason why, according to GAO, is that "reform proposals [similar to The Post's] neither stop nor reduce the rising cost of health care, the major reason small businesses give for not providing health benefits."

What Americans really want is strong health cost containment, and getting there from here is not as difficult as some portray it.

There are two factions in Congress regarding cost containment, but reconciling their views is possible. The first group believes in setting an

Taking Exception

annual expenditure limit over all public and private health care spending. They have little confidence in the notion that health care competition will reduce medical costs. Instead, they want to impose government price controls on providers so that the government tells doctors and hospitals how much they will get paid no matter who is footing the bill.

The second group advocates the establishment of a competitive market for health care, including the reversal of government policies that encourage high spending. They say that the United States doesn't have a competitive market for health care and that Congress should give market competition a chance before resorting to government price controls.

On the surface, all you can see are two incompatible positions: a regulatory solution and a marketplace solution. But these positions are more compatible than they appear at first glance. For example, both groups agree that the main concern is health care cost containment.

The problem for advocates of an annual expenditure limit is that they have no acceptable way to keep health costs underneath the spending limit. Their only solution to keep costs under the limit is price controls, but these alienate not only the Republicans but many Democrats.

On the other hand, the advocates of marketplace solutions have their own problems. They're having trouble convincing the policy makers who support a regulatory approach, as well as government actuaries, that market competition will actually save money.

There is a solution that could bring the two camps together: Start with a competitive market approach, but back it up with an enforceable budget cap that would kick in if, when and where the marketplace doesn't work.

As a further incentive to hold down costs, health insurance companies could be taxed for overcharging their customers. Rate regulation could be used where competitive marketplace forces didn't exist.

This is not a proposal built on the current health care "market," where inefficiency thrives and costs spiral upward. Instead, federal tax law could be used to create incentives for businesses to join regional buying cooperatives that will help them

negotiate with insurers. These health insurance purchasing cooperatives would also handle the daunting multitude of administrative hassles involved in buying health insurance. Individuals could join these same buying cooperatives.

Advocates of marketplace solutions should be able to live with this, because they believe that a properly functioning market will succeed in driving costs down below any reasonable statutory budget limit. Advocates of a regulatory approach get annual budget limits, backed up by rate regulation in regions where the market doesn't work out.

No one quarrels with The Post's view that there must be insurance reforms. Each year the health insurance industry finds new ways to run roughshod over the infirm, excluding from health insurance coverage ever greater numbers of the sick and disabled—those whose need for a risk-sharing insurance pool is the best, if not the only, justification for the existence of private health insurance companies.

But the answer is not, as The Post advocates, a wish and a hope that all Americans "can buy health insurance at less than prohibitive prices." We can do better. Heightened health care competition and sensible regulation are the most realistic strategy for reining in health care costs and building a new health system where all citizens have access to essential, high-quality health care.

The writer is a Democratic representative from Oregon.

The Washington Post

THURSDAY, JULY 23, 1992

Arabs Getting the Impression Israel Plans Settlements Freeze

By John M. Goshko
Washington Post Staff Writer

CAIRO, July 22—As Secretary of State James A. Baker III moves through his five-nation tour of the Middle East, he is leaving Arab leaders with the impression that Israel has promised the United States it will halt all settlements in occupied territories in exchange for \$10 billion in U.S. loan guarantees.

That appears to be the case despite the repeated caution voiced by Baker and other U.S. officials about the extent of Israel's promise. While expressing optimism that a deal is within reach, they insist it is incorrect to assume new Israeli Prime Minister Yitzhak Rabin has agreed to a total freeze of settlements activity. Baker made that point again today at a news conference following a meeting here with Egyptian President Hosni Mubarak.

[Later, Baker went to Latakia, Syria, to meet with President Hafez Assad, the Associated Press reported. Assad had postponed the meeting on Tuesday to attend the funeral of his mother.]

"The discussions I've had with Prime Minister Rabin have satisfied me that there will be severe and substantial reduction of settlements activity," Baker said. "I can confirm that. But it's as far as I'll go for now."

His frequent use of the words "severe and substantial" leaves the impression that Baker and Rabin are looking for a loophole that will insulate Rabin from criticism by Israeli hardliners. The apparent aim is to allow Rabin's new government some token settlement expansion, probably in the Jerusalem area, which Israeli Jews contend is an integral part of Israel and should be regarded as separate from the rest of the West Bank.

However, Arab diplomatic sources said their understanding of the message conveyed by Baker to Mubarak and to Jordan's King Hussein on Tuesday is that the United States expects Rabin to stop all new settlements for the duration of the Middle East peace talks.

But, in response to repeated questions today about the U.S. understanding of Israeli intentions, Baker limited himself to saying, "I'm sat-

isfied you're going to see severe and substantial reduction of settlements activity." He also said several times, "I'm convinced there is a new attitude in Israel." But he added, "All of the details are not worked out."

When U.S. officials are asked whether Baker expects a total settlements freeze but does not want to say so publicly, some hint that is not too strong an interpretation. When Baker was in Jerusalem, Israeli officials said Rabin has given top priority to eliminating the settlements dispute as a source of discord with the United States and as an excuse for the Arabs to drag their feet in the peace talks.

But, the Israeli sources continued, Rabin does not want to give the Israeli public the impression that Washington is dictating to him. They said that would expose him to attack from his political opposition led by former prime minister Yitzhak Shamir, a fervent proponent of settlements who rejected U.S. linkage of the loan guarantees to a freeze.

During Israel's recent election campaign, Rabin said he would halt the Shamir government's policy of building "political settlements" in Arab-populated areas of the West Bank and Gaza Strip. But he reserved the right to continue settlements in greater Jerusalem and to build "security settlements" near Israel's borders with Syria and Jordan.

While in Jordan, Baker said the United States opposes all settlements. But he pointed to a possible way of skirting the issue by saying the United States regards "security installations" as "something different." That appeared to be an invitation for Rabin to tailor the outposts he says are necessary for Israeli security to fit the U.S. definition of an "installation."

Jerusalem poses a different problem. Virtually all Israeli Jews agree that the city, including its surrounding suburbs, must remain united and under Israel's sovereignty. Israeli politicians from nearly all parties say the United States should show some give about settlements in and around Jerusalem.

However, even if the United States shows such willingness, the two sides would have to define what constitutes "greater Jerusalem" so that limits can be put on where new settlements are located.

The Washington Post

THURSDAY, JULY 23, 1992

Navy Secretary Orders Overhaul Of Commands

O'Keefe Moves Quickly Toward Changing Attitudes

By John Lancaster
Washington Post Staff Writer

Barely two weeks after taking command of the scandal-weary U.S. Navy, the service's civilian leader yesterday unveiled a far-reaching reorganization plan that senior officials said should help eliminate outdated Navy attitudes on everything from sexual harassment to budget priorities.

Navy Secretary Sean O'Keefe said at a news conference yesterday that the restructuring plan would "streamline" Navy operations, save money and promote internal cooperation by combining leadership of submarine, surface warship and aviation specialties.

The plan had been in the works for some months before O'Keefe's arrival and principally affects the service's Washington headquarters. But Pentagon officials, eager to show the public they are serious about the Navy's woes, insisted it is more than a bureaucratic reshuffling.

"What Sean is doing is he's trying to get at the cultural problem," said a senior Pentagon official, who asked not to be identified. "It gets them into the 20th century."

The Navy has suffered a number of public relations setbacks in the last few years, including the 1988 downing of an Iranian airliner by the USS Vincennes, procurement scandals and a sense of being upstaged by the Air Force and Army in the Persian Gulf War. More recently, the Navy has been buffeted by the Tailhook scandal, which stems from assaults on women at a convention of naval aviators in Las Vegas last year.

Many critics have blamed these and other Navy problems on a shipboard culture that spurns outside influence and oversight even as it is split by internal rivalries.

For example, critics in and out of the Pentagon have described the Tailhook episode as an extreme manifestation of a macho, swaggering attitude unique to naval aviation. Senior officials suggested that by breaking down distinctions between that and other Navy branches, Navy leadership will have a better chance of controlling attitudes and behavior.

"If you're going to change the Navy culture, it's not enough just to have classes [on sexual harassment]," the senior official said. "I mean, we can talk about it—everybody can say, 'We won't tolerate it'—but that's not enough. You have to get at the insularity."

The Tailhook scandal has caused anguish and morale problems throughout the service, especially among aviators, and O'Keefe seemed to go

out of his way to make peace with uniformed personnel who have criticized Navy leadership for overreacting to the episode.

"I think an awful lot of people have been tarred with a brush that really is undeserved," said O'Keefe, who previously served as Pentagon

Richard B. Cheney. "By no means should it be viewed as something that's at the core of the entire naval service itself."

"We've got a double mission here," said a senior official. "On the one hand you have to root the problem out. . . . At the same time, you have to try to keep the team together and say, 'Look, we have a great Navy.'"

Much of the reorganization plan announced by O'Keefe and Chief of Naval Operations Adm. Frank B. Kelso II had already become known. Nevertheless, officials said, the Navy had stalled on implementing the changes because of bureaucratic resistance from the separate fiefdoms that have long defined the service.

"It ain't no coincidence that Sean O'Keefe becomes secretary of the Navy and—'Presto!'—he changes the whole structure of the Navy," said a senior official. "This thing was percolating in the Navy for a long time and nothing ever happened until Sean got here."

Although the plan is mostly aimed at headquarters jobs in Washington, officials said its effects would be felt throughout the Navy, changing fundamentally the way the service allocates resources and responsibilities. As currently configured, Navy leadership is split into three warfighting "communities," each with its own sense of identity, traditions and priorities and headed by a three-star admiral.

That setup has been blamed for fostering everything from harmless rivalries, such as Navy aviators' insistence on wearing brown shoes to set them apart from black-shoed ship officers, to bitter bureaucratic infighting over allocation of

shrinking budget dollars. The "stovepipe" communities are so separate that a Navy flier can go through virtually an entire career without having anything to do with a Navy submarine officer, let alone other services.

"Everybody has got this internecine conflict mentality," said a senior defense official who requested anonymity. "There's an old phrase that when you identify the Navy, you've got to identify which Navy you're talking about. . . . This is going to be a big china-breaking contest."

The new plan does away with the three-star jobs—the assistant chiefs of naval operations for submarine warfare, surface warfare and air warfare—and merges each staff under a single new three-star position, the deputy chief of naval operations for resources, warfare requirements and assessment. The old warfighting specialties will still exist, but they will be headed by two-star admirals, whose power will be substantially diluted.

"One of my primary concerns is ending the rivalries and jealousies between the key warfighting communities of the Navy," O'Keefe said. "Our approach is very simple. We believe that there can be no jealousy among the fingers of a strong fist."

At least part of the restructuring is driven by the end of the Cold War and the resulting decline in defense budgets and military force requirements. Among other things, the plan will eliminate 34 admirals' jobs and cut headquarters billets by 20 percent, from 1,600 to 1,300 positions by 1995.

Navy officials acknowledged that addressing the Navy's cultural problems will take more than reorganizing the service. For example, Kelso noted that only three of the Navy's 250 admirals are women, and none wear more than two stars. One senior Pentagon official described that as a "woefully inadequate number" that O'Keefe would have to move quickly to address.

The Washington Post

THURSDAY, JULY 23, 1992

U.N. Team Yields To Iraqi Threats *White House Expresses Concern*

By Caryle Murphy
Washington Post Foreign Service

CAIRO, July 22—Iraqi President Saddam Hussein won a test of wills with the United Nations today, when demonstrators forced U.N. weapons inspectors to abort their 18-day vigil outside a government building without searching the site.

The U.N. Security Council had demanded access to the Agriculture Ministry to look for documents dealing with weapons development. The inspectors broke off the stake-out early today out of concern for their safety after several days of growing harassment by Iraqi demonstrators, U.N. officials said.

Among the hostile incidents was an apparent attempt by an Iraqi to attack a member of the team with a barbecue skewer.

White House spokesman Marlin Fitzwater told reporters in Washington that the Bush administration is "increasingly concerned" by Iraqi "stonewalling" on the inspection issue and that the Iraqi regime "must be held accountable for its defiance of the U.N. resolutions and for the safety of all U.N. personnel in Iraq."

Without waiting to be asked by reporters, Fitzwater went on, "We are not ruling out any option, including the use of military force." He characterized the latest Iraqi defiance as "about as serious as any we've faced."

The U.N. inspectors' retreat from the Agriculture Ministry confronts the U.N. Security Council with the problem of exerting its authority in the face of Baghdad's apparent decision to stop cooperating with the international body unless it lifts its economic embargo against Iraq.

"Unless they cooperate with the Iraqi government, with the Iraqi people, and lift sanctions, [the Security Council] really cannot do much," Iraq's ambassador to the United Nations, Abdul Amir Anbari, told Cable News Network.

"It's none of their business to go into the Ministry of Agriculture," Anbari said. "We made it very clear and they better listen to us. Throwing a bomb or two, whether on Baghdad or here or there, is not going to change [matters]."

The council's task is complicated

See BAGHDAD, A28, Col. 1

BAGHDAD, From A1

by the fact that the Iraqi government, breaking with past practice, apparently has adopted a policy of threatening the safety of U.N. personnel in Iraq.

Rolf Ekeus, head of the U.N. special commission charged with monitoring and destroying Iraq's banned weapons, warned that the clash between the Security Council and Baghdad is intensifying and that Iraq could face "tragic consequences." Ekeus added that "the situation is much more difficult now, after they physically forced us from the site."

Many analysts suggest Saddam is calculating that President Bush, preoccupied with the election campaign and trailing in the polls, may

be reluctant to risk U.S. casualties in military action to force Iraq to comply with U.N. resolutions.

Indeed, U.S. military officials speaking privately in Washington expressed no enthusiasm for the use of force.

Fitzwater reaffirmed a long-standing White House position that no further U.N. authority would be needed legally to justify a military strike but also said U.S. diplomats were consulting their counterparts on the Security Council.

At least three times in the last year—in July and September of 1991 and again in March—disputes between Iraq and U.N. inspectors led to veiled or explicit threats of military action. In a pattern that the administration has called Saddam's "cheat and retreat," but administration critics have called Bush's "threat and forget," the crisis has dissipated each time with concessions by Saddam.

But some Western analysts who watch Iraq closely say they suspect the latest confrontation is part of what one called "a much larger strategic move" by Saddam. One source noted that there have been reports in Iraqi newspapers again calling Kuwait Iraq's "19th province."

"I'm really very much worried," this source said. "I think something is cooking. . . . He has to show force and he is preparing the public for something big."

Apart from an incident last summer when shots were fired over the heads of a U.N. weapons-in-

pection team, the Iraqis had not threatened to harm U.N. or other international workers, of whom there are an estimated 860 now in Iraq.

But in recent weeks, there have been a number of incidents involving hand grenades and car bombs, apparently targeting U.N. guards in Kurdish-controlled northern Iraq. Last week, a sleeping U.N.

At the Agriculture Ministry, the U.N. inspectors were subjected to daily harassment by demonstrating Iraqis, who pelted their cars with tomatoes, slashed tires, burned replicas of U.S. flags and chanted insults. In a tightly controlled society like Iraq's, there is little doubt these protests were government-orchestrated.

Ekeus said that about 5:30 a.m.

attempted to stab one of the U.N. inspectors as he sat in his car. Anbari played down the incident, calling it an attempt "to insult rather than to injure or hurt" the inspector.

Special correspondent Trevor Rowe at the United Nations and staff writer Barton Gellman in Washington contributed to this report.

The Washington Post

THURSDAY, JULY 23, 1992

Proposal to Curtail Interstate 'Pass-the-Trash' Contracts Foments Senate Oratory

By Helen Dewar
Washington Post Staff Writer

The Senate would like to be regarded as the "world's greatest deliberative body," capable of lofty discourse on war, peace and other profound matters. But the truth is that nothing moves senators to impassioned oratory more than garbage.

For the better part of the past two days, the Senate debated—at times fiercely—a bill that has euphemistically been entitled the "Interstate Transport of Municipal Solid Waste Act of 1992."

In ordinary language, that means not-in-my-backyard, or, more specifically, as senators from largely rural states kept telling the New Jersey senators, take your garbage and stuff it in your own landfill.

"The game of pass-the-trash must end,"

said Sen. David L. Boren (D-Okla.), whose state is among the reluctant trash importers.

New Jersey is exporting its garbage only because "our landfills filled up with the garbage that came from our neighboring states" and because New Jersey is trying to clean up its own environment, complained Sen. Bill Bradley (D-N.J.).

At issue was the latest effort by Sen. Dan Coats (R-Ind.) and his allies to allow states to reject other people's garbage. Two years ago, the Senate approved a proposal to allow states to ban unwanted garbage from outside their borders, only to lose the provision in a House-Senate conference. This year, several senators banded together in an attempt to reach a compromise that would allow states to restrict new garbage-dumping contracts while leaving existing contracts in force.

But Coats contended that many existing contracts were open-ended or indefinitely renewable, meaning that states like Indiana would continue to be treated as the nation's trash dump.

So he proposed an amendment to allow states to cancel existing private contracts, prompting hours of oratory before a new compromise was negotiated to permit contract abrogations after seven years.

The saga of what senators called the "P.U. choo-choo," the garbage-loaded New York train that rumbled around the Midwest earlier this month before it was forced to return its pungent load to New York, was a favorite of the ban-the-trashers.

"While some of my colleagues had the opportunity of enjoying New York City, the Big Apple, over the recess, the state of Missouri was threatened with the apple cores,"

said Sen. Christopher S. Bond (R-Mo.) as he traced the itinerary of the "40 cars of rotting, maggot-filled trash" around Illinois, Kansas and Missouri.

"For two weeks, it simmered and boiled in the hot sun with plenty of rain to moisten it and keep it nice and juicy," he said, hardly missing a single sickening detail. "Fortunately, the trash train kept on moving," he said. "Ultimately, it went back to New York City, where it should have been dumped in the first place."

A little sensitive about the image of New Jersey, New York and other garbage dumpers, Sen. Frank R. Lautenberg (D-N.J.) sought to "set the record straight about New Jersey," becoming as lyrical in his own way as Bond had been in his way.

Not only does New Jersey rank "among the top states in developing patents, but it

has "more horses per square mile than any state in the country," Lautenberg claimed. Anticipating the amazement of colleagues who had not noticed many horses or pastures along the New Jersey Turnpike or Amtrak rail line to New York, Lautenberg tried to explain. "We may not have a lot of horses. But we do not have a lot of square miles either."

Bradley saw the issue from a different perspective: trash-bashing as a political issue.

"You stand there . . . in front of the television cameras and say, I stopped the garbage, elect me," Bradley said. "That is, until next year, of course, or the year after that, or the year after that, when you want to export the garbage because your state is filled up and now you need to export. But that will be down the road. 'I will not have to worry about that. I will be reelected.'"

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GE Pleads Guilty to Fraud in Engine

Sales to Israel

By Steven Pearlstein
Washington Post Staff Writer

CINCINNATI, July 22—General Electric Co. today pleaded guilty to charges of fraud, money laundering and corrupt business practices in connection with its sale of military jet engines to Israel in the 1980s, and agreed to pay fines and penalties of nearly \$70 million.

The legal action comes after a two-year federal investigation triggered by a lawsuit filed by a GE em-

ployee, Chester Walsh, who was a marketing executive in Israel.

Walsh, his attorneys and a non-profit organization, Taxpayers Against Fraud, will be entitled to a bounty of as much as \$14.7 million of the \$60 million that the government will receive in civil penalties under a federal law designed to encourage reporting of contractor fraud. It would be the largest such award ever paid.

According to papers filed in connection with today's proceedings, Herbert Steindler, GE's manager of

foreign engine sales, conspired with Israeli Gen. Rami Dotan to siphon off \$27 million in U.S. military aid funds by submitting vouchers for services and goods that were never delivered.

At least \$11 million of that wound up in a Swiss bank account controlled by Steindler and Dotan, according to court papers, while the rest was used for unspecified Israeli military programs that did not qualify for funding under the U.S. aid program.

Dotan is now serving a 13-year

jail sentence for his part in the fraud scheme. But Israeli officials have refused to make him available to U.S. investigators.

In court papers, GE said Steindler and Dotan were assisted in their scheme by a number of other GE employees who were aware of the illegal diversions. Others were said to have ignored signs of improprieties.

"Our systems should have caught them and they did not," Brian Rowe, the head of GE's engine division

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GE, From A1

here, told U.S. District Judge Carl Rubin upon entering a guilty plea on behalf of the company.

Steindler was fired by GE in March 1991, and a GE lawyer today confirmed press reports that 21 other employees were either fired, forced to retire, demoted or fined by the company.

It was unclear what impact the guilty plea might have on GE's far-flung operations, but the modest decline in the company's stock price suggested Wall Street wasn't concerned that it would have much effect. GE shares fell 62½ cents to \$76.50.

Last month, the Pentagon suspended the company from receiving future government contracts, but lifted the order five days later after a legion of GE lawyers convinced officials that sufficient safeguards were in place to deter and detect fraud by company employees.

The lifting of the suspension cleared the way for \$1.2 billion in new Pentagon orders just this week.

GE's guilty plea could be cited in a challenge to the television licenses held by the NBC broadcasting division of GE. Bob Pettit, general counsel to the Federal Communications Commission, said today that such convictions are "relevant" for the commission to consider, but do not result in automatic loss of license.

The size of Walsh's bounty immediately rekindled a debate over whether the law, known as the False Claims Act, should be changed.

The Justice Department has characterized such multimillion-dollar awards as "excessive," and has sought to limit Walsh's take. In a press release today, the department said Walsh's delay in reporting the fraud scheme cost the government an extra \$27 million.

But John Phillips, Walsh's attorney, said neither GE nor the government would have been able to discover the full extent of the fraud scheme without Walsh's active cooperation during the

past two years. "This law is working and working very well," Phillips said.

A final decision on the size of the bounty will be made in September by Judge Rubin.

The U.S. attorney in Cincinnati, D. Michael Crites, said the criminal investigation of the Dotan matter was continuing. Sources familiar with the investigation said the probe has not only focused on Steindler and other GE employees, but also included GE's rival in the engine business, United Technologies Corp., which also supplied engines to the Israeli Air Force when Dotan was its quartermaster.

For Walsh, the settlement of his whistleblower suit ends a five-year odyssey that involved smuggling documents out of Israel, secretly recording conversations with his bosses and taking on one of the world's largest corporations. His role—and his motives—continued to be the subject of dispute after Judge Rubin handed down his verdict.

GE attorney Henry Huvschman told reporters that Walsh should receive no bounty because he personally "planned, initiated and implemented" a number of fraudulent transactions at Steindler's request and delayed reporting the scheme.

But Walsh, at his own press conference, said he did not act because of fear that Dotan would have him killed and fear that his superiors would have him fired.

Even as late as last week, GE had threatened to sue Walsh to win back all or part of his bounty. But Judge Rubin forced the company to retreat when he told lawyers in chambers last week that he would not approve any settlement or plea bargain unless the company agreed to take no legal action against the whistleblower, sources said.

Staff writer Paul Farhi contributed to this report from Washington.

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AROUND THE NATION

Cuomo Signs Bill Forbidding Surrogate Parenting for Profit

ALBANY, N.Y.—Gov. Mario M. Cuomo (D) yesterday signed a bill making New York, where an estimated 40 percent of the nation's surrogate parenting deals are arranged, the 18th state to ban surrogate parenting for profit.

The state Legislature, pushed by a coalition that included the National Organization for Women and the New York State Catholic Conference, approved the ban last month. It takes effect in one year.

New Yorkers will be allowed to act as surrogates for friends or relatives, but no contracts can be signed and no fees paid.

New Jersey Kosher Food Rules Invalidated

■ TRENTON, N.J.—The state Supreme Court invalidated state rules that impose standards for food preparation under Jewish kosher laws, saying the rules violate constitutional separation of church and state.

The court, in a 4 to 3 decision, said state regulations that allow inspections of kosher food preparation facilities mean "Jewish law prescribing religious ritual and practice is inextricably intertwined with the secular law of the state." The dissenting justices said the rules are needed to protect residents from consumer

fraud in the sale of kosher products. The ruling left intact regulations that require kosher establishments to show on what basis they advertise and sell products as "kosher."

Addenda

■ Nick Mauro, 47, who was charged with murdering his brother, sister-in-law and two nephews, surrendered in Westover, W.Va., after being surrounded by about 50 local and state police officers.

■ Supreme Court Justice Anthony M. Kennedy has ordered that Florida journalist Tim Roche remain free while the court decides whether to review the 30-day jail sentence he was given for refusing to divulge a news source in a child custody case.

■ A federal judge in Los Angeles placed on hold a lawsuit filed against the city by police beating victim Rodney G. King, who is seeking \$83 million in damages, pending completion of all court cases stemming from King's beating. Police Officer Laurence Powell faces retrial Oct. 19 on assault charges that were not resolved by a jury that acquitted three other officers on all counts.

■ Frank Paul Jones, 33, was charged in Los Angeles with sending letters containing death threats to President Bush, singer Michael Jackson and Jackson's sister, Janet, whom he was accused of stalking.

From news services

The Washington Post

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German Firms Primed Iraq's War Machine

Second of two articles

By R. Jeffrey Smith
and Marc Fisher
Washington Post Staff Writers

BONN—In the late 1980s, German export officials noted that Iraq's state-run industrial complex was hungry for gas bottles, lampposts and milk separators—and approved exports of metal presses and other equipment necessary to produce them.

At the time, Iraq was a country that Germany and other Western nations had reason to be worried about. But what harm was there in gas bottles, lampposts and milk separators?

The question was woefully naive. Iraq needed the German-designed metal presses not to make milk separators, but to produce missile combustion chambers and equip plants that were churning out, among other things, uranium centrifuges for making nuclear weapons.

In the wake of last year's Persian Gulf War against Iraq, United Nations inspectors and Ger-

man prosecutors are learning just how easily German firms circumvented their country's weak export control mechanisms to sell Iraq the technology, parts and advice it needed for nuclear, missile, poison gas and germ weapon programs.

What they have discovered is that a laissez-faire official attitude, bolstered by a desire for export-related profits, allowed German companies to supply Iraq from 1986 to 1990 with an estimated \$198 million of so-called dual-use items. These are products that theoretically had civilian uses, but, according to German prosecutors, were often clearly meant for military use.

Companies located in other countries, including Switzerland, Britain, France, Italy and the United States, contributed to the buildup of Iraqi President Saddam Hussein's military machine, and German firms sold no armaments more dangerous than pistols and hunting rifles. But investigators have found documents and other physical evidence im-

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IRAQ, From A1

plicating German companies as Iraq's most reliable and useful source of the technology and materials for the frightening weapons of mass destruction that would cement Iraq's reputation as a dangerous regional power.

Evidence turned up so far, and described in a series of unpublicized German, U.N. and U.S. reports, indicates that:

- A half-dozen German firms sold Iraq equipment, such as sophisticated lathes and presses, needed to enrich uranium for a nuclear bomb or helped Iraqi scientists overcome key technical problems.

- Officials of a German firm designed four plants capable of turning out hundreds of tons of deadly poison gases, while at least three other German firms made equipment Iraq needed to fill chemical rockets, bombs and ballistic missile warheads.

- Six German firms supplied some of the equipment Iraq needed to make botulin toxin and mycotoxin germ weapons, including devices that allow germs to grow in laboratories, concentrate pathogens, protect workers from contamination and allow technicians to traverse a contaminated battlefield.

- Sixteen German firms contracted to supply equipment used in Iraq's ballistic missile program, including turbopumps, rocket motor nozzles, high-pressure air intake systems, special welding components, high quality steel rods and pipes, and fuel systems.

Some of the firms knowingly supplied Iraq with the machinery it needed to make its own missile combustion chambers and fuel injectors. Others helped redesign and manufacture Iraq's missile gyroscopes, supplied plans for a complete fuel storage facility and helped create and equip a complete missile "quality assurance program."

German firms also supplied the chassis, motors and electrical distributors for mobile missile launchers, and shipped missile-related tractors and semitrailers equipped with lighting and other features for military operations. U.N. inspectors in Iraq have found German names on Scud missile pressure lines, gauges, electrical parts, fuel tanks and air bottles.

Eleven German firms earned a total of roughly \$50 million for equipment and advice used to extend the range and improve the accuracy of Scud missiles eventually fired at Israel and Saudi Arabia in the gulf war, according to U.N. doc-

Many of the German firms provided help in more than one type of weaponry and had business dealings with each other on Iraq's behalf, the documents state. "It was a pattern of activities by specialized firms that do this kind of work and have a history of dealings" with rogue nations, said a U.S. official who has tracked the Iraqi purchasing operation.

To date, only one German company has been convicted of helping Iraq, according to Eckhard Fischer, a staff expert on export controls for the German legislature. Four firms are now on trial for export violations, 37 others are under investigation, and several executives have been arrested and are awaiting trial, he said.

Much of the information detailing the activities of these firms is contained in reports that have been shielded from official release by the United Nations, Germany and the United States because of what some authorities say are political sensitivities.

The documents include a classified report to the German legislature on the full range of German-Iraqi ties, a report to the German government by the International Atomic Energy Agency, a report by a German member of a U.N. inspection team and a German government report for the U.N. Special Commission on Iraq.

Some details have also emerged in interviews with German officials about the many criminal investigations Germany started last year, using evidence derived from U.S. intelligence reports, seized Iraqi procurement records and the observations of inspection teams roaming Iraq under the authority of a U.N.-backed cease-fire resolution agreed upon last spring.

A Lack of Oversight

Aside from the lure of impressive technology, Germany offered Iraq a system designed to protect private businesses from government interference. Pakistanis, Brazilians and Libyans had already used the German connection for bomb and missile projects, according to U.S. and German officials; Iraq simply followed the beaten path.

Since the Carter administration, U.S. businesses have confronted export controls motivated by human rights and other policy concerns. But German business has always operated, as one U.S. official said, on the "assumption that you can sell anything not specifically prohibited"—a practice motivated partly by Germany's economic dependence on exports for 60 percent of its gross national product.

"In contrast to what happens in the United States, exports in Germany are subject to mandatory li-

censing only in exceptional cases," German authors Holger Koppe and Egmont R. Koch said in a recent book about weapons-related ex-

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U.S. officials in the 1980s frequently passed intelligence to Germany about the involvement of German firms in Iraq's development of deadly weapon systems. But they were repeatedly frustrated by what they described as Bonn's excruciatingly slow response.

It took extreme political embarrassment—after a stream of revelations in 1990, Chancellor Helmut Kohl called German business activities “a source of shame”—to force a toughening of export controls. German officials now describe their revamped export control system as among the tightest in the world.

But U.S. officials said no other country trading extensively with Iraq before the Persian Gulf War came close to matching Germany's contribution. “My understanding is . . . that a very high percentage of the stuff Saddam Hussein got came from Germany—like maybe 80 percent of it,” said House Armed Services Committee Chairman Les Aspin (D-Wis.).

“The German role was overwhelming” in Iraq's development of chemical weapons, said Fischer, “out of proportion to all the others.” Moreover, he said, German parts accounted for about 25 percent of the Iraqi missile program, the largest portion not produced by Iraq itself.

Dealing by Word of Mouth

German companies were selected and courted by technology-literate, German-speaking Iraqi government agents. In Baghdad, the overall direction of the country's nuclear-weapon-related purchases was provided by the secretive Department 2000, part of Iraq's so-called PC-3 program run, according to German and U.N. officials, by Abd Hamilm Ibrahim Hajjaj, a physicist who became fluent in German while studying at Goettingen University.

“There's no doubt that he made good use of” his language skills, one investigator said.

Working through Iraq's Embassy in Bonn, which served as headquarters for Iraqi procurement efforts throughout Europe, Iraqi agents used written orders from the embassy's chief commercial officer to purchase dual-use equipment worth millions of dollars through German banks, U.S. officials and legislators said.

Rep. Henry B. Gonzalez (D-Tex.), the House Banking Committee chairman who is investigating U.S. policy toward Iraq before the gulf war, said the Iraqi acquisition program operated through a chain starting with military factories' request for parts. The Iraqi Military

Industrialization Board would send the request to Baghdad's embassy in Germany. The embassy would then forward the orders to front companies controlled by the Iraqi Secret Service Organization, Gonzalez said.

“It was all done by word of mouth,” said a German prosecutor examining the records of several firms. “They'd find one company, hear about another and approach them. They would put out word of what they were looking for and go get it . . . They would seek out the one engineer in a firm who knew a particular part could be used for other than civilian purposes. Specific things were desired and sought. One knew who one was dealing with.”

A careful study of German industry led Iraq to, among other firms, H&H Metalform, a toolmaking firm in the sleepy Westphalian town of Drensteinfurt. A key figure in Iraqi dealings with H&H, according to the company, was Anees Mansur Wadi, a purchasing agent whose operations have been blocked in England and the United States for alleged export law violations.

Fischer said investigators have concluded that officials of two London-based Iraqi front companies linked to Wadi contacted H&H in 1985, bearing a credit note for \$3 million provided by the Iraqi government.

By the following year, H&H was selling Iraq material needed for the production of poison gas, Fischer said. H&H has denied shipping anything for nefarious purposes.

No U.S. criminal charges have been brought against Wadi, according to a Treasury Department spokesman. Wadi did not return phone calls, and his attorney, Victoria Toensing, declined to answer questions about any contacts between Wadi and H&H. But she said that “the business transactions he performed in the late 1980s with Iraq . . . were licensed by the appropriate European government.” She also said Wadi “has not violated U.S. law.”

From 1986 until 1989, according to U.N. and German documents, H&H executives also sold eight sophisticated metal presses for \$16 million to the Nassr State Establishment and helped Baghdad obtain crucial molds and sheet steel for rocket production and special lathes for making centrifuge parts.

H&H has maintained that the presses—devices for shaping cylinders—“cannot be used for production of centrifuges” but were to be used to make lampposts, industrial gas bottles or milk cans. At the time of the sales, German export officials ruled the equipment was not covered by export restrictions and granted H&H a total of three permits for the shipments, accord-

ing to the German Export Control Office.

U.N. inspectors visiting Taji last December found one of the machines equipped with a device for making centrifuge parts, and an unpublished U.N. inspection report alleges that the firm's prior sales of similar equipment to Brazil's missile program leave no doubt that “the accused parties knew the claimed application [in Iraq] was false.”

H&H's reported assistance to Saddam's regime did not stop with the presses. Following an infusion of several million dollars in cash from an Iraqi trading company, H&H officials escorted two German centrifuge experts on a visit to Taji, a key Iraqi weapons research center, where the experts helped fix Iraqi blunders in fitting the centrifuge parts, according to remarks in a London newspaper by one of the experts, Bruno Stemmler. Stemmler declined to comment to The Washington Post.

“There was an information network among German technicians who helped solve Iraqi problems,” Fischer said. “H&H played a key role in providing not just parts but know-how,” functioning in effect as an Iraqi base of operations in Germany.

Last January, German prosecutors ordered the arrest of H&H owners Dietrich Hinze and Peter Hutten for export law violations. Hinze and Hutten, still in jail awaiting formal charges, say nothing they shipped to Iraq was for nefarious purposes.

H&H Metalform said in a written statement issued last year in response to press reports that its dealings with Iraq began in 1987, not 1985, that Iraq's investment in the company of several million dollars was only a down payment for services and that the company's assistance to Iraq was limited to innocuous exports and technical help on a memorial arch at the entrance to Baghdad. The arch celebrates the outcome of the 1980-88 Iraq-Iran war, incorporating in its design dozens of helmets taken from dead Iranian soldiers.

Surreptitious Shipment

Investigators also have determined that H&H officials helped the Iraqis purchase three computer-controlled lathes from Neue Magdeburger Werkzeugmaschinenfabrik, again with the approval of German export officials. The manufacturer said the lathes were standard ones intended solely for civilian use. U.N. inspectors have since found them in crates at Taji equipped with “fixtures” precisely sized for centrifuge work, according to a published U.N. report.

U.N. investigators have concluded that Iraq obtained the lathes and H&H presses partly to process

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800 tons of aluminum tubing ordered from Vereinigte Aluminwerke in Bonn—enough to make roughly 5,000 casings for centrifuges intended to enrich uranium for a nuclear weapon.

In a German government report to the United Nations, authorities have identified the C. Plath company of Hamburg as an intermediary in the tubing shipments.

A separate German government report to the U.N. Special Commission on Iraq also has linked the firm to illicit shipments to Iraq of \$1.8 million worth of gyroscopes, motors and other missile components. Officials from Plath, a wholly owned subsidiary of the Arlington-based defense contractor Litton Systems, told German export authorities the devices were intended for oil exploration, according to the German report to the United Nations. The claim prompted official inquiries, which in turn led Plath to withdraw its license application and send the equipment surreptitiously, the report said.

"All blueprints of the delivered systems can clearly be tied to the Scud B navigation systems," the German report said. The report named two company officials who, witnesses claimed, "had to have known that the exported components were destined for missile launcher applications."

Iraqi officials have acknowledged that Plath and two other firms manufactured small components for a "centrifuge prototype," according to a separate report last May by the International Atomic Energy Agency.

But Litton spokesman John Georg denied that Plath collaborated with the Iraqi nuclear program and said only "purely commercial products" such as machine components, flow switches and pressure-measuring devices were exported to Iraq under three contracts signed in 1988 and 1989. He said Plath did not deliver gyroscopes ordered by Iraq because an in-house lawyer said such exports would violate German law.

Georg denied that Plath helped Iraq obtain centrifuge tubing. He said reports of Plath's involvement came from "an agent of some sort" whose efforts "looked as if they were coming from our company." Georg refused to identify the agent, saying only that he "did do some work for us but did not do work you described." No charges have been filed against the firm, Georg said.

Suppliers 'Had to Know'

The business between Iraq and H&H—recruiting, trade, delivery and maintenance—occurred with a stamp of approval from German export authorities. "Exporters as a rule gave a plausible civilian use in their applications," said Hans-Peter Cruse, a top official of Germany's

Export Control Office. "Only through U.N. inspections in the last few months have we learned of military uses in some sites."

German export regulators—often the same officials who once approved the exports to Iraq—now say they are convinced the companies knew what they were doing.

"They had to know," said Hans-Dieter Corvinus, a department head at the Export Control Office in Eschborn. "The engineer who made the machine knew what it was for. Usually the German exporter would install the equipment."

On paper at least, Germany has considerably tightened its enforcement abilities in the past two years. What it took to push German authorities into action is a subject of debate.

The Germans maintain that as soon as they learned the scope of illegal exports, they moved to put teeth in their laws. Some U.S. officials confirm that account.

German officials "were horrified," one U.S. diplomat said. "The notion that [Iraqi poison gas weapons] might be used against the Israelis was an absolute nightmare to the government."

But Fischer and others say U.S. intelligence reports detailing the German involvement with Iraq were made available to Bonn officials long before the government took any action.

For example, Washington first warned of German corporate involvement in Iraqi chemical weapons projects in 1984, but inspectors dispatched from Bonn concluded the projects were benign. Not until 1990, when a Swiss technical consultant affirmed the original U.S. view, did Bonn take action against the firms. Progressively tougher regulations of poison gas-related exports were imposed by Bonn in 1984, 1986, 1989 and 1990.

Regarding germ weapons, the German government was first warned of Iraq's interest in them in 1984 and was informed of German corporate involvement with Iraq in this area in January 1988, according to German documents. But Bonn did not caution potential German suppliers until May 1990 and did not amend its regulations to cover systems suited for germ weapon production until July 1990.

One U.S. official said tipoffs to Bonn sometimes provoked government inquiries that in turn led to feverish efforts by German firms to halt leaks about their activities. A former U.S. diplomat said Washington complained to Germany about Iraqi purchasing efforts at least monthly between 1989 and 1990. "It remains to be seen whether they have developed a sense of how wrong this is," one U.S. investigator said recently.

Germany Toughens Controls

The strain between U.S. and German officials reflects differences in approach to export controls and criminal justice. U.S. officials complain that German prosecutors are moving at a snail's pace, but prosecutors note German law requires hard-to-get proof that executives knew the eventual use of products they shipped to Iraq.

Prosecutors also say their efforts were hampered by tight restrictions on wiretapping and other surveillance useful in economic crime investigations. Until early last year, "our laws did not enable us to stop exports that we later learned were dangerous," said Hans Rummer, president of Germany's Federal Export Control Office. "The new law is the strictest in the world, including the American rules."

Flying in the face of centuries of tradition and law, Germany has expanded criminal statutes to cover activities by German citizens outside national borders, enlarged the list of goods subject to export controls and permitted police surveillance of suspect companies. Its export control staff has been enlarged from 70 to 430.

Proposed exports to be used for military or strategic purposes, even exports of dual-use equipment, must now be reported to Germany's Foreign Ministry. And a company's top executive must sign every application, so management can no longer claim ignorance of questionable deals.

In January, the Economics Ministry also won the right to halt exports without cause. Germany used its new authority almost immediately by confiscating, at U.S. request, a U.S.-made laser system being sent through Holland and Germany to Libya.

Similar measures have not been enacted in other European countries that actively trade with "rogue" nations, and U.S. officials note that the planned elimination of trade barriers within the European Community is bound to complicate the West's tracking and prosecution of export violations.

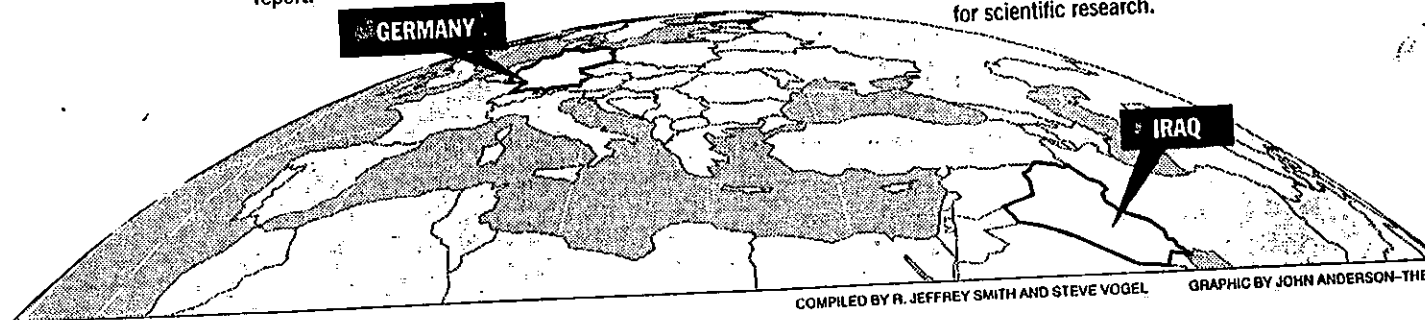
With dual-use products, "there comes a point where you just can't know, where it becomes a political question of who can we trust in the importing country," Corvinus said. "Dual use is a nearly unsolvable problem. A plant's use can always be changed. The only absolute answer to it is total embargo."

Special correspondents Michael Wise in Vienna and Steve Vogel in Bonn contributed to this report.

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EXAMPLES OF THE GERMAN-IRAQI CONNECTION

COMPANY	ALLEGED INVOLVEMENT	COMPANY REPLY
Karl Kolb	Principal contractor for construction of chemical weapons plant at Samarra, according to secret U.S. government report on Iraq, which said the firm "procured materials, supplied technical experts, trained Iraqi technicians, installed equipment and generally was instrumental in the startup of Iraq's production lines for chemical weapons agents." The report added that "hundreds of German advisers, many of whom were Karl Kolb subcontractors, were present at Samarra through the mid-1980s."	Company officials deny allegations they helped build chemical arms factories in Iraq.
Rhein Bayern Fahrzeugbau	Supplied equipment for manufacturing of botulin toxin and mycotoxin germ weapons along with five other firms, according to German government report to German legislature. Seized company documents included drawings of missile parts containing a notation "SK" linked to the Scud B missile improvement program.	Company spokesman says he was unaware of any exports of biological-related equipment. No official charges filed yet in an investigation that has lasted more than 18 months, though some officials are currently in jail. Company lawyer Wilhelm Seitz says clients are not guilty.
Thyssen GmbH	A September 1990 search of offices found evidence showing company officials were aware that turbopump units sold to Iraq could be used in rocket motors, according to a German government report. Company also played major role in constructing and equipping conventional manufacturing plant at Taji.	Company spokesman says firm exported pumps but did not know how they would be used. No official charges filed but investigation is continuing. Spokesman Hans Peter Schreiner says when company turned over plant in 1986, it "was not foreseen" that Iraq would later use it to make gun barrels.
Inwako Corp.	Seized company documents list nine Iraqi organizations as purchasing, ordering or billing agents in missile parts transactions. "In some cases, the Iraqi organizations change several times in a single transaction," said a German government report to the United Nations.	Attorney Richard Eimer says company sold "small pumps" to Iraq but they were for general use. Company chief Friedrich Simon Heiner has pleaded not guilty.
Gildemeister Projecta	Served as general contractor at a major missile and nuclear facility, Saad-16, coordinating purchase of electronic equipment and other gear. German government report to legislature says firm gave false information to obtain export licenses.	Company spokesman Axel Kemna denies firm obtained export licenses by giving false information, says firm built plant according to Iraqi specifications and had insufficient "technical know-how" to reach an independent conclusion about its purpose.
Messerschmitt-Boelkow-Blom	Served as chief German subcontractor at Saad-16, according to German government report. Separately sold helicopters to Iraq that other firms equipped with sophisticated military gear, according to the report.	Spokesman Hans-Juergen Wieland says the laboratories and equipment supplied to Iraq could be used to test rocket fuels and measure missile trajectories but could not be used to make or test rockets themselves. He says the Iraqis provided assurances the equipment was to be used exclusively for scientific research.



COMPILED BY R. JEFFREY SMITH AND STEVE VOGEL

GRAPHIC BY JOHN ANDERSON-THE WASHINGTON POST

The Washington Post

THURSDAY, JULY 23, 1992

Russian Uranium Proposal Divides U.S. Government

By Thomas Lippman
and R. Jeffrey Smith
Washington Post Staff Writers

A proposal by Russia to sell weapons-grade uranium to the United States for use as fuel in nuclear power plants has exposed a deep split in the Bush administration over disposal of material from the former Soviet nuclear arsenal.

Russian Minister of Atomic Energy Victor N. Mikhailov told administration officials in Washington this week that the uranium could be sold from his country's stockpile, created for military use, and blended with lower-grade uranium for use as fuel in civilian nuclear power reactors.

Such an arrangement "would be the real beginning of nuclear disarmament," Mikhailov said yesterday in a news conference at the Russian Embassy here, noting that it would consume material from thousands of nuclear weapons slated for destruction in coming years.

U.S. officials publicly declined to address the merits of the plan. "We told Minister Mikhailov that we are giving priority attention to working with other U.S. government agencies to complete a proposed U.S. position that can be discussed with the Russian government at an early date," Assistant Secretary of Energy William H. Young said.

Another U.S. official, speaking on condition that he not be identified, said the administration was divided on the idea. Some favor accepting the Russian proposal as a way to ensure a permanent reduction of the military threat. Others oppose the idea out of concern such a move would destabilize the uranium market and pressure the United States to destroy its own weapons-grade materials.

The Defense Department and the Energy Department, which has been responsible for making U.S. nuclear weapons, are particularly concerned that the destruction of weapons-grade material would limit "future nuclear force options," one official said. Internal disagreements have blocked development of an overall position "on any of the [associated] issues," he added.

Mikhailov said 20 to 50 percent of

Russia's stockpile of highly enriched uranium could be sold over a 5 to 10 year period under the plan, which he hopes can be implemented in a bilateral accord with Washington. He said U.S. firms could provide technical assistance and help blend the Russian fuel with low-grade uranium.

Russia, meanwhile, would invest what Mikhailov described as hundreds of millions of dollars in profits in cleaning up its environment and building safer nuclear power plants, facilities that could reprocess spent nuclear fuel.

According to the General Accounting Office, the Russians have roughly 500 metric tons of highly enriched uranium-238. One metric ton of highly enriched uranium can be blended to yield 600,000 pounds of U_3O_8 , the less enriched uranium used for commercial fuel. U.S. reactors require about 40 million pounds a year.

Sale of such a large quantity would have a huge impact on an already depressed uranium market, according to energy analysts. The Commerce Department has already found that Russia has been grabbing a share of the U.S. uranium fuel market by selling commercial-grade uranium here at unfairly low prices.

The Energy Department produces all enriched uranium made in the United States and has supported domestic producers and miners in their "anti-dumping" complaint against the Russians.

Mikhailov said he could not reconcile the Energy Department's position with the administration's overall policy of supporting Russian trade, and said he would take his complaint to the State Department.

Uranium is one of the few commodities Russia has available to sell on the world market. Yesterday, Allied-Signal Inc., a U.S. industrial conglomerate, announced a preliminary agreement with two Russian partners to purchase bomb-grade uranium from Russia and blend it down into commercial fuel. But the deal is subject to government approval.

The Washington Post

THURSDAY, JULY 23, 1992

Space Council to Examine Possible Merger of Civilian, Military Activities

By Kathy Sawyer
Washington Post Staff Writer

Vice President Quayle has called for a major review of the nation's space policies that could lead to formally merging some civilian and military activities for the first time since the Space Age began, a top aide to Quayle said yesterday.

Brian Dailey, executive secretary of the National Space Council, which Quayle chairs, told a meeting of the National Space Club and the American Defense Preparedness Association that action must be taken as soon as possible to adjust U.S. policies to the post-Cold War world.

To make the space program more competitive internationally and more effective domestically, the council will consider increasing the interaction "between civil and

national security space activities, essentially lowering some of the technical and managerial walls" between them, Dailey said. "We intend to look hard at areas such as the utilization of common infrastructure and cooperative technology development."

This process is already occurring on an ad hoc basis, where obvious duplication and overlap exist, analysts said. In programs to develop a National Aerospace Plane and National Launch System of rockets and to investigate nuclear propulsion, civilian and military space agencies have set up joint program offices. There are parallel civilian and military Earth observation and weather satellite systems that, in some cases, are becoming less separate.

The act that established the National Aeronautics and Space Administration required it to be a civilian agency open to pub-

lic scrutiny, in contrast to the Soviet space program, which combined military and civilian activities under a cloak of secrecy.

The council initiative "could have far-reaching consequences," said John Logsdon, a space policy analyst at George Washington University and adviser to the space council. "The question is whether the policy at the top level, that calls for parallel civilian and military programs, still makes sense."

John Pike, of the Federation of American Scientists, said, "I don't see how they can take the process any further than they already have, without basically putting the military in charge of the civil space program." He said he fears a "creeping leveraged buyout of NASA by the military."

Rep. George E. Brown Jr. (D-Calif.), who chairs the House Science, Space and Tech-

nology Committee, said: "Frankly, I'm encouraged that this is a focus of what the space council is doing. . . . It is reasonable and prudent." He said he doubts the military has the interest or the resources to attempt a takeover of NASA.

An aerospace executive who attended the lunch said of the move, "The gesture is absolutely right." But he questioned how far it could go considering the administration's political troubles.

The new policy framework is to be ready for the president's approval early next year, according to an administration official.

Dailey also announced two new study groups to support the policy review. One group, to be led by former General Electric executive Daniel J. Fink, will assess the impact of the downturn in defense spending on the aerospace industrial base. The second, headed by former Air Force secretary Ed-

ward C. Aldridge Jr., will assess the reasons the United States has been unable to develop a more cost-effective launch system. "Let's be frank," Dailey said. "We are making little, if any, progress in fixing this widely recognized problem."

One option, he said, is "to surrender the principle of maintaining domestic sources and buy engines, vehicles or even launch services from less costly foreign suppliers," such as, presumably, the Russians.

He emphasized that the administration "will not waver" from its commitment to the planned space station or the president's long-term goal of sending human explorers to the moon and Mars.

"Some in Congress seem to think that the end of the Cold War provides a rationale for cutting back on space activities," he said. "They are wrong."

The Washington Post

THURSDAY, JULY 23, 1992

U.N. Pleads for Help for Bosnian Refugees

European Contributions Called Inadequate to Deal With 1.8 Million Displaced by War

By Blaine Harden
Washington Post Foreign Service

WARSAW, July 22—The three-month-old factional war in Bosnia is forcing 10,000 destitute refugees across the borders of the former Yugoslav republic every day in a torrent of human misery that the rest of Europe has so far been unwilling to provide for.

Starved for resources to alleviate the human tragedy—the greatest upheaval of people in Europe since World War II—the United Nations High Commissioner for Refugees has called an emergency meeting in Geneva next week to beg for money and to ask European states to open their borders.

U.N. refugee coordinators also have launched a public relations offensive to try to persuade European countries and other wealthy nations that the crisis—which has left one of every three Bosnians homeless—is not a temporary prob-

lem and that long-term solutions must be devised and paid for.

"No one should be so naive as to believe that these refugees are going to be able to go home any time soon," said Ron Redmond, a spokesman in Geneva for the U.N. refugee agency. "The hatred is not going to dissipate."

U.N. High Commissioner Sadako Ogata and her chief envoy for the Yugoslav region, Jose Maria Mendiluce, have said that the bitter conflict among Bosnia's Serbs, Slavic Muslims and Croats is confronting Europe with a refugee disaster that will take many years to resolve. The primary reason, they say, is the hatred and fear generated by the Serb militia forces' campaign of "ethnic cleansing"—driving non-Serbs from Bosnian territory they control.

Beginning in early April, Serb forces have used threats, terror and artillery to sweep Slavic Muslims from a wide swath of eastern Bosnia, a region where they had constituted

See REFUGEES, A22, Col. 1



Elderly Bosnian woman prays for peace in her nation at Vienna refugee camp.

REFUGEES, From A21

an overwhelming majority for centuries. Before the war, Muslims accounted for 44 percent of Bosnia's 4.4 million population—compared to the Serbs' 31 percent—but that figure is now sharply lower because most of the people who have fled the republic are Muslims.

"This time, the flight [of refugees] seems to be not just the result, but the goal of the fighting," Ogata wrote recently in the German newspaper Die Zeit. "The vast majority of refugees were brutally forced out of their houses by those damnable practices known as ethnic cleansing."

Thus far, the U.N. refugee agency says that international donor response to its appeals for money and open borders has been slow and disappointing. "We are running a virtual hand-to-mouth operation," said Redmond. "We spend money the moment it comes in."

The agency's appeal for \$142 million in contributions this spring has brought in only \$72 million so far, \$37 million of it from the European Community. "But even if we reached \$142 million, it would be a drop in the bucket" to feed and house the 1.8 million people who have fled Bosnia, Redmond said. He pointed out that Croatia alone "is spending \$50 million a month on the more than 600,000 refugees it is taking care of"—half of them from Bosnia and half from Croatia's own Serb-Croat civil war last year.

It is closing its borders to more Bosnian refugees because it cannot afford to take care of them. Nearby Hungary, with 60,000 refugees, also has said it can afford no more and has begun turning back trainloads of displaced Bosnians.

Vivid television coverage of desperate Bosnians shuttling in sweltering trains toward closed borders appears to have forced relaxation of refugee policies in some European countries. On Tuesday, Germany agreed to accept 5,000 more—on top of the 200,000 it already has—and it promised to spend \$34 million to build refugee camps for about 20,000 Bosnians in Croatia. Switzerland said this week that it would take 1,000 more refugees.

"We are very pleased with what the Germans have done," said Redmond. "We hope it sets an example for other countries." Britain, which now holds the rotating presidency of the European Community, has accepted only 1,100 refugees and donated \$2.1 million. The United States has donated \$10 million, nearly twice as much as the most generous European nation, Sweden.

In Bosnia today, special envoy Mendiluce described the refugee crisis as "unbelievable in terms of figures, tragedy and complexity." He told the Reuter news agency in Sarajevo, the Bosnian capital, that winter will force hundreds of thousands more people to leave their destroyed towns and villages in search of food and shelter. He said

drive—and retaliatory actions by other factions—has become the central problem of the war because it "contaminates" everybody. "Each side says: 'They're doing it, so we're going to do the same.'"

Although the three-month-old Serb siege and shelling of Sarajevo continue, U.N. officials say that the international airlift to the city mounted July 3 has largely succeeded in ending hunger among

encircled civilians there. A U.N. report this week said that most distribution problems had been worked out and that food is now being provided to 80 percent of the 450,000 people in the capital region.

The report added that about 215 tons of food has been delivered to the city daily since the airlift began. The city's daily consumption in peacetime was estimated at about 200 tons.

THURSDAY, JULY 23, 1992

U.N. Says Serbs Use Beatings, Arrests to Spur Muslims' Flight

By Peter Maass
Special to The Washington Post

POPUCKO, Croatia, July 22—Serb militia forces are using threats, arrests and beatings to terrify Slavic Muslims in Bosnia-Herzegovina into fleeing their homes, U.N. officials said here today.

"A major tool being used is fear," said Jens Boersted, an official with the United Nations refugee agency. U.N. officials said that Serb forces have conducted a two-month campaign of intimidation against Muslims in the city of Bosanski Novi and that it is clear such tactics are being used throughout Bosnia.

The officials, who have visited Bosanski Novi and interviewed refugees from there, gave an account of the Muslims' ordeal. They said it began when most Muslims there were fired from their jobs by the city's new Serb government or ordered to work without pay. Then Serb militiamen burned mosques and

Muslim homes, arrested hundreds of Muslim men and spread word that "a number" of Muslim civilians would be killed for every Serb slain in the continuing factional struggle for Bosnian territory.

For the past month, about 700 Muslim men have been held in a Bosanski Novi sports stadium with little food and no protection from the weather, and Serbs have beaten Muslim detainees at a makeshift prison in a hotel. Thousands of women and children have left the city, but many remain in hiding.

The plight of the Muslims of Bosanski Novi, which lies near the Croatian border in northwestern Bosnia, has forced U.N. officials to act against their humanitarian instincts. The city's Serb rulers have tried to deport them to Croatia, making them buy tickets to be crammed into buses and trains, but the deportees were turned back at the border, Boersted said, because U.N. personnel decided

"we could not assist something like this."

"Our business is to help refugees, not create refugees," Boersted said, adding that he pleaded with the Serb mayor of Bosanski Novi to safeguard the Muslims instead of encouraging their exodus. He said the mayor shrugged off the request.

Now, with thousands of frightened Muslims desperate to leave the city, U.N. officials said they are "hesitantly" arranging a bus and car convoy on Thursday for at least 3,500 of them. At the same time, the U.N. refugee agency is appealing for world pressure on the Serbs to give up such practices. "If [the expulsion of Bosanski Novi's Muslims] goes through without a very strong international reaction, it would be an encouragement to repeat [it] on a much broader scale," Boersted said.

Since full-scale warfare broke out in early April, about 1.8 million Bosnians, most of them Muslims, have

been forced from their homes. Most of the world's attention has been centered on Sarajevo, Bosnia's besieged capital, but equal cruelties occur every day in such little known places as Bosanski Novi, whose pre-war population of 50,000 was one-third Muslim. Serb militiamen prevent journalists from reaching such places, but a British official who was there recently said Muslim neighborhoods in Bosanski Novi now resemble the penned-in Jewish ghettos of World War II.

Once a Muslim decides to leave, he is required to sign two papers, relief officials said. One paper transfers ownership of his home or apartment to the city. The other paper states that the Muslim is leaving without coercion.

[Many Muslims hope that a new pact between Croatia and Bosnia will spare them further losses at the hands of the Serbs, the Associated Press reported from Sarajevo. The pact, signed Tuesday, pledges an alliance against Serb forces in Bosnia in the war if peace is not negotiated and requires Bosnia's Croat minority—who had proclaimed local autonomy—to accept the authority of the republic's Muslim-led government.]

The Washington Post

THURSDAY, JULY 23, 1992

Post Office Probers Disagree

Reports to House Cite Mismanagement but Differ About Blame

By Kenneth J. Cooper
Washington Post Staff Writer

A congressional task force yesterday drew a portrait of the House Post Office as a mismanaged patronage haven that excelled in small but questionable political favors, such as delivering campaign contributions.

But the panel's three Democrats and three Republicans differed on who was to blame. The Republicans suggested 11 members and four former members—all but one a Democrat—were connected to questionable practices. The Democrats cited five employees for poor job performance at the House Post Office.

The investigators also offered conflicting accounts. Republicans said two employees did little or no work, while Democrats said there were no such "ghost employees." Both sides agreed estimates of the mail handled was grossly inflated, but only the Republicans found that excessive patronage resulted. An official mail account was turned to "personal use," Republicans said, but Democrats said the account may have never existed.

The task force members did join to recommend the separate Democratic and Republican findings be sent to the ethics committee, and the House agreed on a 414 to 0 vote. Federal prosecutors, who are directing a criminal inquiry of the House Post Office, will also be given access to the task force material.

For six months, House members have fretted that the Republican-inspired inquiry would produce revelations, similar to earlier ones involving the House Bank, that would

See HOUSE, A6, Col. 1

HOUSE, From A1

damage their reelection chances in a year when anti-incumbent feeling runs high. The Republican naming of names followed successful GOP demands for disclosure of House Bank overdrafters.

"I think there's a political motive to it rather than anything else," said Rep. Charlie Rose (D-N.C.), the task force chairman.

"We felt from the first that a report without names is not a credible report," Rep. Pat Roberts (R-Kan.) said on behalf of GOP task force members.

Both reports argued against a proposal to turn over outside mail functions to the U.S. Postal Service, citing the House's special needs. The management and policy changes recommended have largely been adopted or planned since an acting postmaster, a U.S. Postal Service executive, was installed in the spring.

"I can promise you that patronage is ended," Rose assured the House. "The post office and its problems are behind us."

The 64-page Democratic report concluded that interviews with more than 60 witnesses found no House members were "credibly alleged to have committed any wrongdoing, by violating either a specific statute or rule of the House."

The Republican report, 96 pages and more detailed, made no specific charges of misdeeds but suggested they did occur. A section entitled "alleged improper activities," for instance, addresses eight different subjects.

"We did not attempt to pass judgment. No one was vindicated. No one was fingered," said Rep. William M. Thomas (R-Calif.), a task force member.

Rose, who also chairs the House Administration Committee, said, "We have some disagreements as to how we interpret some of the things that we found."

The task force's principal findings, and the partisan interpretations of them:

■ House Post Office employees picked up and delivered campaign mail to members' offices, including contributions collected from their postal boxes either at Union Station or Brentwood Station in Northeast Washington.

The Republican report quotes former House postmaster Robert V. Rota, who resigned amid the scandal last spring, as estimating that couriers have made such deliveries for 25 members since the 1970s.

The Republicans identified eight

current members who got the service: Democratic Reps. Edward F. Feighan (Ohio), Dennis M. Hertel (Mich.), Nicholas Mavroules (Mass.), Jim Moody (Wis.), John Olver (Mass.), Mary Rose Oakar (Ohio) and Dan Rostenkowski (Ill.), and Republican Rep. Jan Meyers (Kan.). Former Democratic members named were Fernand J. St Germain of Rhode Island, Mario Biaggi of New York and the late Samuel Stratton of New York.

The GOP report called the role of House Post Office couriers "a concern" and cited a criminal law that forbids receiving campaign contributions "in any room or building occupied in the discharge of official duties." The Democratic report urged an end to the deliveries, but argued that the law was not violated because House employees did not solicit the contributions.

Rostenkowski, Moody, Hertel, Oakar, Mavroules and Meyers said they had never asked for the delivery service and ended the practice once they learned of it—some not until the Washington Times published a report earlier this year.

"The House Post Office called and said they would be happy to deliver our mail," Meyers said, relating an aide's account. "They said they were over there once a day anyway. . . . It doesn't strike me as a terrible offense, but still it was a mistake."

A summary that Republican aides distributed with the GOP report called the deliveries "both ethically and legally questionable," a conclusion that Thomas later disavowed.

■ The Republican report said Rota made an Express Mail account called "P-300" available for "possible personal use" by selected members, including Rep. Larry Smith (D-Fla.), Rep. Henry B. Gonzalez (D-Tex.), Rep. Joe Kolter (D-Pa.), Oakar and Rostenkowski. Under House rules, special services like Express Mail cannot be franked but are supposed to be charged to a member's official expense accounts.

"No official account for the U.S. House of Representatives was ever in existence that was known as P-300 Express Mail Account," the Democrats said.

■ As postmaster, Rota could send official mail for free, an extension of members' franking privileges. Republicans charged Rota with "misuse" of the frank, charting a decline in the postmaster's charges from \$7,000 a month in February 1991 to a few hundred dollars last April, after his departure.

The Washington Post

THURSDAY, JULY 23, 1992

Both Republicans and Democrats said Rota maintained a list of about 100 members, lobbyists and others who regularly received franked copies of "Dear Colleague" letters circulated to the House or members of one party. The GOP report said no Republican members received Democratic letters, but Democrats got Republican letters.

■ Republicans cited "significant testimony" that two post office employees got paid more than \$20,000 a year while performing little or no work. Rota's successor, Acting Postmaster Michael Shinay, fired one, while the other has done his job under Shinay's tenure, the GOP report said.

Democrats said "no conclusive evidence" existed of any "ghost employees" and absolved Oakar of sponsoring no-show employees at the post office, as the Cleveland Plain-Dealer reported earlier this year.

■ Both reports agreed that Rota inflated estimates of mail volume—to justify more patronage employees and franking funds, the Republicans said. They reported post office jobs increased from 88 in 1972, when Rota was elected postmaster, to 160 in 1991. The GOP report said only two workers employed last year could be identified as having Republican sponsors.

Thomas said the patronage breakdown did not cover temporary workers like his daughter, who worked at the post office for the summer a few years ago.

TODAY IN CONGRESS

SENATE

Meets at 9:20 a.m.

Committees:

- Appropriations—9:30 a.m. Labor, HHS, Education & related agencies subc. FY93 approps. 192 Dirksen Office Bldg.
- Appropriations—2 p.m. Mark up FY93 approps. for Agriculture, rural development, Commerce, Justice, State & judiciary; & District of Columbia. S-128 Capitol.
- Armed Services—9 a.m./2 p.m. Closed. Mark up FY93 DOD auth. 222 Russell Office Bldg.
- Banking, Housing & Urban Affairs—10 a.m. State of U.S. economy & global competitive position. 538 DOB.
- Commerce, Science & Transportation—9:30 a.m. Marine mammal protection, proposals to reduce dolphins killed. 253 ROB.
- Foreign Relations—10 a.m. Nuclear Testing Moratorium Act, & other nuclear testing issues. 419 DOB.
- Judiciary—10 a.m. U.S. refugee programs for '93. 226 DOB.
- Labor & Human Resources—9:30 a.m. Children, family, drugs & alcoholism subc. Violence & America's youth. 430 DOB.
- Rules & Administration—9:30 a.m. With House Administration Committee. Govt. Printing Office Gateway to Govt. Act of '92 & GPO Wide Information Network for Data On-Line Act of '91. 301 ROB.
- Small Business—9:30 a.m. Small Business Equity Enhancement Act of '92. 428A ROB.
- Select on Indian Affairs—9:30 a.m. Crow Settlement Act. 485 ROB.
- Select on POW-MIA Affairs—4 p.m. Discuss administration's response to resolution of declassification of documents on American POWs & MIAs. 385 ROB.

HOUSE

Meets at 10 a.m.

Committees:

- Appropriations—9:30 a.m. Mark up FY93 approps. for Labor-HHS-Education; Commerce, Justice, State & the judiciary; & VA, HUD & independent agencies. 2360 Rayburn House Office Bldg.
- Armed Services—9 a.m. Military education panel. Auth. National Defense University to award master's degrees. 2216 RHOB.
- Banking, Finance & Urban Affairs—10 a.m. Housing & community development subc. Multifamily housing finance & production. 2128 RHOB.
- Education & Labor—9:30 a.m. Human resources subc. Mark up Headstart Improvement Act of '92. 2175 RHOB.
- Energy & Commerce—10 a.m. Commerce, consumer protection & competitiveness subc. Legislation on long-term care insurance & consumer protection. 2123 RHOB.
- Energy & Commerce—10 a.m. Health & the environment subc. Mark up Federal Program Improvement Act of '92; Federally Supported Health Centers Assistance Act of '91; Agency for Health Care Policy & Research Reauth.; DES Education & Research Amendments of '92; Native Hawaiian Health Care Improvement Act. 2322 RHOB.
- Foreign Affairs—10 a.m. Africa subc. Violence in South Africa & its effect on Convention for a Democratic South Africa. 2172 RHOB.
- Government Operations—9:30 a.m. Environment, energy & natural resources subc. EPA's implementation of Federal

Insecticide, Fungicide & Rodenticide Act, including review of older pesticides. 2318 RHOB.

Government Operations—10 a.m.

Legislation & national security subc.

Proposed changes in federal budget

process. 2154 RHOB.

Government Operations—11 a.m. Human

resources & intergovernmental relations

subc. Use of genetic tests, focusing on

reports of misdiagnosis or misinterpretation.

2247 RHOB.

Interior & Insular Affairs—9 a.m. Water,

power & offshore energy resources subc.

Auth. sec. of Army to carry out flood control

& recreation project on Sacramento &

American rivers in California; & Harold

Johnson Memorial Dam Act. 1310A

Longworth House Office Bldg.

Interior & Insular Affairs—10 a.m.

National parks & public lands subc. Mark

up pending legislation: possible designation

of New River as national wild & scenic

river; establish Dry Tortugas National Park

in Florida; cooperation with Canada in

protecting Alek & Tatshenshini Rivers &

Glacier Bay National Park & Preserve; allow

land lease in Salt Lake City, Utah; &

improve management of public lands use

for military purposes & require assessments

of future needs for withdrawals of public

lands for such uses. 1324 LHOB.

Judiciary—9:30 a.m. International law,

immigration & refugees subc. Mark up to

provide for increased pre-inspection at

foreign airports, to make permanent visa

waiver pilot program, & provide for

expedited airport immigration processing.

2237 RHOB.

Merchant Marine & Fisheries—10 a.m.

Merchant marine subc. Administration's

maritime policy reform proposals. 1334

LHOB.

Merchant Marine & Fisheries—2 p.m.

Mark up Alaska Peninsula Wilderness

Designation Act of '92. 1334 LHOB.

Veterans' Affairs—9:30 a.m. Mark up

pending veterans' legislation: increase rates

of disability compensation; improve

treatment for veterans exposed to radiation;

reform formula for payment of dependency

& indemnity compensation to survivors of

veterans dying from service-connected

causes; veterans' education assistance;

homeless veterans; & designate Dept. of

Veterans Affairs medical center in Marlin,

Tex., Thomas T. Connolly Dept. of Veterans

Affairs Medical Center. 334 Cannon House

Office Bldg.

Ways & Means—10 a.m. Select revenue

measures subc. Misclassification of

employees & independent contractors for

federal income tax purposes. B-318 RHOB.

Ways & Means—10 a.m. Social Security

subc. Social Security "notch" issue. 1100

LHOB.

Ways & Means—10:30 a.m. Trade subc.

Mark up to approve extension of

most-favored-nation trade status to Albania;

approve MFN for Romania; International

Dolphin Conservation Act of '92; Wild Bird

Conservation Act of '92; & express sense of

Congress regarding increased commodity

donations for international hunger

alleviation through purchase of commodities

from U.S. & other developing countries

financed by Japan. 1129 LHOB.

Select on Children, Youth & Families—11

a.m. Examine history of govt. support for

families. 2212 RHOB.

Conferees—2 p.m. Improve regulation of

futures trading & auth. funds for

Commodity Futures Trading Commission.

1300 LHOB.

The Washington Post

THURSDAY, JULY 23, 1992

George Jury to Be Empaneled Today

By George Lardner Jr.
and Walter Pincus
Washington Post Staff Writers

U.S. District Judge Royce Lamberth said yesterday that he will empanel a jury today in the Iran-contra trial of Clair E. George, former director of the CIA clandestine service.

Opening arguments and testimony from prosecution witnesses in the trial of the highest-ranking CIA official caught up in the Iran-contra scandal is to begin Friday, the judge said.

Lamberth announced the schedule after a closed-door session to consider George's request for declassification of portions of two boxes of CIA operational files that Iran-contra prosecutors belatedly discovered at agency headquarters earlier this month.

The documents in the boxes, which totaled 2,000 pages, were copies, not originals, according to a source familiar with the contents. All but one of the documents had been made available earlier by the CIA to

the prosecutors, the source said. The one that had not been delivered was considered by independent counsel Lawrence E. Walsh's office to be relevant to the George trial.

One group of documents contained in the boxes "involved Iraq and not Iran," according to the source, but he gave no further description of the papers.

The boxes were found earlier this month "squirreled away" beneath the desk of the official custodian of records for the CIA's clandestine directorate who had just undergone questioning by Iran-contra prosecutors, the prosecutors told Lamberth Tuesday. The material was turned over to George and his lawyers Sunday morning for their review. George's attorneys said yesterday they were hoping to use "a couple of hundred pages" in his defense.

George, CIA's deputy director for operations from 1984 to 1987, faces trial on nine counts of perjury, false statements and obstruction of congressional and grand jury inqui-

ries into the Iran-contra affair. He has been planning to use what has been described in court papers as a "preoccupation defense," arguing that he was too busy with the myriad activities of his worldwide directorate to be held to account for not answering questions on the details of the complex Iran-contra scandal.

Lamberth said he would swear in a panel of 12 jurors and six alternates today and then conclude the closed-door hearings on George's request for declassification of documents from the newly discovered boxes this afternoon.

Because Lamberth has been permitting the government to substitute bland language for sensitive details contained in many of the documents, there seems little likelihood that the trial will collapse over classified materials. An earlier prosecution of former-CIA officer Joseph Fernandez was dropped when the intelligence agency refused to declassify materials that the court ruled the defense needed.

Bush Withdraws Nomination Of \$100,000 Donor to GOP

President Bush yesterday withdrew the nomination of Donald H. Alexander, whose appointment as ambassador to the Netherlands was being blocked because of his \$100,000 donation to the Republican Party.

White House deputy press secretary Judy Smith said Alexander, a Kansas City businessman, asked that his name be withdrawn. "The president regretfully accepted his request," she said. "He feels Mr. Alexander is eminently qualified and would have made an exceptional ambassador."

Alexander could not be reached for comment. An assistant said he was on his honeymoon.

Sen. Paul S. Sarbanes (D-Md.) held up a vote on Alexander's nomination in the Foreign Relations

Committee last month after questioning him about the donation, which was made in January at the same time he was lobbying the White House for appointment.

Alexander said the \$100,000 was unrelated to his seeking the post. He said he made it unsolicited, adding, "I was aware that ambassadors would be appointed from people who had been or were supporters of the administration."

Eight persons who donated \$100,000 each to the Republican National Committee during the 1988 campaign were named ambassadors by Bush.

The nomination to Barbados of another member of the elite donor group, Joy Silverman, was blocked for much the same reason as Sarbanes opposed Alexander.

—Charles R. Babcock

THURSDAY, JULY 23, 1992

POLITICS

GOP Convention to Hear Woman With AIDS Virus

Officials planning the Republican National Convention confirmed yesterday that a woman with HIV, the AIDS virus, will speak about the disease at next month's convention in Houston.

Mary D. Fisher, daughter of Max Fisher, honorary chairman of the Bush-Quayle National Finance Committee, said she contracted the virus from her former husband. She tested HIV-positive a year ago and went public last February. The Houston Chronicle reported Tuesday that Fisher wanted to address the GOP convention. Elizabeth Glaser, who is HIV-positive,

and Bob Hattoy, who has AIDS, addressed the Democratic National Convention last week. Both accused the Bush administration of not doing enough to fight AIDS. Democratic presidential nominee Bill Clinton had pledged that an HIV-positive speaker would address the convention.

Fisher, 43, testified at the Republican platform hearings in May and urged the GOP "to adopt a position of leadership in the face of America's most threatening epidemic." A number of gay rights leaders who wanted to testify about AIDS, however, were not allowed to appear.

Fisher, a life-long Republican, told the committee, "In the past, we thought of AIDS as 'their' disease . . . whoever 'they'

were. . . . This is not 'their disease,' it's ours."

She avoided criticizing Bush in her testimony, calling his family "an affectionate source of support." But, she added, "You must let their voice of private compassion become our voice of public leadership. We do the president no favor by leaving in place the Republican shroud of silence, encouraging millions of AIDS-affected families to believe they must turn elsewhere to hear a voice of genuine compassion."

Campaign officials said they expect Fisher's remarks at the convention to be similar to her platform testimony.

Fisher recently founded the Family AIDS Network, a national support group for friends and family of those facing AIDS.

The Democrats' Floyd Brown

Victor Kamber, head of a Democratic consulting firm, plans to get into the gutter on Clinton's behalf. Kamber has started a political action committee, Americans for Change, that will respond to GOP mud-slinging through independent television ads.

Kamber hopes to be the Democratic answer to Floyd G. Brown, the Republican activist who helped produce the 1988 Willie Horton commercial and recently filmed an ad promoting a phone line featuring taped alleged conversations between Clinton and Gennifer Flowers.

"As a Democrat and a liberal, I'm frustrated that these crazy right-wing kooks can raise money and go on the air and say

whatever they want and get away with it," Kamber said. "I see it as a truth squad. If Hillary Clinton is fair game, I assume Bush's brother and his kids are fair game."

Kamber, whose initial fund-raising letter was signed by Rep. Robert G. Torricelli (D-N.J.), hopes to raise \$1 million and to air his first ad before the GOP convention. Taking a leaf from Brown's book, he said he might start a 900 number on which callers could hear Vice President Quayle try to spell potato.

Kamber said his ads "may be perceived as tacky," but that "I'm not doing this for self-aggrandizement or my 15 minutes of fame."

—Maralee Schwartz and Howard Kurtz

Action Urged On JFK Data

Backers of a bill to require public disclosure of government records concerning the 1963 assassination of President John F. Kennedy warned yesterday that it may die unless Congress takes action before the summer recess.

House Government Operations Committee Chairman John Conyers Jr. (D-Mich.) and ranking minority member Frank Horton (R-N.Y.) said the drive has been stalled because their committee and the House Judiciary Committee have approved different versions of the bill. The Democratic leadership has yet to say which one it prefers.

If the indecision continues into September, the lawmakers said they were afraid that preoccupation with election campaigns could make it impossible to enact the measure this year.

Both House bills would set up a five-member review board to collect assassination-related materials and arrange for their disclosure at the National Archives unless there is "clear and convincing" grounds, such as national security considerations, for postponing publication.

The House Judiciary bill, however, provides for appointment of board members by a special federal court panel, while the Government Operations version calls for appointment by the president and confirmation by the Senate. The two bills also differ on the precise grounds for postponement, and the Judiciary Committee version creates what could be a large loophole by exempting from the definition of "assassination material" documents donated to presidential libraries under a deed of gift.

The Washington Post

THURSDAY, JULY 23, 1992

Nominee for Judgeship Defends Rights Record

'Advocacy Groups' Criticisms Denied

By Bill McAllister
Washington Post Staff Writer

Francis A. Keating II, the senior lawyer at the Department of Housing and Urban Development, told the Senate Judiciary Committee yesterday he was a longtime, passionate civil rights advocate and that his record at HUD firmly established his credentials for a federal judgeship.

But civil rights advocates, who quarreled last year with Keating's housing policies, painted a sharply different view of Keating, who was nominated by President Bush for a seat on the 10th U.S. Circuit Court of Appeals.

They accused the HUD general counsel of gutting enforcement of the Fair Housing Act, insisting that his job was to "protect private property rights of landlords," and defending rigid apartment occupancy rules by telling a Latino that "we won't want your people stacked up, like in a slave ship."

Keating, 48, who was the No. 3 lawyer at the Justice Department until he lost his job in 1989 when incoming Attorney General Dick Thornburgh installed a new management team, flatly denied making the statements. Equality, Keating sought to assure the committee, "is a Messianic commitment to me."

The advocates' charges were at odds with everything he has done as a lawyer, Keating said. A life member of the NAACP, he was praised by committee Democrats for being the only Republican state senator in Oklahoma to support a holiday in 1973 honoring the Rev. Martin Luther King Jr., and for his pro bono work on behalf of minorities in the state.

"Mr. Chairman, you cannot turn a horse into a zebra overnight," he said, pleading with the committee to judge his long commitment "to civil rights and civil justice" against the claims he was insensitive to minorities.

The charges came from officials of the National Fair Housing Alliance, the Children's Legal Defense Fund and the NAACP Legal Defense Fund, who argued that Keating's comments and his record at HUD made him unqualified for a seat on the appeals court.

Lisa Mihaly, a representative of the Children's Legal Defense Fund, said she was astounded by Keating's stating in a meeting last year that his role as HUD general counsel was to protect "good Christian landlords."

"I almost fell off my chair," said Mihaly, who noted she was Jewish and offended by the remark. Her account was supported by Shanna L. Smith, a representative of the National Fair Housing Alliance, who characterized Keating as "extremely hostile" to the group of housing advocates who were meeting with him over apartment occupancy proposals he agreed were too restrictive.

The advocates' account of the meeting differed sharply from that of three other present and former HUD employees who attended the sessions.

"I respect them greatly, but they're wrong about Mr. Keating," said Carole W. Wilson, a career civil servant who said Keating promoted her to associate general counsel at HUD.

"I can say unequivocally no one has been more committed to furthering [HUD Secretary] Jack Kemp's priority of fair housing for all than Frank Keating," said Shelley A. Longmuir, now a Transportation Department aide.

The committee did not vote yesterday on Keating's nomination. Committee Chairman Joseph R. Biden Jr. (D-Del.) expressed more concern over inconsistencies in Keating's record handling housing discrimination complaints than in what he was alleged to have said in meetings with housing advocates.

"We suspect y'all," Biden said at one point, suggesting that Senate Democrats were wary of how housing priorities had changed at HUD during the Reagan administration. Until the committee can resolve questions about how many discrimination cases Keating reversed as HUD general counsel, Biden said the committee would not act on his nomination.

The advocates' account of the meeting differed sharply from that of three other present and former HUD employees who attended the sessions.

Guaranteeing a Network Of Support for Children

Outreach Program Will Aim for 'Inclusion'

By Spencer Rich
Washington Post Staff Writer

When children grow up in a middle-class or well-to-do family, they often are provided with a strong network of financial and social supports. They have what many experts say is needed to thrive: adequate health care and nutrition, a secure home, financial security and parents who encourage schoolwork.

But these routine supports are lacking for many children in poverty-stricken families. Consequently, statistics show, such children often fall behind in physical and social development.

"Many children fail because they live in families that don't have the resources to give them the environment they need," said Thomas W. Langfitt, president of the Pew Charitable Trusts of Philadelphia.

Even if such a family gets some public support, Langfitt said, government services constitute "a terribly bureaucratized, inchoate, disjointed system, reactive and crisis-oriented," and unlikely to furnish the regular social supports. For the most part, he said, society pays little attention to children for their first six years, leaving them "invisible until . . . school age."

Langfitt's organization is seeking to "create a system of inclusion" for children in those early years.

Instead of having society wait for families with problems to seek help, the program envisioned by Pew would systematically reach out to children from birth on. The foundation's idea, like programs in many Western European nations, is to take active, direct responsibility for assuring that poor children get basic support and services needed to help them reach school age healthy and ready to learn. For the first time, such services would be guaranteed.

The system would operate from community centers given direct responsibility to register and work with every child in their neighborhoods. Center personnel would seek out each family and direct them toward all available social and financial supports—public and private—to provide whatever the family cannot.

Pew is investing \$60 million in a 10-year program to get the idea started in three states to be selected next year.

The program would use community centers near schools. Staff would keep track of all children in the school district up to age 6, with enrollment open to all newborns and their mothers.

Family development specialists would go to families' homes, learn their needs, notify them of activities and benefits that could help them, and monitor their cases. The system would start in districts where about one-third of families are in poverty.

The program might set up offices where a needy family could apply

IDEAS AND FINDINGS

for all forms of federal and state assistance such as welfare, Medicaid, food stamps and special foods for pregnant women and children—or could learn from a caseworker exactly where to go to apply.

Each center would coordinate social services: family counseling and drug-control programs, job-training referral and job-placement services, child care, Head Start, immunization and school registration. A nurse-practitioner would be on staff and linked to a network of children's health clinics.

Both President Bush and Democratic presidential nominee Bill Clinton have backed increased support for children. Bush has initiated "Healthy Start," a program to seek out low-income pregnant women and infants in 15 communities who need health care. Head Start appropriations have been increased.

As governor of Arkansas, Clinton backed school-based health clinics, Medicaid screening of children, nurse-midwife programs to acquaint low-income women with maternity care needs, and a home instructional program for preschool youngsters. He has called for full funding of Head Start.

But neither presidential candidate has suggested anything nearly as comprehensive as the Pew proposal.

The Washington Post

THURSDAY, JULY 23, 1992

CENSUS FINDINGS: MIDWEST REGION

Taken as a whole, the Midwest falls within the nation's middle range in terms of income and education. Among the 12 states that make up the region, however, there is great diversity.

Median household income in the midwestern states was \$29,334 in 1989, very close to the national average of \$30,056. But among the midwestern states, household income ranged from \$32,252 in Illinois to \$22,503 in South Dakota.

The poverty rate in the Midwest was 12 percent in 1989, about 1 percentage point less than the national average. But, again, there was a wide range of rates among the states in the region. In South Dakota, 15.9 percent of the population lives in poverty, compared with 10.2 percent in Minnesota, the lowest in the region.

In the Midwest, 77.1 percent of residents aged 25 and older were high school graduates as of 1989. Among the states, the figures ranged from 82.4 percent in Minnesota (ranked sixth in the nation) to 73.9 percent in Missouri (13th from the bottom nationally). With the exception of Missouri, the graduation figures in all midwestern states were higher than the national average.

The same was not true of college graduation statistics. Nine of the 12 midwestern states fall below the national average in their percentage of individuals, aged 25 and up, with college degrees in 1989. The figures ranged from 21.8 percent in Minnesota to 16.9 percent in Iowa.

The federal government employs a smaller percentage of midwestern residents than from any other region of the country. Wisconsin, Michigan, Minnesota and Indiana had the nation's four smallest percentages of residents working for the federal government in 1989, all having 1 percent

This week The Washington Post looks at the Census Bureau's vital statistics for the nation's five geographic regions, including the number of government workers in each area. The following population profile is based on the most detailed statistics to be released from the 1990 census.

Today: the Midwest

or fewer. South Dakota had the highest percentage of federal government employees in the region, with 2.2 percent.

Within the region, Ohio had the leanest state government in 1989, with only 1.6 percent of its residents employed by the state. North Dakota represented the opposite extreme in the region, with almost 3 percent of its residents on the

state payroll. Among local government work forces, Missouri's was the leanest, with 2.5 percent of residents employed, and Nebraska's was the fattest, with 3.7 percent.

—John Wagner

MIDWEST REGION

Median Household Income: \$29,334

Poverty Rate: 12.0%

High School Graduates: 77.1%

College Degrees: 18.4%

■ The average Chicago-area resident spent 31.5 minutes commuting to work in 1989.

■ The average cost of renting a housing unit in South Dakota was \$306 per month in 1989, the second lowest in the nation.



State	Population	Median Household Income	Poverty Rate	% High School Graduate	% College Degree	Total Government Workers	Local	State	Federal
Illinois	11,430,602	\$32,252	11.9	76.2	21.0	695,545	363,862	198,669	133,014
Ohio	10,847,115	\$28,706	12.5	75.7	17.0	622,824	333,190	170,754	118,880
Michigan	9,295,297	\$31,020	13.1	76.8	17.4	513,806	284,719	153,925	75,162
Indiana	5,544,159	\$28,797	10.7	75.6	18.6	307,811	152,783	98,663	56,365
Missouri	5,117,073	\$26,362	13.3	73.9	17.8	309,884	129,726	102,431	77,727
Wisconsin	4,891,769	\$29,442	10.7	78.6	17.7	309,165	177,717	93,429	38,019
Minnesota	4,375,099	\$30,909	10.2	82.4	21.8	288,366	157,143	88,380	42,843
Iowa	2,776,755	\$26,229	11.5	80.1	16.9	192,239	88,170	74,535	29,534
Kansas	2,477,574	\$27,291	11.5	81.3	21.1	190,375	85,805	68,251	36,319
Nebraska	1,578,385	\$26,016	11.1	81.8	18.9	119,078	57,599	39,462	22,017
South Dakota	696,004	\$22,503	15.9	77.1	17.2	56,613	23,502	17,940	15,171
North Dakota	638,800	\$23,213	14.4	75.7	17.0	53,366	21,669	19,062	12,635
United States	248,709,873	\$30,056	13.1	75.2	20.3	17,567,100	8,244,755	5,381,445	3,940,900

SOURCE: U.S. Census Bureau

Tomorrow: The West

THE WASHINGTON POST

The Washington Post

THURSDAY, JULY 23, 1992

Bush Seeks to Dispel 'Crazy Rumors'

Quayle's Place on Ticket Is Secure, He Tells Cabinet and Staff

By Ann Devroy
Washington Post Staff Writer

President Bush yesterday denied a spate of rumors—involving everything from his health to whether he will drop Vice President Quayle as his running mate—that Republican strategists said are being fueled by panic in the party over the weakness of its presidential ticket.

Bush took the unusual step of dropping by the regular morning meeting of campaign and senior staff to deliver the same message he gave the Cabinet privately and then publicly at a photo session. "There are a lot of crazy rumors floating around" born of a "feeding frenzy" by the news media, he said at the photo session, and in private he ordered his staff to take no part in it.

Speculation that he might replace Quayle, Bush told his staff, is "absurd," and publicly he said the vice president's spot on the ticket is "certain." Bush also denied rumors that either he, First Lady Barbara Bush or Quayle's wife, Marilyn, is ill.

In addition, sources said, the president told his staff and Cabinet that no decision has been made on whether Secretary of State James A. Baker III will join the White House staff, as reported in several newspapers yesterday.

Besides trying to put an end to the Quayle rumors, administration officials said, Bush's goal was to keep Baker from being treated as a lame duck during the current Middle East talks and to try to buck up his own staff.



Bush gestures to indicate that Vice President Quayle will not be dropped from ticket. At right during Cabinet meeting is Defense Secretary Richard B. Cheney.

But the Bush team was again on the defensive, an image that Democrats gleefully seized on. "They're flopping around like fish on a boat dock," said Paul Begala, an adviser to Democratic nominee Bill Clinton. "They can't decide whether they want Baker to solve the crisis in the Middle East or the crisis in the Bush campaign. There's probably fewer factions in the Middle East."

One shaken GOP strategist called the rumors "a sign of how panicky Republicans are at all levels.... They are looking for magic bullets to kill off this looming disaster and are trying all possible variations: Bush will change his economic package,

he will throw out his whole economic team before the election, he will dump Quayle. I think people are trying all possible ways to avoid looking at what might be real: The problem is not the speechwriters, the chief of staff, the campaign chairman, the economic package on the Hill; the problem is Bush."

The discontent was clearly on display. See PRESIDENT, A12, Col. 1



THURSDAY, JULY 23, 1992

Reports of Baker 'Decision' Denied

PRESIDENT, From A1

play yesterday at meetings of Republican senators on Capitol Hill. Senate Minority Leader Robert J. Dole (Kan.) invited Edward J. Rollins, who broke with his Republican past to become campaign co-manager of Ross Perot's abortive independent presidential bid, to brief GOP senators on the vulnerabilities of the Bush campaign as seen from the Perot perspective and to talk about how they might attract the support of disappointed Perot supporters.

Separately, two Republican senatorial lunch groups erupted in criticism of the Bush campaign. The conservative Republican Steering Committee met with senior campaign adviser Charles Black and, according to Sen. Robert W. Kasten Jr. (Wis.), "Charlie became a dartboard."

"There were complaints about the chaos in the White House and the disarray in the campaign from almost everyone," Kasten said.

At the same hour, the Wednesday Group of moderate and liberal Republican senators also had a gripe session, highlighted by what one attendee called the "explosive" speech of Sen. Alfonse M. D'Amato (N.Y.).

D'Amato said afterward that he had criticized Bush for spending so much time at his Kennebunkport, Maine, summer home. "People think he's spending all his time on the golf course or his boat," D'Amato said. "That's not the way the average guy spends his time. . . . He's portrayed as having a good time and being out of touch with the problems of the country."

While several GOP strategists and Bush aides have said in recent days

that Baker will leave the State Department to go to the White House as the major architect of a more disciplined and focused reelection effort, Bush said only he and Baker know what the two have discussed on the subject. Baker, at a news conference in Cairo, denied reports he had decided to leave his Cabinet post to take charge at the White House.

"There has been no decision made with respect to this," Baker said, citing his "active involvement" in the peace process. "I hope and believe that I will be actively involved in the peace process in the days and weeks ahead."

A knowledgeable source, citing the long and complex friendship between the two men, suggested that Bush and Baker have decided not to formally decide on the details of his move from Foggy Bottom to the White House until after this latest round of Middle East diplomacy, a peace effort that has occupied a large amount of Baker's emotional and intellectual energy this year.

One official described Baker as "livid" at stories saying the deal on his future had been cut and passed word to the White House that the president and others in the administration needed to join him yesterday in a unanimous denial that the decision itself had been made, in order to make him less of a lame duck.

Baker, a stickler for exerting tight control of an administration's message to get the most positive coverage, is also said to be unhappy about losing control over his own story. "I hear he's not a happy camper," said one official, adding that Bush is equally annoyed.

One White House aide called the

Quayle talk "stupid, because any move on Quayle is politically stupid," since changing running mates would be seen as a sign of panic, would create a "character" issue for Bush in dumping a loyal vice president, would enrage conservatives no matter who the replacement was, and would just "look terrible."

Both the vice president and Marilyn Quayle, on separate television interview programs, dismissed rumors about a change in the ticket as media speculation. The vice president said he has the "complete confidence" of Bush. "Believe me, if I thought I was hurting the ticket, I'd be gone," he said on CNN's "Larry King Live."

Marilyn Quayle said the speculation about her husband was prompted by an effort to "put a little spice into what is going on. . . . We figure there's going to be a lot of stories like that because the media don't have anything else to do or to say. . . . It ain't going to happen."

If any of Bush's senior political advisers believe dumping Quayle would help Bush more than hurt him, none of them yesterday was willing to make the case, even off the record.

"What ails Bush is not Quayle," said one GOP strategist.

Baker has been widely reported to have opposed Quayle's selection in the first place, though he has always denied it. But sources have described Baker as believing a move now to remove Quayle would hurt Bush more than help him, and Baker has told that to Bush and others in the party.

William J. Bennett, former director of national drug control policy and a conservative supporter of

'CRAZY RUMORS'

On Vice President Quayle:

Q: Mr. President, is the vice president's chair a little uncertain these days?

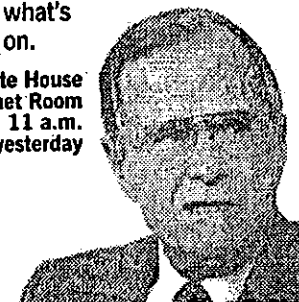
PRESIDENT BUSH: No, it's very certain.

On the health of Bush and others:

Q: Why do you think all these rumors are out there?

BUSH: I don't know, Charles. I don't know. My health is pretty good, though, and I want to challenge the press corps, everybody that's 67 and over, to a race around the oval here But seriously, it's a crazy time on rumors. We get phone calls—Barbara's sick, Marilyn Quayle's sick, I'm not feeling well. I don't know what's going on.

White House
Cabinet Room
11 a.m.
yesterday



Quayle, said the vice president "is not the problem. Quayle was there when Bush's approval was 85 percent. The problem is it is not clear what the president's plan is to make a second term better than the first."

"What is the cause of all this? 58 to 29," Bennett said, a reference to the latest Washington Post-ABC News poll that shows Democrat Clinton 29 points ahead of Bush.

Staff writer David S. Broder contributed to this report.

THURSDAY, JULY 23, 1992

'Air Albert' Standing Tall After Bus Tour

Vice Presidential Nominee Adjusts Easily to New Role as Clinton's Head Cheerleader

By Edward Walsh
Washington Post Staff Writer

ST. LOUIS, July 22—Albert Gore Jr. poked his head out of a hotel conference room here this morning and was confronted by a cluster of reporters and television camera crews demanding to know his reaction to White House press secretary Marlin Fitzwater's charge today that he had "sold out" the United States at the recent world environmental conference in Rio de Janeiro.

"Relax, relax," the Democratic vice presidential nominee said as a broad smile crossed his face. He then launched into a counterattack, suggesting that news reports that Secretary of State James A. Baker III—"the best they've got," Gore said—would soon leave his post to take over President Bush's foundering campaign was "a sign of panic in the White House."

Just then Bill Clinton walked by and was asked the same question. "Al Gore," replied the Democratic presidential nominee without skipping a beat, "tried to have America lead the world again in Rio."

"The Dream Team." That's how a sign held aloft in Centralia, Ill., Tuesday night described the Democratic ticket. "Barcelona Bill and Air Albert," it said.

Air Albert is flying high these days, and why not? Today, at the rollicking conclusion of what has come to be known as "Bill and Al's Excellent Adventure" at a huge downtown rally here, he slipped easily and comfortably into his role of one week: leading cheerleader for his presidential nominee, chief critic of the other, telegenic symbol of the "new leadership" Clinton has promised to bring to Washington.

"I made a pretty good decision, didn't I?" Clinton likes to ask the crowds after Gore has introduced him.

When Clinton chose Gore, one year younger than he is, a Baptist as he is, from a state that borders his, he broke several long-standing political conventions that hold that presidential tickets should be "balanced." But Clinton had decided he would try to make this election about change, and no one better conveyed that theme than the 44-year-old Tennessee senator whose Vietnam War service, foreign policy experience and strong environmental record counteract obvious weaknesses in Clinton's candidacy.

He also apparently got himself a pal. That, at least, is the clear impression at the end of the

"I watched the convention and these guys inspired me.... Their concerns are my concerns."

— Anne Roth

Democrats' six-day, 1,000-mile bus tour through eight states that ended here today. When they appear with their wives, Hillary Clinton and Tipper Gore, they look like two suburban couples, perhaps old college friends, out on the town for a good time. And whether they are playing miniature golf with their wives, tossing a football around or gleefully backslapping each other at their campaign rallies, the images and the message are always the same: Youth, vigor, energy. And change.

Gore's easy rapport with his running mate was exemplified during a television interview in Louisville Monday night when he was asked about differences between him and Clinton.

"Well," he deadpanned, "there was a little friction when I got a hole in one at the miniature golf course." But in response to another question criticizing Clinton's Vietnam War draft record, Gore shot back, "I think the American people are tired of seeing the Vietnam War used as a way of dividing us."

Together on this trip they have projected a kind of electric excitement. At the end of today's rally, Gore plunged into one part of the crowd while Clinton worked another. The Tennessean shook hands with Anne Roth, who brought her two young children to the square in front of the St. Louis Public Library.

Roth's parents took her to her first political rally, at age 5, to see John F. Kennedy in 1960. But in 1988, the registered nurse was so disillusioned with her choices that she did not vote. "I watched the convention and these guys inspired me," she said today of the Democratic ticket. "I believe them. I have two small children and their concerns are my concerns."

Four years ago, shortly before his 40th birthday, Gore sought the Democratic presidential nomination and failed. He did well in his native South but nowhere else. His campaigning style, his tendency to equate passion with shouting, drew less than rave reviews.

It was assumed he would try again, but in 1989 his son, Albert III, 6, was critically injured when struck by a car and Gore and his wife went through the nightmare of watching their child struggle for his life. Their son fully recovered, but Gore decided not to run in 1992. Then Clinton called.

And win or lose this year, that phone call has placed Gore at the top of his generation of Democratic politicians, leapfrogging such former 1988 rivals as House Majority Leader Richard A. Gephardt (D-Mo.), whose role today was to introduce Gore.

The Washington Post

THURSDAY, JULY 23, 1992

Clinton's Fund-Raising Becomes a Duty of DNC

By Charles R. Babcock
Washington Post Staff Writer

Democratic presidential nominee Bill Clinton returns to the fund-raising circuit tonight with expectations of raising \$750,000 at three events in President Bush's home town of Houston. But the checks will be made out to the Democratic National Committee, not the Clinton campaign.

The reason is that since receiving his party's nomination and \$55 million in federal matching funds last week for the fall race, Clinton can raise only private money to pay off his campaign debt—\$2.2 million at the end of June. (The Clinton campaign had \$2.9 million of debt but more than \$700,000 cash on hand.)

Clinton's fund-raising operation has therefore shifted to the DNC. And supporters of the Arkansas governor, who could give him only \$1,000 during the nominating battle, can now make donations up to \$20,000 to the DNC under federal law and can give unlimited amounts to separate "soft money" party-building accounts.

The changeover comes as Clinton strategists have scheduled fund-raising events to take advantage of the "bounce" in the polls their candidate received after the Democratic National Convention last week.

"We hope to raise \$8 million or \$9 million this month," Melissa Moss, the DNC finance director, said yesterday, compared with the \$3.5 million the party raised in July 1988, when Michael S. Dukakis became the Democratic presidential nominee. She said the party has 25 fund-raising events planned before Labor Day.

Under federal law, each party is permitted to spend \$10 million this year for its presidential ticket—so-called hard money—and can transfer "soft money" to state parties to

help Clinton and other Democratic candidates with voter registration drives and other generic activities.

The Democrats say they are seeking hard money donations because new rules say at least 65 percent of the amount the party spends, for all candidates and expenses, has to be hard money. Rahm Emanuel, Clinton's finance director who has moved to the DNC, noted, for example, that \$3.3 million of the \$4 million raised at the convention last week was hard money.

Clinton's Houston swing will start with a \$500 a ticket reception at the home of former Lt. Gov. Bill Hobby, who says it will raise at least \$60,000. There will be a \$1,000-a-ticket stop at the home of attorney Art Schechter, who said he and co-host J. Livingston Kosberg are collecting more than \$100,000 from the Jewish community.

The finale will be a dinner at the home of Mayor Bob Lanier, an independent who is making the same offer to host a function for Bush, an aide said. Andi Behlen, who is helping on the event, said donors are being asked to give or raise \$10,000 to \$20,000 a couple, with a \$600,000 goal.

The checks will be made out to "DNC Victory Fund '92/Federal," Behlen said. If an individual wants to give more than \$20,000, or give corporate or union funds, he or she can designate the check as "nonfederal" and it will be counted as soft money.

After Houston, Clinton has fund-raising stops scheduled Monday in San Francisco, Tuesday in Chicago and Thursday in New Orleans. Rep. Nancy Pelosi is organizing the California event. The Chicago affair hosted by Mayor Richard M. Daley should raise \$1 million, Emanuel said. Sen. John B. Breaux is sponsoring the Louisiana reception and dinner.

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Democrats Euphoric At End of the Road

Clinton Warns of Expected Republican Assault

By Edward Walsh
Washington Post Staff Writer

LITTLE ROCK, Ark., July 22—Bill Clinton came home today, still the governor of this small, out-of-the-way state, but, oh, so much more.

Exactly one week after he won the Democratic presidential nomination in Madison Square Garden, the 45-year-old Arkansas governor basked in the roaring cheers of a foot-stomping hometown crowd gathered in the street in front of the former Arkansas Gazette building, national headquarters of the Clinton campaign.

"My fellow Arkansans," Clinton said, "there's something going on out there. The American people want their country back."

Clinton flew here late this afternoon after a huge, final rally in St. Louis brought an end to the six-day, 1,000-mile bus tour through eight states with his running mate, Sen. Albert Gore Jr. (D-Tenn.). Later today, Gore flew home to Tennessee.

In the last 24 hours, the Clinton-Gore campaign bus caravan built a crescendo as supporters and the curious stood along the highways of rural, southern Illinois, waving and cheering the Democratic ticket. It began Tuesday night in Vandalia, Ill., where a crowd estimated at 10,000 waited for more than two hours for the late-arriving candidates to attend a rally in front of the original Illinois capitol, a white-brick building where Abraham Lincoln began his political career as a state legislator.

Calling Lincoln "the first and greatest Republican president," Clinton told the cheering crowd: "Abraham Lincoln is turned over in his grave tonight to think of what George Bush and Dan Quayle have done to the Republican Party and the United States of America."

With the old capitol bathed in the

glare of television lights, the rally ended as a young woman strummed a guitar and led the crowd in singing "God Bless America" while they lighted candles that had been distributed by the Clinton campaign organization.

Earlier today in St. Louis, Clinton and Gore attracted their largest crowd of the post-convention campaign swing. According to some estimates, 30,000 or more people were jammed into the area around the downtown St. Louis Public Library.

Some of the excitement surrounding the bus caravan was just that—excitement generated by a rare visit of two new celebrities to small-town America. Vandalia is the kind of place where residents ask television cameramen for their autographs. But there also was an outpouring of genuine support that left Clinton and his running mate euphoric.

"I've never seen anything like this," Gore said in Vandalia.

Reflecting the euphoria, Clinton told the Little Rock crowd, "We have just a little more than 100 days in this campaign—100 days of struggle and effort, 100 days of spirit and hope. I want you to know that no matter how tough it gets, no matter how long the days get, we're going to stay to the end. We're going to win this campaign."

But Clinton, who has yet to feel the brunt of the expected full-scale Republican assault on his record and personal integrity, also warned that the campaign's spirits will not always be so high and that voters across the country may pause before turning over the presidency to the young governor of a small, poor state.

"I ask you for another 100 days," he told the hometown supporters. "Can you give another 100 days to this country? . . . The people of Arkansas are going to help me give them courage."

The Washington Post

THURSDAY, JULY 23, 1992

Gingrich Gains Narrow Win; Jones Defeated *Georgia May Elect More Republicans*

By Thomas B. Edsall
Washington Post Staff Writer

A concerted Democratic drive to defeat House Minority Whip Newt Gingrich (R-Ga.) ended in failure when the outspoken conservative narrowly won a tough primary fight Tuesday.

Gingrich's victory could give him a secure base from which to launch a probable run for House Republican leader later in the decade.

"It's like losing the pennant by one game two years in a row," a frustrated Mark Gersh, director of the Democratic National Committee for an Effective Congress, said yesterday. He was referring to the fact that Gingrich, who won his leadership post by only one vote, won the general election two years ago and the primary election on Tuesday by fewer than 1,000 votes.

There were allegations yesterday that Gingrich's 35,682 to 34,702 vote victory over Herman Clark may have resulted from the early closure because of a severe storm in anti-Gingrich precincts in Cobb County while pro-Gingrich precincts in Fulton County stayed open late. But it appeared unlikely the complaints would change the outcome.

Georgia House Speaker Thomas Murphy (D) had sought to defeat Gingrich by forcing him to seek reelection either in a Democratic-leaning congressional district or in a GOP district that was almost entirely new territory.

Not only did the maneuver backfire when Gingrich defeated Clark, a former state legislator, in the GOP district, but the newly drawn districts for the entire state could well increase from one to four the Republican membership in Georgia's congressional delegation.

Rep. Ben Jones (D), who was criticized for kiting checks at the now-closed House Bank, taking junkets and voting for a congressional pay raise, was decisively defeated in the Democratic primary. The victor, Don Johnson, a moderate who is chairman of the state Senate's Appropriations Committee, faces a tough fight for the seat in November. Jones, a former actor, played "Cooter" on TV's "The Dukes of Hazzard."

Rep. Richard Ray (D) barely avoided being forced into a runoff next month, and he faces a serious GOP challenge in November in his new—and more Republican—district. State Sen. Cathey Steinberg won the Democratic primary in suburban Atlanta, but she also faces a tough November battle against one of two Republicans who are in a runoff fight.

Rep. Charles Hatcher (D), who wrote 819 bad checks at the House Bank, was forced into a runoff by state Sen. Sanford Bishop, who is black. The district has a 52 percent black voting-age majority, and the outcome is expected to be very close, although the winner is almost sure to win the general election.

Hatcher, who is chairman of the Agriculture subcommittee on peanuts and tobacco and is known in the state as "Mr. Peanut Allotment," has strong ties to Georgia agribusiness.

In another majority black district, state Rep. Cynthia McKinney, who is African American, is expected to defeat former Waynesboro mayor George DeLoach in a Democratic runoff. The winner of the runoff is expected to win the general election.

First-term Sen. Wyche Fowler (D) won renomination without opposition. His expected GOP opponent, former Peace Corps director Paul Coverdell, failed, however, to win an absolute majority in the GOP primary, and faces a runoff against former U.S. attorney Bob Barr. Barr and Coverdell are considered part of the more moderate, suburban wing of the state's fledgling GOP, and the key areas in the runoff will be the white sections of the metropolitan Atlanta region.

In a reflection of the changing politics of race in Georgia, Leah Sears-Collins, the first black woman on the Georgia Supreme Court, defeated a white challenger in a statewide nonpartisan contest for the seat on the bench.

Three Georgia Republicans who used highly controversial antiabortion commercials showing photographs of bloody fetuses did not fare well on Tuesday. Jimmy Fisher, who had proudly declared that "the TV ads have helped me as much as anything I have done," received only 11 percent of the vote in the 4th Congressional District and Mark Meyers got only 17 percent in the 10th district GOP primary. In the 9th district, Daniel Becker won a plurality and will have to run in a GOP runoff, but the district is strongly Democratic, and the GOP nomination is not considered likely to produce victory in November.

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MARY McGRORY

GOP Ticket Reservations

For a man who has gone through a dreadful two weeks, President Bush looks surprisingly well, rosy and fit. But he is being followed, wherever he goes, by the stray-dog snapping and growling of the Quayle question.

He probably thought he was safe in the Drew Model Elementary School in Arlington, in a mostly minority middle-class neighborhood. An anniversary observation of a school and community drug patrol effort seems the perfect photo-op, with the president being grandfatherly and magisterial and offering melting shots of himself with little boys in baseball caps. He encouraged them to brag about their batting averages.

But wouldn't you know that he would pass the mike to a woman who was sitting on the floor in the midst of the children—he told her she was “surrounded by love”—and get a complaint about Dan Quayle? She was Carolyn Chambers, and she was extremely articulate and unappreciative of Vice President Quayle's reflections about single mothers.

“The problem right now in Arlington County and all over the country is, excuse me, Mr. President, about Dan Quayle's comment. I have a problem about that a little bit because the traditional family is . . . everybody is a family, and we all take care of all the children.”

The president's smile faded during her rap. He seemed taken aback and began his answer at some distance from the heart of the matter. “I think that is good,” he said tentatively, and then launched into a recitation of a visit to the Sequoia Grove camp where “kids,” as he always calls children, from south-central Los Angeles are learning family values. He steered clear of Murphy Brown and Dan Quayle.

The vice president is being spotlighted by the smash-hit bus tour of the new Democratic team of Bill and Al. Quayle's relationship to Bush is that of a medieval page-boy to his lord. Bill Clinton and Albert Gore Jr. come across as partners, a couple of good-looking guys who seem easy and companionable as they toss a football, jog or work the phones on their bus.

Quayle is at a disadvantage because Gore is the new star on this ever-changing political scene. He has been transformed by his selection. Until recently a stiff southern senator, he is in the heartland a celebrity, seen by men as “solid” and by women—yes—as

“dashing.” The week of the Democratic convention, which was a total and mysterious success, was bad enough for Bush. The follow-up week, with the pair touring the provinces to October-strength crowds, has been worse.

Suddenly the air is thick with rumors about Bush's health. Is he pale? Is his step firm? How old is he anyway? That is not due so much to any alteration in his appearance, as it is to people eager to raise the health issue to enlarge the specter of Quayle.

Poor man, not so long ago, he was the indispensable point man, vigorously massaging the right wing, hurrying across the landscape to excoriate single mothers and Murphy Brown. As long as Ross Perot was hovering near, no one mattered more than Quayle to George Bush, who cannot convince the Tories that he is one of them. But now that Perot has gone and taken with him the 35 percent solution (what Bush needed to win a three-way race), Quayle is an embarrassing reminder that when Clinton chose, he took an intellectual equal and a best-selling author, while Bush, as Democrats gloat, “took one of the smallest puppies in the litter.”

To get the 51 percent now needed, many people think, the public will demand someone who can spell potato.

A Republican senator brought this to the attention of the president in a broadcast from Vermont the weekend before the Democratic convention. Sen. James M. Jeffords blurted out what everyone was whispering: “The president's in trouble in my area . . . and Dan Quayle is basically a liability. . . . He [Bush] should consider changing the ticket.”

Quipped Senate Minority Leader Robert J. Dole (R-Kan.), “The buttons are already made.”

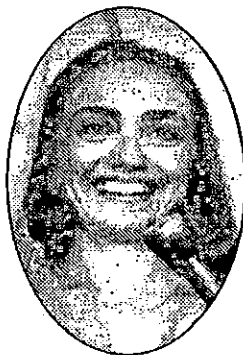
Quayle was a guest at the regular Tuesday GOP caucus lunch, and the subject of his possible dumping did not come up. Senators coming out of the session were noncommittal. When asked how people in Arizona felt about the vice president, Sen. John McCain (R-Ariz.) said laconically, “the same.”

The president denies that any changes are afoot. He must ask himself what he would gain by evicting his ticket mate.

“Not much,” says Rep. Les AuCoin, who is in a fierce race for the Senate against the Oregon incumbent Republican Bob Packwood. “It wouldn't boost him. It would just remove a large pebble from his shoe.”



The Life of a Political Wife, with Hillary Clinton as Betty Friedan ...



... Mary Tyler Moore ...



... Betty Crocker ...



... June Cleaver ...



... Holly Golightly ...



... president of the Junior League ...

The Many, Many Faces of Hillary Clinton

Some news organizations thought their photo files were lying. Here was this woman, posing as Hillary Clinton 14 years ago but looking more like an overweight, underdressed policy wonk who hadn't seen daylight for a while. And those glasses!

Seemingly suddenly, as Bill Clinton scrambled to stay afloat this winter, Hillary surfaced as the Talbots wife—prim and handsomely blond. Little velvet headbands kept her newly lightened hairs in place; bright turtlenecks peeked from checkered suits. And then last week in New York at the convention, a major topic of conversation was the emergence of yet another, strikingly fashionable Hillary. So dramatic was the change in the past decade that some even wondered aloud if she had had plastic surgery.

Her friends deny this. But they—and her mother—admit that Hillary pointedly decided to try pretty after Bill's '80 gubernatorial loss, and has been working on the concept ever since.

"She made a concession to public expectations," allows Linda Bloodworth-Thomason, a longtime friend. "I think you could say Hillary is still defining her look."

And defining. And defining. Hillary says her shades of blond were influenced by Margaret Thatcher, who recommended the color for women of a certain age. But the dramatic swing in clothes has been harder to label. After months of the perky, suburban station wagon look, Hillary has reemerged as East Coast chic—tailored and proper, which is to say, form-fitting but never above the knee.

Bloodworth-Thomason, producer of the hit CBS sitcom "Designing Women," sent the

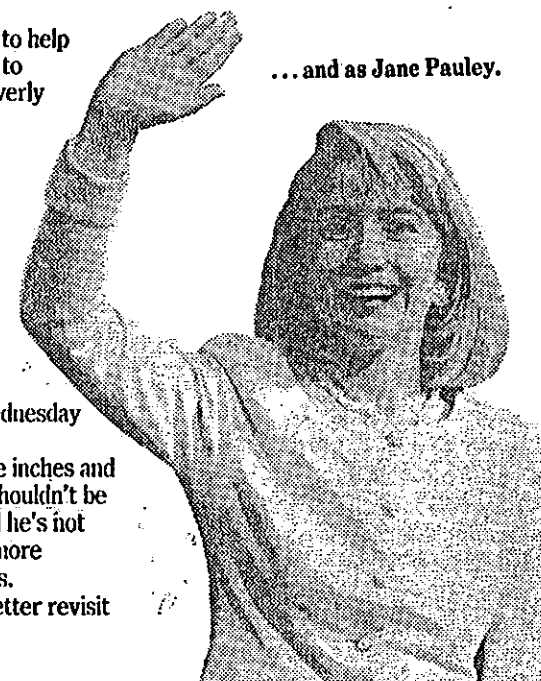
show's clothing stylist to Arkansas to help with Hillary's wardrobe, according to campaign sources. Kristof, the Beverly Hills coiffeur, was also dispatched.

"I found she was most comfortable in career clothes," says designer Cliff Chally, "so I went into her closet and helped her coordinate what she had. She needed to feel like she looked good." Chally said he added very little—a few St. John knits—but helped her define herself through expanded accessories. (Who could forget Wednesday night's scarlet Mark Cross scarf?)

As for Kristof, he hacked off five inches and minimized the headbands. "They shouldn't be a constant," he says sincerely. And he's not done. He promises "more layers, more movement" in the next few months.

Looks like the Silver Fox had better revisit her roots.

... and as Jane Pauley.



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WE'VE HEARD THAT

■ Sharon Pratt Kelly shouldn't get her heart set on speaking at the '96 Democratic convention. Organizers are still fuming that the D.C. mayor showed up for rehearsals last week with a 10-minute speech instead of the expected two-minute address. But that's not all. She ignored the urgings of Democratic National Committee officials to cut the speech by five minutes and instead spoke 13 minutes in prime time Tuesday.

■ Reps. Susan Molinari, Jim Nussle and Rick Santorum were overheard on the House floor joking about forming their own caucus as the only Republican members of Congress not being considered to replace Dan Quayle on the ticket. And that's only because none of them meets the 35-year-old age requirement.

■ Susan Brophy, senior aide to Sen. Tim

Wirth and new head of the Clinton office here, has bravely identified herself as the enemy operative who came to possess one of Jerry Brown's beepers.

■ Ed Rollins has been invited in Jim Baker's stead to attend the elitist Bohemian Club's annual July male-bonding ritual at a camp outside of San Francisco. Baker, one of many Republican regulars, is off to mend fences in the Middle East. Perhaps Rollins can mend some others around the campfire.

■ Assault charges against Peter Martins, head of the New York City Ballet, were dismissed yesterday in Saratoga Springs, N.Y., according to a police spokesman. Martins's wife, dancer Darci Kistler, had filed a battery complaint Sunday, but yesterday the two left the court arm-in-arm. Go figure.

Punchy Politics?

■ As Bill Clinton and Al Gore were earnestly singing "Amazing Grace" and saluting party unity at a midnight, \$3.4 million fund-raising dinner last Thursday at the Sheraton New York Hotel, two of Clinton's top aides were having a heated—and loud—argument in the lobby.



Rahm Emanuel, in need of R&R.

Campaign CEO Eli Segal was insisting that Clinton should give only a quick speech and promptly leave so that he could get some rest before the next morning's buscapade. Finance Director Rahm Emanuel was vociferously demanding that the nominee stay and schmooze with his loyal fund-raisers at the chaotic, oversubscribed event.

It is perhaps the price of fame in a successful campaign that one imaginative account of the flap—flatly denied by Segal and Emanuel—had the two throwing punches at each other until they were separated by New York City cops.

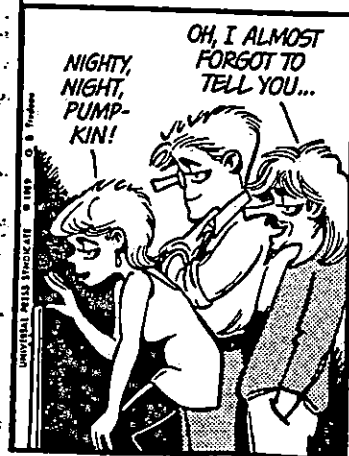
"I haven't thrown a punch since junior high," Segal says.

"The two people who really needed rest were Eli and Rahm," Emanuel says.

And, by the way, Clinton stayed.

By G.B. Trudeau

DOONESBURY



TODAY SHE CALLED ME "MAMA"! ISN'T THAT WILD? SHE CALLED THE BABY-SITTER "MAMA"!



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The TV Column

HIGHLIGHTS

- "Mystery! Poirot II: The Disappearance of Mr. Davenheim" and "Murder Most English: Five Red Herring" on WETA.
- "Hell Fighters of Kuwait," a Nova episode on WHMM.
- "Neon Nights" on WUSA.
- Plus Clint Eastwood and Shirley MacLaine in "Two Mules for Sister Sara" on WDCA.

Public Broadcasting

Mystery! Poirot II: The Disappearance of Mr. Davenheim (CC) (DVS). Poirot is confident he can solve Mr. Davenheim's disappearance case without leaving home. One hour (Channel 26 at 9).

Nova: Hell Fighters of Kuwait (CC) chronicles the fight to extinguish the bonfire of oil wells in Kuwait, set ablaze during the Persian Gulf War. One hour (Channel 32 at 9).

Murder Most English: Five Red Herring (CC) (R). In Part I, Lord Peter Wimsey and his valet arrive in Scotland for a peaceful holiday. One hour (Channel 26 at 10).

Primetime Movies

Two Mules for Sister Sara (1970). Clint Eastwood and Shirley MacLaine play a drifter and a nun who get into trouble in the Mexican Revolution. Two hours (Channel 20 at 8).

The Fiction-Makers (1967). Roger Moore, as the Saint, is involved in a jewel robbery. Two hours (Channel 50 at 8).

Country Music Special

Neon Nights (CC). Part I of the show taped during a live concert at the Neon Armadillo on Pleasure Island at the Disney Resort, with Joe Diffie. Hosted by Keith MacDonald. One hour (Channel 9 at 8).

Series

A Different World (CC) (R). Whitley is considered for a state senator campaign (Channel 4 at 8).

The Simpsons (CC) (R). Bart joins a local mobsters' clan (Channel 5 at 8).

The Young Riders (CC). Conflicting allegiances shatter the cohesive group of young riders as Civil War approaches. Two hours (Channel 7 at 8).

The Cosby Show (CC) (R). Cliff sits in on a

live broadcast with Latin-jazz stars Mario Bauza and Willie Colon (Channel 4, 8:30).

Parker Lewis (CC) thinks his life is in danger when a tough guy threatens to kill him (Channel 5, 8:30).

Cheers (CC) (R). Sam and Rebecca go away on a weekend and ponder parenthood (Channel 4 at 9).

Beverly Hills, 90210 (CC) (R). Brandon is arrested for drunk driving (Channel 5 at 9).

Street Stories (CC). With reports on the case of the Swiss nanny accused of murdering a New York couple's daughter and the Harvard minister who has found a mission in a violent and drug-infested neighborhood in Boston (Channel 9 at 9).

Wings (CC) (R). Frasier and Lilith of "Cheers" visit Nantucket (Channel 4, 9:30).

L.A. Law (CC) (R). Sifuentes returns to right past wrongs (Channel 4 at 10).

PrimeTime Live (CC). With reports on new allegations of sexual abuse by former priest James Porter (Channel 7 at 10).

Bodies of Evidence (CC). Ben clashes with a tough, beautiful detective over the best way to catch a cop killer (Channel 9 at 10).

Late Night

Arsenio Hall Show. With performers Baby-Face with Toni Braxton, saxman Dave Koz and Elayne Boosler (Channel 9, 11:30).

Tonight Show With Jay Leno (CC). With the music group Wilson Phillips, actress Dinah Manoff, director Robert Zemeckis and harmonica player Toots Thielemans (Channel 4, 11:35).

Late Night With David Letterman. With actress Helen Shaver, comedian Garry Shandling and musician Nick Cave (Channel 4, 12:35 a.m.).

Friday Morning

Good Morning America (CC). With Ellen Levin, the mother of "preppie murder" victim Jennifer Levin, actor Jon Lovitz, former Supremes star Mary Wilson, actor Curtis Aikens and a recap of this week's International Conference on AIDS in Amsterdam (Channel 7 at 7).

—Cristina Dragomirescu

John Carmody is on the West Coast checking out the networks' fall plans.

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Bill and Al: The View From the Bus

Agents & Organizers, Press & Pols,
Winding Up a Campaign Classic

By Joel Achenbach
Washington Post Staff Writer

On the campaign trail you instantly know who everyone is. The journalists are the ones who never clap. The candidates are the ones who never stop smiling. The Secret Service agents are the ones who appear to be one nanosecond away from putting you in a disabling headlock.

But there was this one guy . . . hanging around the Power Bus . . . a guy who seemed different from everyone else. He was so marvelously tan! His fashionably longish gray hair swooshed back off his high, noble forehead. His glasses always seemed to be resting on top of his head, never his nose. He'd just scan the situation, taking on a cigarette; you could tell he was important even though he didn't seem to be directing anything. He looked more like . . . a producer. A Hollywood producer. Exactly!

Mort Engelberg says he has no title. "Just a volunteer," he says. But he is the man who envisioned "The First 1,000 Miles,"

the triumphant Bill Clinton-Al Gore bus convoy that ended here yesterday after a serpentine journey through the soft white belly of America. It was a smashing success, but Engelberg says he and his stars just got lucky, that the production somehow took on a life of its own—just like, he says, the first movie he produced, "Smokey and the Bandit."

"We made the movie in 35 days," Engelberg recalled when the bus convoy stopped in Centralia, Ill., for one of

See BUS, C2, Col. 1

ST. LOUIS



Bill Clinton waves to supporters during a stop Tuesday in Evansville, Ind.

On the Caravan

BUS, From C1

the many supposedly unplanned rallies that were the trademark of this trip. "I just wanted to make a movie I wouldn't be embarrassed by. It went on to become the ninth or the 11th highest grossing movie of all time."

And that happened here. The Clinton-Gore heartland tour is an instant low-budget classic, something that journalists and historians will talk about for years, the same way people remember "Night of the Living Dead" and speak of the part where the zombies eat the guy's liver. Engelberg offers another analogy: "Bonnie and Clyde" years ago. It didn't take much money. Those people weren't stars when the movie was made."

He nodded toward Clinton and Gore, up there on the stump with the megaphone, enrapturing the population of a small town on a little country road in the middle of Republican territory. "These guys have some sort of quality," he said. "It's magic, it really is."

It was the politics of the distant past, and maybe of the future: campaigning that manages to seem personable, to seem *humble*, to the extent that rumbling into town in eight buses with 160 journalists and dozens of Secret Service agents in tow and asking to be elected to the highest office in the land has anything at all to do with humility.

What it wasn't was perfectly planned. In recent years, presidential politics have been carefully orchestrated and staged at this point in the campaign, calculated for the perfect photo opportunity and the strategic sound bite, darting from one airport tarmac to another, the campaign route determined solely by television markets and the power of a broadcast tower. This trip certainly had as much stagecraft as statesmanship (that's Engelberg's job, after all), but coming so closely after the convention, without time to carefully plan every moment, there were moments of slop and spontaneity.

The greatest moment may have come shortly after the convoy left Centralia. It was getting dark out-

side. The buses were an hour behind schedule, racing toward Vandalia for a scheduled town meeting. But word came from the Secret Service: A thousand people had gathered in a little town called Sandoval, between Centralia and Vandalia. The Service made its predictable, play-it-safe recommendation: Blow right by at 35 mph. The campaign staffers figured it would be good enough to coast through town and wave.

But then the buses reached Sandoval, and out the windows you could see the townspeople in lawn chairs lining the roads, waving flags in the middle of cornfields, and a couple hundred people were gathered by what appeared to be the only intersection in town, across from Huck's convenience store, next to a hot-air balloon with a handwritten Clinton-Gore banner. Engelberg said Clinton ordered the convoy to a halt.

Gore and Clinton stood on top of a Secret Service van. "When we go home, we're going to tell people, 'You should have seen the crowd in Sandoval,'" Clinton shouted. "If you can come out and see us, we can come out and see you."

The trip had something for everyone. For the people of the small towns, it was a rare chance to see big-time politics up close. For the press, there was loads of color, a great photograph around every corner (if not, alas, any direct interviews with the candidates themselves). But maybe the people who benefited most were the candidates. They are audience-driven campaigners; on TV talk shows they can turn into talking heads, the worst sort of policy nerds, but on the stump, in front of crowds, they can do full-body campaigning, get their arms and legs and hips into it, rant and rave, stalk the stage, go red in the face, hit a good riff and then hit it again and again, whip the crowd into a frenzy. Retail politics can change a man . . . from stuffed shirt to soaked shirt.

(Gore's a three-shirt-a-day campaigner; Clinton, because he's so slick and smooth, is a two-shirt guy, though Clinton's press secretary, Dee Dee Myers, said toward the end of Tuesday's marathon, "Today was a three-shirt day.")

There was a sense, both among campaign staffers and the press, that this six-day bus trip was special, possibly a little piece of history. Maybe it won't become lore, like Truman's last-gasp whistle-stop campaign in 1948. But the trip was such a triumph that the Clinton-Gore people are talking about replicating it, may-



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be on the West Coast, maybe in the Midwest again.

Engelberg said the idea for the trip was cooked up by several staffers about a month ago. Engelberg, who has worked for Clinton since the fall, flew July 2 from Los Angeles to Philadelphia and began driving across middle America in a rented four-door Ford, scouting locations.

"You look for places that look nice and will make a pretty picture," he said.

Places like the glorious old statehouse in Vandalia, the former capital. The white-brick structure has thick columns facing the town square. No less a figure than Abe Lincoln once had an office there. Engelberg envisioned an "ice cream social" with 400 people.

More than 10,000 showed up. In this part of southern Illinois the main industry is prisons, and the economy is terrible. Prison security guard and former Perot supporter Charlene Pryor, 45, arrived at noon, eight hours before Clinton and Gore were due to arrive, and still couldn't get within 60 yards of the stage. "We need a change. We need a big change, and we need it fast, because there's a lot of people going under," she said. She added a note of local history: "Lincoln was here. He jumped out one of the windows to keep from making a decision one time."

Lincoln wasn't hurt, she said.

The rally began with a song, sung to the tune of Fleetwood Mac's "Don't Stop (Thinking About Tomorrow)":

Clinton and Gore/ A change for me and you/ Clinton and Gore/ in Nineteen Ninety-Two...

Repeated roughly 100 times.

Then a little girl took the stage. Five years old. Tiny voice. She introduced "the next president and vice president of the United States." One entire flank of the crowd chanted "Voters can't see!" because the journalists, with dozens of TV and still cameras, were on risers and blocking the view.

The candidates were on fire. Clinton ripped off one of the best sound bites of the trip: "Abraham Lincoln is turning over in his grave tonight thinking about what Dan Quayle and George Bush have done to the Republican Party."

The moment, the image, will not vanish into the ether. That morning, a film crew joined the convoy. No doubt the Vandalia speech will be coming soon to a television advertisement near you. In a presidential campaign, you can't waste something that good on one little town.

Correspondent on Wheels

NPR's John Hockenberry, Moving to ABC

By Roxanne Roberts
Washington Post Staff Writer

Seven years ago, National Public Radio correspondent John Hockenberry was among the 40 finalists selected in NASA's "First Journalist in Space" search. Hockenberry, along with another finalist—Walter Cronkite—was interviewed on "CBS Morning News."

"John, I understand you want to be the first paraplegic in space," said Forrest Sawyer. The 29-year-old reporter answered, "No, Forrest. I want to be the first *journalist* in space."

The NASA search fizzled, but Hockenberry went on to a high-pro-

file career as NPR's voice in the Middle East, Persian Gulf War reporter and host of "Heat" and "Talk of the Nation." He's trekked through Beirut, the mountains of Iraq, the New York subway system—and scooped up an armful of broadcasting awards along the way.

Tuesday, Hockenberry confirmed he is leaving radio for ABC's new Sunday night newsmagazine, making him the first disabled person to work as a television network correspondent.

"We have an opportunity here to change the way people see [disability]," said Hockenberry yesterday at NPR headquarters here. "That's not

See NPR, C4, Col. 1



The Washington Post

THURSDAY, JULY 23, 1992

NPR, From C1

the point of me being at ABC and it's certainly not the point of photographing the chair. But two, three years from now, it will be—maybe—very different."

Being the "first wheelchair anything" is "interesting for about a week," he said—and he's got a three-year contract. But it's a big change for Hockenberry, who spent 12 years behind the relative anonymity of a radio microphone, and a first for the networks, better known for blow-dried perfection in front of the cameras.

When ABC first approached him about the job, network executives didn't even mention the wheelchair. Finally, Hockenberry was the one to bring it up.

"I just want you to make sure that there's not some person up in some ivory tower somewhere who—after the first week of this—is going to look at the chair and go 'Naaahh,'" he told Executive Producer Tom Yellin. It was ABC News President Roone Arledge who persuaded him to come aboard.

"He thought it would be very interesting to present another physical way of being on television other than beautiful, perfect, made-up and coiffed," said Hockenberry, who—for the record—is blond, boyish and only slightly rumped. "He viewed that as liberating, as a revolution. That set me at ease more than anything."

"The era of a bunch of white men in suits telling you what you need to know has passed," said Yellin. "The issue is: Can you do the job?"

Hockenberry, who will be reunited with anchor Sawyer and correspondent Sheila MacVicar on the still unnamed show, is the second big name to leave NPR this summer. "Weekend Edition" host Scott Simon hosts his last NPR broadcast Saturday, then is taking a year-long leave of absence to co-anchor NBC's Saturday and Sunday "Weekend Today" shows, which start Aug. 1.

"I don't look at this as a defection," said Bill Buzenberg, NPR vice president for news and information. "I really feel this is a measure of our success." There is, however, a question of money. Both Hockenberry and Simon declined to discuss their contracts but are expected at least to double their salaries, estimated at \$75,000 each.

But money, said both Hockenberry and Simon, was not the deciding factor in their decision to make the transition to television. It's the chance to bring a little of the NPR mentality and audience to television.

"Like it or not—and many of us, including myself, don't like it at all—television is the medium of our times," said Simon, 40. "I'd like to see if I can learn enough about television to be able to do something to change it."

"I'd like to make it better. I'd like to give it more texture, a little more knowledge. I'd like to make it not so utterly cheap and obvious."

The networks, said Simon, are drawn to the intelligence and narrative quality that characterize NPR broadcasts.

"The only conclusion I can reach is that they like what they hear on NPR. They like it a lot," said Simon, who has been in public radio for 18 years, has hosted "Weekend Edition" for the past 6½ years and reported from Central America and the Persian Gulf. "When you start talking about doing something that you care about and that you hope will be good, when you start talking about the best people in journalism today, you're talking about NPR. I really think it's as simple as that."

"They were right there behind me—as much as a nonprofit, budget-weary company can be," said Hockenberry. "There's no other organization that would have sent me to the Middle East. None."

If Simon is fearful of becoming just another pretty face, Hockenberry is determined not to become solely known as the "disabled" journalist, although it's a role in which he is becoming increasingly comfortable and visible.

At age 19, Hockenberry was in a car accident that injured his spinal cord and left him paralyzed

from the chest down. In 1980, he began working as a volunteer at NPR affiliate KLCC-FM in Eugene, Ore. Within a year, he was filing reports for NPR and was in the middle of the biggest story of the year—the eruption of Mount St. Helens.

His bosses in Washington didn't realize he used a wheelchair until he missed a deadline—because he couldn't fit his wheelchair into an old-fashioned phone booth to file his story. He didn't discuss his disability with his listeners until years later when he returned from two years based in Jerusalem.

"In the Middle East, I was expecting architectural barriers, but I found psychological access," he said. "I found incredible openness about physical helplessness in the Third World that doesn't exist in the United States."

He returned to the Middle East during the Persian Gulf War. Hockenberry left his wheelchair at a Kurdish outpost and spent eight hours on the back of a donkey to get to a story on the thousands of refugees pouring into the mountains.

"Kurds would come by and say, 'Why are we wasting a perfectly good donkey with a *journalist* on top?' I would explain or a Kurd would explain that I can't walk. Then these starving, dying Kurds would say, 'Then *why* are you here? You could *die* up there'—which was the story I was trying to get."

Hockenberry went into journalism thinking he and the chair were two separate entities; today he is one of the leading spokesmen for the disabled and an active proponent of enforcement of the Americans With Disabilities Act, which went into effect this year. As host of the Peabody Award-winning show "Heat," he explored the issues with other disabled people and took his audience through the New York subway system—in a wheelchair.

"I've gone through a very personal transformation on that," he said. "From 'Leave me alone, crip. I have a *real* job'—which is a bitter, awful way to be—to really understanding that I have a role."

In June Hockenberry filed a lawsuit against Jujamcym Theaters in New York after being denied access to "Jelly's Last Jam" at the Virginia Theatre. He had purchased a \$60 ticket the previous day and was told the house manager would seat him. But at curtain time, the manager allegedly refused to help and turned him away.

He wrote an essay for the New York Times about the incident. But, he said, don't look for him to use his television job primarily to report on the disabled. The fact is, he said, he's "too close" to do those stories effectively.

"I'm much better implicit on a disabled story than explicit," he said. "What would be great would be to see that the correspondent is disabled just like the person being interviewed—which would be a powerful message independent of what we may be talking about."

"The fact that he's in a wheelchair made us ask, 'Can he do the job?'" said Yellin. "I asked around. When I heard about him being dragged across Turkey on a camel, I figured the guy could get from one place to another reasonably efficiently. The real issue is what you do when you get there. What he does is very exciting."

"Nothing gets in John's way, as far as I know. I just hope he doesn't run me over on the way to greater glory."

The Washington Post

THURSDAY, JULY 23, 1992

JACK ANDERSON and MICHAEL BINSTEN

Sarajevo and the 'Permanent Solution'

Serbia's claim that a spontaneous Serb militia and not the Yugoslav army is committing mayhem on Sarajevo can be disputed by the most casual study of that war-torn country.

Our reporter Michael Viner, just outside the city, engaged a Yugoslav army officer in conversation. After giving the gift of a bottle of whiskey, Viner got the kindly warning from the uniformed officer to be off the streets at 4 p.m. that day.

With eerie clockwork, the afternoon shelling of Sarajevo began, another illustration of the coziness and cooperation between the Yugoslav army and the supposedly non-governmental militia.

An even higher officer, a major, confided to Viner that the Belgrade government was guiding the whole war effort. He told of Serbia's plan for a "permanent solution" of the Croatia and Bosnia-Herzegovina "problem." His words were reminiscent of Nazi Germany's "final solution" for Jews.

The major said it was Serbia's aim to destroy not just the dwellings and offices of Croats and Muslims, but their memorials, shrines, churches and mosques—everything with religious and cultural importance.

"We are doing what the Israelis are not doing to the Arabs. We don't want them to have anything to go back to," said the major. "We are thinking of what we call a 'Greater Land' for Serbia."

The irony is ghastly: It was Croatia that sided with the Nazis in World War II, and Serbia, whose leaders now use this Hitlerian phraseology, that fought the German invaders.

The Bush administration recently condemned the escalation of Serb attacks on Sarajevo but is still denying that any military efforts by the United States are in the offing. The most promising developments—peace talks in London involving Serbian, Bosnian and Croatian representatives—have yielded disappointing results. At some point, U.S. and European humanitarian efforts could develop into a military operation, but not one likely to involve a ground fight.

Saber-rattling by the seven major industrial democracies, which have been demanding an end to the Serb military offenses in Bosnia-Herzegovina, have done little to reverse the reign of terror.

As if to underscore the point, Serbian nationalist forces recently marked the 100th day of the Sarajevo siege by blowing up four power-transmission lines that served the city.

Yugoslavia was a federation of six republics until about a year ago, with Serbia the biggest and most powerful.

As that federation has dissolved, a new Yugoslavia has been formed, consisting of only Serbia and Montenegro—equalizing the governments of Yugoslavia and Serbia.

The Secret Service is in charge of protecting presidents, vice presidents, their families, visiting heads of states and major presidential candidates. And sometimes performing the vital protection involves an element of espionage. Informants aren't cheap.

That's why the "confidential funds" were created for the Secret Service's use—to provide money to pay rewards for "services or information leading to the apprehension of criminals" or to pay for expenses "of a confidential nature."

But a recent investigation by the Treasury Department's inspector general found that in too many cases these funds were going to buy steak dinners, or coffee and doughnuts not related to work, and in one case even dinner for Indianapolis Motor Speedway officials "for their cooperation with the vice president's visit at the Indianapolis 500 race."

The Secret Service spent \$601,000 on confidential funds during the fiscal year that ended Sept. 30, 1990.

Treasury investigators reviewed nine of the 79 separate funds across the country. Six of those funds were used in ways not related to confidential matters, including \$5,344 for ineligible meals, \$1,011 for ineligible social events and \$1,646 for unrelated conferences and computer supplies.

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FACING PRESSURE, BUSH IS ADAMANT ON KEEPING QUAYLE

A FLURRY OF SPECULATION

Many Republican Officials Cite Limp Campaign as Reason for Considering Change

By R. W. APPLE Jr.

Special to The New York Times

WASHINGTON, July 22 — With pressures mounting within his own party for further measures to revitalize his re-election campaign, President Bush denied today that he was even considering the possibility of replacing Vice President Dan Quayle.

Deeply concerned about the President's dismal standing in the polls, two groups of Republican Senators met for lunch and held what Senator Alan K. Simpson of Wyoming, the minority whip, described as "spirited discussions of what should be done" to get the flagging campaign moving again.

One participant in the meeting of the Wednesday Club, to which mostly moderate Republicans belong, said at least half the 15 or so Senators there either explicitly or implicitly said Mr. Quayle should be dropped from the Republican ticket.

Opinion Sharply Divided

The replacement of the Vice President was also Topic A today among Republican campaign workers, state party officials and strategists, with opinion sharply divided as to whether a change would help to reverse the precipitous slide in popularity that has imperiled Mr. Bush's re-election.

The President appeared to leave open not the slightest possibility of a change in the ticket. Asked at a White House photo session whether the Vice President's status was shaky, Mr. Bush replied, "No, it's very certain." He dismissed the talk about replacing Mr. Quayle as "a lot of crazy rumors."

David Beckwith, Mr. Quayle's spokesman, said the Vice President would not step down voluntarily, adding: "If he seriously thought it would help the President, he would do it. But he doesn't think that, and neither does the President."

Fever of Speculation

The statements of denial did little to quiet the fever of speculation in Washington. Instead, in the often perverse logic of the capital, they fed the storm, with political professionals sensing that something must be afoot.

There were also widespread calls on Capitol Hill for the dismissal of Treasury Secretary Nicholas F. Brady and the budget director, Richard G. Darman, participants in the meetings said. Some nervous incumbents said that as things now stood, the Republicans might lose four to six Senate seats.

One indication of the disarray in the party, said Senator Richard G. Lugar of Indiana, was that most Republican Senators had little interest in attending the party's convention in Houston next month, preferring to keep their distance.

An Associated Press poll indicated that 4 in 10 Republicans nationwide

Continued on Page A20, Column 3

The Republicans

Despite Mounting Pressure, Bush Sticks With Quayle

Continued From Page A1

thought Mr. Quayle should be dropped from the ticket. Few Republican Senators suggested that he deserved, on the merits of the case, to be replaced; indeed, most said he had done a good job.

Yet some, like Senator Lugar, said Mr. Bush needed to "send a signal that by its very drama tells people that this is a whole new ball game, a new campaign with a new game plan and a new vigor." He said he thought that "a dramatic statement about growth and jobs" would produce the best results, but conceded that other lawmakers, "stunned by what they have heard at home in their states the last two weeks," thought Mr. Quayle should go.

Others, like Senator Warren B. Rudman of New Hampshire, said that many voters were concerned about Mr. Bush's health, "whether there's any ground for it or not," and that made them worry about Mr. Quayle, whom many would not trust with the Presidency. It was not fair, Mr. Rudman added, "but it exists, and people have gone to the President to tell him about this."

The discussion about a new Vice-Presidential candidate centered on Defense Secretary Dick Cheney, who is believed to be as acceptable to conservatives as Mr. Quayle. Most Republican politicians believe that Housing Secretary Jack F. Kemp, another popular conservative, would find it hard to work closely with Mr. Bush.

Until the Los Angeles riots in late April and early May, Mr. Kemp was all but ostracized by the White House, and his often innovative ideas were usually

Candidates On Television

The Presidential campaigners have scheduled these television appearances in coming days:

Gov. Bill Clinton

SUNDAY: 9:30 P.M., C-SPAN, interview.

Sen. Al Gore

SUNDAY: 10 P.M., C-SPAN, interview.

given short shrift.

But Mr. Cheney might present problems, too. He has had a history of heart problems and has undergone bypass surgery, although he appears to be in robust health now. Putting him on the ticket would also give him a head start on the 1996 campaign, which might alienate a large number of other Republican hopefuls, including Mr. Baker.

Even the chance that Mr. Quayle, a former colleague, might be sacrificed clearly pained most of the Republican Senators. Mr. Rudman said, for example, that "he's a lot better than most people seem to think, and he's a very good friend of most of us, but the public perception is just not very good."

Senator Alfonse M. D'Amato of New York also mentioned concerns about the President's health as an element hurting Mr. Quayle, and said the White

House "is going to have to come to grips with this, sooner or later."

The President and his physician have both denied that he has any serious health problems.

Loyalty to Subordinates

"There is no Bush campaign now," Senator D'Amato said. "We have to make changes, get rid of Darman and Brady, and get bold, decisive leadership."

Many Republican insiders have come to believe in the days since the Democratic convention that Mr. Bush would be obliged to consider dropping Mr. Quayle by the very perilousness of his situation. But most, like Senator John McCain of Arizona, said they thought the President would refuse to do so because of his strong belief in loyalty to subordinates and because of political reality.

"He should have fired Brady and Darman a long time ago, but that isn't his way," Senator McCain said. "The only way Quayle will go is if he concludes that this battering is bad for him and the party, which is certainly possible."

By replacing Mr. Quayle, Mr. Bush would be tacitly admitting that he had erred in choosing Mr. Quayle in the first place, and he would be breaking his repeated pledges to keep him on the ticket. Moreover, it might not solve the problem. As the Vice President's aides and backers argued feverishly today, the President has had both good ratings and bad with Mr. Quayle at his side.

"Bush doesn't have a Quayle problem," said Richard A. Viguerie, a conservative consultant, in a comment typical of Quayle supporters. "Bush

has a Bush problem. Dan Quayle musn't be scapegoated in the President's re-election strategy. President Bush's troubles are a direct result of his failed economic policies."

Perilous Time for Quayle

Representative Vin Weber of Minnesota, a leading conservative in Congress, said: "The period between now and the convention is a period of some risk for Quayle, because people looking for a quick fix will call for dumping him." "The conservative base of the party that has a lot of respect for what Dan Quayle has done over the last four years will resent even the discussion of dumping him, and it distracts attention from the real problems."

The pending switch of Secretary of State James A. Baker 3d from diplomacy to campaign management appeared to be one factor feeding the speculation. A senior Republican who rode the Bush campaign plane four years ago commented, "I saw how bitterly Jim Baker resented the selection of Quayle then, and I have to believe he will try to move him out as soon as he takes control."

That is expected to take place in mid-August, before the Republican convention opens in Houston. Asked about a news article in The New York Times this morning reporting the change, Mr. Bush's spokesman, Marlin Fitzwater, said that "it's all speculation," but did not deny it.

Traveling in the Middle East, Mr. Baker also avoided a denial, but he said, "Until you hear it from the President of the United States and the Secretary of State of the United States, I wouldn't make book on it."

U.S. Aides Split Over Whether to Attack Iraq for Defying U.N.

By PATRICK J. TYLER
Special to The New York Times

WASHINGTON, July 22 — Senior Administration officials are divided over whether to mount a military strike against Baghdad and, if an attack seems necessary, whether it could be done effectively enough to avoid backfiring in the midst of President Bush's re-election campaign, officials said today.

Publicly, the White House spokesman, Marlin Fitzwater, said today that Iraq "must be held accountable for its defiance of the U.N. resolutions and for the safety of all U.N. personnel in Iraq, as well as other international personnel providing assistance to the Iraqi people." He added, "We are not ruling out any option, including the use of military force."

But privately, fears that President Saddam Hussein could emerge from any allied military action unfazed politically and emboldened in his defiance of Washington have sent State Department lawyers and Pentagon planners scrambling to devise a military solution that would meet a specific military objective and would be perceived as having changed Mr. Hussein's behavior and improved his compliance with the cease-fire resolution that ended the Persian Gulf war 17 months ago.

Defense Secretary Dick Cheney was said by Administration officials to have joined Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, in questioning the use of military force at this time, but a clear consensus has yet to emerge. It seemed certain that with Secretary of State James A. Baker 3d traveling in the Middle East, Mr. Bush had not gathered the small group of top aides to review his final options, as was his pattern during the gulf war.

Position Papers Circulate

A high-level White House meeting of Administration "deputies" was canceled Tuesday as additional position papers circulated raising new questions about the use of force, Administration officials said.

Mr. Baker was scheduled to meet with King Fahd of Saudi Arabia on Thursday to discuss anti-Iraq planning as well as the Middle East peace process. The Saudis have granted permission for American and allied air forces

to use Saudi bases to stage any United Nations-sanctioned mission against Iraq, Administration officials said.

At the Pentagon, however, one paper drafted this week by Carl W. Ford Jr., the principal Deputy Assistant Secretary for International Security Affairs, articulated what one official described as a convincing case that military action was fraught with risks if it was not properly focused and proportional.

One Administration official signaled the acute White House concern over the prospect of military impotence by saying: "There is no political motiva-

A raid might backfire during the Presidential campaign.

tion to talking about military action. If anything, the pull is the other way."

Administration officials said the longstanding conventional wisdom that a well-timed military strike against Baghdad might reclaim for Mr. Bush some of the political luster he garnered from the gulf war operation has now been eroded by the fear of taking action that does not produce results.

Bush Seems Determined

Still, Mr. Bush has projected an aura of studied determination this week. Boarding his Presidential helicopter Tuesday, he said, "We want Iraq to comply with the United Nations resolutions, and we are insisting that they comply with the U.N. resolutions."

The Iraqi leadership appeared to be calculating that Mr. Bush's political vulnerability in a Presidential contest against the just-struck Democratic ticket of Bill Clinton and Al Gore has instilled a new sense of caution about a potentially risky military venture that, whatever it achieves, would probably leave Mr. Hussein in power.

Iraq's Ambassador to the United Nations, Abdul Amir al-Enbari, recently returned from Baghdad, bluntly told

reporters in New York "throwing a bomb or two, whether on Baghdad or here or there, is not going to change" matters. To the contrary, he said, such limited strikes show that the United Nations Security Council, "cannot do much" without "the cooperation of the Iraqi Government."

Nevertheless, there is a deep, underlying sense in the Administration that Mr. Hussein has just survived the most significant attempted revolt from his army since the war's end, and that although he brutally and efficiently detected and pre-empted the coup plot late last month, it signified the overall weakness of his position.

Bombing Ministry Ruled Out

Mr. Hussein's new aggressiveness toward the United Nations presence in Iraq could thus reflect a more desperate need to break the international blockade that has been strangling Iraq's economy by denying Mr. Hussein any source of national income.

One major predicament for Administration planners was devising a punitive military strike that is "proportional" to Mr. Hussein's defiance in refusing to allow United Nations inspectors to enter Iraq's Agriculture Ministry, where an archive of documents on Iraq's ballistic missile program is suspected of being hidden.

A plan to bomb the ministry has in effect been ruled out, officials said.

Such a strike would destroy the very evidence the United Nations is seeking and would not be likely to change Mr. Hussein's behavior, officials fear. It would also reduce to rubble a civilian building whose leaders oversee food and crop production in Iraq.

Plans to bomb other military and industrial targets in Iraq may not meet the legal test that has been asserted by some Administration legal experts. These experts argue that United Nations authority for allied military action may be limited to targets that are related to Iraq's violations.

Other officials, however, argue that the target list has been expanded as the United Nations Security Council has cited Iraq for more and more numerous violations of the terms of the cease-fire and its follow-on resolutions.

Administration officials emphasized that there was broad consensus in the Government and among the allies to take some action, but Mr. Hussein's provocation, narrowly defined as his refusal to open his Agriculture Ministry, has thrown military contingency planning into a quandary.

"If the point is that you want to get files out of the Ministry of Agriculture, what's the best way of doing that," a Pentagon official said. "Bombing it? Probably not. We've worked ourselves into a very narrow box, and now we don't know what to do."

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Washington Talk

Congress Reaches for Some Respect

By ADAM CLYMER
Special to The New York Times



WASHINGTON, July 22 — For a number of reasons, most of them pretty good, Congress is feeling unappreciated these days.

Because the Democrats run the place, it's mostly their problem, although the No. 2 House Republican, Newt Gingrich of Georgia, got to share the feeling Tuesday, when an underfinanced former State Senator came within 1,000 votes of denying him renomination in a primary.

But that was just one Republican, and even in Georgia one Democratic incumbent was beaten outright and another forced into a runoff.

And just about all the Congressional Democrats got little more than bit parts at their party's convention last week. This week, they have been trying to explain that Gov. Bill Clinton, their Presidential nominee, must have been referring to just the Republicans when he talked about "brain-dead politics" in Washington.

For months, its leaders argued that Congress's popularity would improve just as soon as it started passing some important legislation. Well, the latest New York Times/CBS News Poll shows that only 18 percent of the nation's registered voters approve of how Congress is doing its job. That's no occasion for cheering, and only a minuscule improvement from the 14 percent recorded in March, when the House bank scandal was at its height.

So today the Democratic leaders held one of their oddest news conferences in months, to announce that they had sent President Bush a higher-education bill that would greatly broaden the availability of student loans to middle-income students.

Usually, lawmakers proclaim the introduction of a bill. Sometimes they call reporters together to bask in the afterglow of winning a fight to pass an important measure. But the Senate passed this bill three weeks ago, and the House followed two weeks ago. The moment of sending an enrolled copy of the bill to the White House was hardly high drama.

Odd as the event was, it had a simple purpose. The Democrats were trying to keep Mr. Bush from getting all the credit with the middle class when he signs the bill on Thursday. So they pointed out that he had opposed much of it and that his aides had threatened a veto last month.

What they didn't get around to bringing up was that it was a Pennsylvania Republican, Representative Bill Goodling, who persuaded Mr. Bush to support the bill despite bankers' complaints that its loan provisions would cost them a lot of money. In today's atmosphere, the Democrats didn't feel like sharing credit with any Republicans at all.

The Democrats have come back to town eager to share the limelight with their national ticket, for the simple reason that they sense it has a decent chance of winning the election. Mr. Clinton, despite an occasional unkind phrase toward Congress that irri-

tates lawmakers, is looking better and better to Democrats here. His running mate, Senator Al Gore of Tennessee, is a colleague who served with many of them in the House before his election to the Senate in 1984.

Representative Richard A. Gephardt of Missouri, the majority leader, flew to St. Louis to appear with the Democratic ticket today. Speaker Thomas S. Foley of Washington plans to join them in Spokane early in August. And rank-and-file lawmakers were often on hand as the bus caravan moved through the Midwest.

Others are looking for more than political companionship. They want help. Requests are being made, to Mr. Gore in particular, to come out and campaign and raise money.

Democrats weren't this cheerful four years ago, whatever the polls said about Gov. Michael S. Dukakis of Massachusetts. In fact, it's been a long time since Democrats returned from their convention this optimistic — perhaps not since 1976.

Representative Vic Fazio of California, the chairman of the Democratic Congressional Campaign Committee, said the optimism was encouraging. "At the moment," he said, "people want to identify with the ticket." Then he added, with the experience born of disappointments: "But stay tuned. It could change."

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NEW YORK, THURSDAY, JULY 23, 1992

Canada's Medical System Is a Model. That's A Fact.

By Theodore R. Marmor
and John Godfrey

NEW HAVEN

Critics of Canada's medical care system contend that it is no model for America and that its good reputation vastly exceeds its mixed performance. Their claims that Canada's program is less effective and no less costly than American care, and that it is beset by horrific waiting lists and unhappy doctors, are caricatures.

This myth-making is predictable. Because Canada has restrained its health care costs more successfully than we have, those who feed at America's \$800 billion medical feast are frightened. Hence, Canada-bashing by special interests like the American Medical Association and Health Insurance Association of America, a trade association. After all, cost control means reducing the medical providers' income — the one unassailable axiom of medical economics.

Actually, Canada provides an attractive model for American reform. Canada (like most industrial democracies) combines universal health insurance with clear political accountability for raising and spending money for health services, and for the quality of the care the money buys.

Yes, Canada has its problems and, no, its national health insurance program (known as Medicare) cannot be

directly transplanted. But Canada balances access, cost and quality in ways the U.S. should find instructive.

Primary and emergency care, universally insured, are readily available. No financial or administrative barriers prevent patients from seeking the services of any family doctor. Canadians are not assigned doctors from approved lists, but rather choose them: It is that simple.

Canadians visit physicians more often than Americans do and are highly satisfied with the service and the system. With a single insurer, the provincial government, there is far less paperwork for patients and doctors. More important is the widespread sense of security that comes from knowing that illness, however catastrophic, never results in financial disaster.

Are some high-tech items in shorter supply in Canada than in America? Undoubtedly. Were America to disappear, Canada would have the world's most ample supply of intensive-care units and diagnostic machinery. The real question is whether the U.S. is oversupplied with marginally effective high technology, not whether Canada is in the medical stone age.

Are there delays and waiting lists? Some, particularly for non-emergency heart surgery and hip replacement. The waiting is, however, hardly

serious: Government statistics show that 96 percent of Canadians over the age of 15 get their care within seven days of requesting it.

Nevertheless, critics in conservative American think-tanks such as the Heritage Foundation propagandistically tell stories of endless waiting in Canadian medicine. The reality is far less worrisome, but the media com-

**Don't listen
to critics who
misrepresent it.**

municate the misinformation by repeating its anecdotes.

Is Canadian care as expensive as ours? In 1991, Canada spent about 9.2 percent of its national income for medical care while the U.S. spent 12.3 percent; the proportions for 1971, the year Canadian Medicare became universal, were 7.3 percent and 7.4 percent, respectively. So, over two decades Canada learned how to insure everyone while spending less.

Doubters will object that Canada achieved this result by faster economic growth, not by less medical spending; this is partly true, but so what?

Controlling costs means living within one's means. Canada, with a health budget, decides what to spend for care. Budgetless America learns about its health costs only after the fact; few celebrate the result.

Those who attack Canadians' health insurance claim that their nation's social circumstances are so different from ours that nothing can be profitably learned by looking north. Such arguments are wildly exaggerated or simply inaccurate.

We are told Canada has proportionately fewer costly patients — the old and the poor. In fact, 11 percent of

Canada's population and 12.2 percent of ours is over 65, a trivial difference, especially when contrasted with those of Germany and Sweden (where 16 and 17 percent of the citizenry, respectively, is old), which provide less costly medical care than we do.

Yes, there are proportionately fewer poor Canadians. But the implication that our exploding medical costs are caused by treating the poor — millions of whom are not insured and received little care — is mistaken.

We read that the Canadian medical system works well because of the country's disciplined parliamentary democracy. Yes, it does work well, but not primarily for that reason. Canada's supposedly disciplined Government has a budget deficit comparable to ours, and its federal system is in danger of collapse from Quebec separatism. Most Canadians love their Medicare but view government no more favorably than we do.

Canada is the country closest to ours in wealth, geography, ethnic diversity and patterns of medical practice. If we cannot learn from Canada, we cannot learn from any country. □

Note to Readers

The Op-Ed page welcomes unsolicited manuscripts. Because of the volume of submissions, however, we regret that we cannot acknowledge an article or return it unless it is accompanied by a self-addressed, stamped envelope. If manuscripts are accepted for publication, authors will be notified within two weeks.

Theodore R. Marmor, co-author of "America's Misunderstood Welfare State," is a fellow in the population health program of the Canadian Institute for Advanced Research. John Godfrey, former editor of *The Financial Post*, a Canadian newspaper, is institute vice president.

The New York Times

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Associated Press

Perot's Army Disbands, but Some Troops Reorganize

Supporters of Ross Perot in South Carolina have formed a new organization headed by Betty Montgomery of Campobello, right, to continue their drive to add Mr. Perot to the state's Presidential ballot.

While volunteers in several cities said they were as busy as ever, many disgruntled supporters have disconnected phones, cleared out their desks and closed down their operations.

The New York Times

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NEW YORK, THURSDAY, JULY 23, 1992

Bush on the Attack

But Charges Against Clinton and Gore Could Raise His Own Negative Image

By ANDREW ROSENTHAL

Special to The New York Times

WASHINGTON, July 22 — President Bush has wasted no time attacking the Democratic nominee, accusing Gov. Bill Clinton this week of peddling birth control pills to teen-agers without their parents' consent and encouraging children to "haul their parents into court."

News Today, Marlin Fitzwater, Mr. Bush's spokesman, accused Senator Al Gore, Mr. Clinton's running mate, of selling out the economy to environmentalists and making America look bad before the world.

Analysis Mr. Bush's own attack on his rival is generally couched in vague references to "they," rather than to Mr. Clinton personally. The Bush campaign said the President was talking about "people in general" who advocate the policies he was criticizing.

But the campaign acknowledged that Mr. Clinton fell into that group, and it was evident that Mr. Bush had the Arkansas Governor in mind in his remarks. Some of what the President said has some basis in fact or amounts to a political argument that cannot be proved one way or another. Other charges seem misleading.

Wife's Writings Cited

In one case Mr. Bush appears to be trying to use old legal writings by Mr. Clinton's wife, Hillary, about the rights of minors to give voters the impression that Mr. Clinton would encourage children to sue their parents.

Mr. Fitzwater said he attacked Mr. Gore's environmental record because the Democrats were the first to "go negative." But Republicans have been attacking the Democrats all year. And their strategists are counting on such

wants to be Vice President. Now he tries to talk about economic growth when he spent a week in Rio saying "The heck with the economy; sell it out to the environment."

Business vs. Environment

The Senator did not say that exactly. Moreover, both candidates say they favor both environmental protection and economic growth. But the White House says Mr. Gore would bankrupt businesses by imposing costly regulations, while the Clinton camp says Mr. Bush favors businesses at the expense of the environment.

"The Administration is so blinded by its big contributors that it can't see that simple truth," said George Stephanopoulos, Mr. Clinton's communications director.

Other charges are more specific.

In a speech Tuesday at the Three Saints Russian Orthodox Church in Garfield, N.J., Mr. Bush said the 1992 Presidential election was a choice between himself and "the advocates of the liberal agenda."

"They want public schools to hand out birth control pills and devices to teen-aged kids, and they believe it's no business of the parents and that it's strictly a matter between our children and the Government," Mr. Bush said.

Clinics at Public Schools

The President appeared to be referring to clinics at public schools in Arkansas that receive Federal and state money. Under the program, which Mr. Clinton supports, local school districts can dispense condoms, birth control pills and spermicidal foam at the clinics.

Mr. Stephanopoulos said children must have parental consent to use the clinics. Mr. Clinton supports the distribution of condoms, he said, "to prevent AIDS and to help prevent unwanted teen pregnancies."

In the same speech, Mr. Bush asserted: "They even encourage kids to hire lawyers and haul their parents into court. And I believe kids need mothers and fathers, not 'big brother' bureaucracy, and the bond between the parent and the child is sacred and it is fundamental."

Responding to that charge today, Mr. Stephanopoulos said: "That's spurious and specious, because it has nothing to do with Clinton's record or his plans. It's a legal analysis, and it's Hillary's legal analysis."

Mrs. Clinton, who has served as co-chairwoman of the Children's Defense Fund, said in articles written for legal journals starting in the 1970's that children should be allowed in some circumstances to bring legal action against their parents. She said the longstanding legal principle that adults are presumed "competent" in the eyes of a court and that children are not should be re-examined.

Mr. Stephanopoulos said this was not intended to "encourage" children to sue their parents, but to give courts some recourse in cases of abuse or neglect. He provided this citation from an article by Mrs. Clinton, entitled "Children's Rights, a Legal Perspective," published by Columbia University's Teacher's College in 1979:

"Even among persons in the children's rights movement there is a concern that extending rights to children against their parents is too difficult to

Trying to assess the accuracy of accusations by the White House.

attacks — which spring from voluminous research by the Bush team, just as Mr. Clinton's team has been researching Mr. Bush's past — to drag down the Democrat's approval ratings.

Political history shows that this approach can be effective and that campaign charges need not be entirely true to hurt an opponent. Indeed, in 1988 much of Mr. Bush's strategy against Michael S. Dukakis, then the Democratic nominee, was based on accusations of varying accuracy that were intended to chip away at public trust in his character and patriotism.

Bigger Risk This Time

But politicians from both parties suggest that Mr. Bush is taking a much bigger risk this time by focusing his campaign on attacks against Mr. Clinton, since polls show that the President's own negative image with voters is very strong.

"Bush is in trouble because people don't think he's committed to changing anything," said Representative Vin Weber, Republican of Minnesota. "He can't fix that just with a negative campaign. It's not enough."

Some of the things the candidates are saying about each other simply cannot be assessed easily for some black-and-white truth.

Mr. Fitzwater, for example, sharply criticized Senator Gore today for going to the Earth Summit in Rio de Janeiro last month and condemning Mr. Bush's refusal to sign a new treaty on endan-

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President Bush dismissed as "a lot of crazy rumors" speculation that Vice President Dan Quayle may be replaced on the Republican ticket. Mr. Bush greeted students yesterday at an elementary school in Arlington, Va., where he joined a discussion about a community anti-drug program.

Paul Hesteros/The New York Times



AIDS Puzzle: No Cause for Panic

The mysterious cases of AIDS-like illness that have sparked public alarm in the past few days need further investigation. But they are not yet a major public health threat — and may never be. The need now is for intensified study, and full release of data by scientists who have been hoarding it.

At latest count, some 30 individuals around the world have been found to have symptoms of AIDS, such as depressed immune systems and severe pneumonia, but no traces of infection with H.I.V., the virus that causes AIDS.

None of the experts attending the international AIDS conference in Amsterdam have an explanation for the phenomenon. No one even knows if the patients are all suffering from the same thing, or from a variety of unrelated conditions that might depress the immune system.

The most worrisome possibility is that a previously unknown virus might be responsible, either a variant or mutation of H.I.V. or an entirely different microorganism. Several scientists believe they have detected such an agent but none have yet published findings.

If a new virus is found, it would pose a risk to the blood supply — but probably a small one. The blood supply was once a significant route for spreading the AIDS virus, but in recent years it has become very safe. Blood banks screen out most of the donors who might have AIDS by asking, for example, if they have shared drug needles or had male-on-male sex. They then test every pint of donated blood for antibodies that indicate the donor was infected with AIDS.

True, the testing is not foolproof. But it is remarkably effective. Only 21 cases of AIDS have been attributed to transfusions from screened blood since the program started in 1985, a truly minuscule

number. An individual who gets a blood transfusion today has only a 1-in-60,000 to 1-in-250,000 chance of contracting AIDS from it.

If there is now a new virus that can cause AIDS, not detectable by current laboratory tests, the risk will presumably rise — but perhaps not by much. Many of those who have the mysterious illness have engaged in the same risky habits as those with full-fledged AIDS, and would thus be screened out as donors by the same battery of questions.

If a new virus is eventually identified, a new screening test will be urgently needed. Meanwhile, the best advice to those planning elective surgery remains what it has always been: Donate your own blood in advance. But in an emergency, the benefits of a transfusion dwarf the risk of AIDS.

The strange new AIDS-like cases may yet turn out to be more a scientific curiosity than a public health hazard. The 30 cases so far are blessedly small against a background of more than 230,000 AIDS cases in the U.S. since 1981. And no common thread has been found to link them. A full-scale investigation of all the cases deserves high priority.

The inquiry will not be helped by the disgraceful behavior of some scientists. A few key researchers, apparently eager to gain credit as the discoverers of a new AIDS virus, have not been sharing their data or insights with health officials until their findings are published in scientific journals. And the Centers for Disease Control, normally quick to sound a health alarm, has foolishly been sitting on some early case reports while awaiting the unavailable data.

There is no time to lose in getting to the bottom of this mystery. All scientists with relevant data have an obligation to report their cases to the C.D.C. immediately, and the C.D.C. has an obligation to speed its investigation.

The Hell Called Somalia

War, drought, the collapse of civil authority: these are the malign toxins that threaten the very existence of Somalia, a husk of a country on the Horn of Africa. As Jane Perlez of The New York Times reports, a third of Somalia's more than 4.5 million people are likely to starve to death within six months. A third of a country! Small wonder a Red Cross worker exclaimed in despair: "Here is hell."

Worse, this hell is man-made, the result of a clan-based civil war waged by roving gangs of teenagers. The violence erupted after the overthrow last year of Somalia's longtime strongman, Mohammed Siad Barre, who played on cold war rivalry to amass a huge arsenal of weapons.

Could more be done to stop the fighting and feed the famished? Absolutely. But fearing a quagmire, the big Western states have averted their gaze. And unlike the Ethiopian famine in 1984-1985, which also occurred during a civil war, there have been no Live Aid concerts, no chorus of pop stars singing "We Are the World."

Granted, Somalia competes for the world's attention with the slaughter in Sarajevo, the plight of Iraqi Kurds, the life-threatening droughts elsewhere in Africa and a global AIDS plague. And diplomats have seized on the particulars of Somalia to justify an inadequate United Nations humanitarian effort.

Somalia has no functioning government. Fighting persists despite a cease-fire in the capital, Mogadishu, whose de facto master is a capricious warlord named General Adid.

Citing this chaos as a pretext to do little, the Security Council voted to send only 50 unarmed U.N. military observers to monitor the cease-fire and speed the delivery of food and medicine. This token force was the most the Bush Administration felt it could prudently support.

Some U.N. officials, Ms. Perlez found, believe that more food could be airlifted into the interior even with this limited presence. Some Americans, notably Senator Nancy Kassebaum of Kansas, favored sending 500 armed peacekeepers to back up the biggest-ever International Red Cross relief operation.

But Somalia's agony underscores a more basic need: an effective, mobile U.N. peacemaking force, strong enough to quell the warlords.

Secretary General Boutros Boutros-Ghali has called for the formation of just such a force, consisting of volunteers, available on 48-hour call from U.N. members. But with the exception of France, the big Western powers have shown little interest in his suggestion. And George Bush, the New World President, has said nothing about this proposal, or about Somalia. Meantime, a third of a country inches toward the grave.

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The New York Times

NEW YORK, THURSDAY, JULY 23, 1992

Foreign Affairs

LESLIE H. GELB

From Bush to Shove

Saddam Hussein's defiance of U.N. inspection rights in Iraq has put George Bush out on the shakiest limb of his Presidency.

If Mr. Bush does nothing and allows Saddam to get away with violating U.N. cease-fire terms, he calls his foreign policy leadership into question and mocks his own finest hour, the Persian Gulf war.

If he takes military action, he still might not be able to force Saddam into submission and risks charges of playing campaign politics with lives.

President Bush wants to do the right thing, namely deliver a convincing military blow against Iraq. But he is having an extremely difficult time figuring out what blows would be convincing, gathering allies to participate and gaining support from the U.N. Security Council.

Mr. Bush finds himself in one quandary after another. He knows that any force he uses must be consequential; that is, cause serious hardship for Saddam. But if it is big enough to be consequential, it may be too big to garner allied and U.N. backing. And if it is small enough to satisfy most allies and the U.N., it is not likely to be big enough to be consequential.

Saddam is not making Mr. Bush's task easier. Last September he stupidly refused U.N. inspectors entry into an important weapons facility. After a confrontation, he backed down. This time, he more cleverly made his stand against the inspectors searching for military documents in the Agriculture Ministry.

He probably calculates that he can

William Safire is on vacation.

Bombing Iraq, a dicey must.

get away with such a seemingly insignificant slight. And he certainly draws comfort from Mr. Bush's fall in popularity. What better time to challenge the gulf war victors?

Or what worse time? For as the Presidential elections approach, Mr. Bush simply cannot afford to do nothing. His problem, rather, is to divine the possible and sensible.

Mr. Bush's first step was to show Americans a pattern of Iraqi violations on top of Saddam's defiance at the Agriculture Ministry. The State Department did so recently by detailing a continuing pattern of violations: refusing to join Iraq-Kuwait border talks, terrorizing relief workers in northern Iraq and rejecting U.N.-mandated plans for paying war reparations with Iraqi oil exports.

The second step, extracting attack plans from the Pentagon, is turning into a big problem. Pentagon officials and the Joint Chiefs are reluctant to use force and say they cannot come up with targets that promise good odds of forcing Saddam to his knees. But that goal goes beyond sending the necessary tough political message and defines the problem in a way it cannot be solved. It thus argues for inaction or guarantees failure.

Which is why step three, getting the allies on board, compounds Mr. Bush's woes. The Saudis will join the

attack, but only if it is massive and offers a reasonable chance to break Saddam's will. The British and French will add their bombers, but only if the attack is limited.

Step four, gaining U.N. Security Council support, is proving equally elusive. The Russians are fence-sitting, and no one will bother approaching the Chinese — whose neutrality is once again hoped for — until everyone else is lined up. Other Council members have been lukewarm, and Secretary General Boutros-Ghali has not tipped his hand.

Another holdup is whether to seek a new Council resolution authorizing military action. Some even believe it is legally required for anything other than a limited attack.

The key to breaking this logjam is to focus sharply on the stakes for the U.N. If the U.N. cannot bend Saddam to its will now, all hope vanishes of establishing this body as a force for peace and peacekeeping. If the U.N. cannot meet the test in Iraq, where war was "won," it will have no credibility and authority anywhere.

From this prime principle, it follows that the U.N. must act and that its means must be sufficient to its ends. Allied military planners have to see their task not in narrow military terms, or in terms of breaking Saddam's will or deposing him, but strategically — to prove that defying the U.N. comes at a high price. Key allies must agree on military measures necessary to send a message of resolve. The Security Council has to enforce its own resolutions. Anything less would be a disaster for George Bush and the U.N. □

The New York Times

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NEW YORK, THURSDAY, JULY 23, 1992

Clinton as Polonius

By Clancy Sigal

LOS ANGELES
George Orwell was convinced that corrupt language — inflated imagery, stale metaphors, meaningless words — corrupted thought. As I watched the Democratic convention, his ghost reminded me that “euphemism, question-begging and a sheer cloudy vagueness” in political language was not unique to Britain in the 1930’s.

Am I the only left-leaning progressive who feels asphyxiated every time Bill Clinton makes a speech? Forget Al Gore, who has so mastered Non-Speak that a pharmaceutical company should buy the rights to him as a nonaddictive alternative to Seconal.

But just as Mario Cuomo is the Democratic Party’s Hamlet, Bill Clinton is its Polonius, a near-genius of the cloudy and orotund. There are bores and there are deadly bores, and there are calculated bores who put us to sleep because they need us unconscious to commit daylight robbery.

The British Laborite Dennis Healey once said that listening to the waffling Foreign Minister Geoffrey Howe was “like being savaged by a dead sheep.” After sitting through Bill Clinton’s acceptance speech, I felt as if wool from that sheep had been stuffed into his mouth — and my head.

Aside from Republicanizing the Democrats — calling business a “noble endeavor” in the platform and inducing the “party of the people” to accept an essentially G.O.P. agenda of “responsibility” and “family values” — what are Mr. Clinton and his Mephistopheles, party chairman Ronald Brown, up to?

In rhetorical terms, their problem is how to shut up the often noisy minorities that have made previous conventions fun to behold and hell to win elections with. The fix is in — everything is in place for a sellout. But how can we get all those African-Americans, gays, feminists, Latinos, old-fashioned New Dealers (like myself) and assorted malcontents to buy it?

If you told them bluntly what “more empowerment and less entitlement” or “entrepreneurial government” really meant, they’d bay for your blood. So you buy off potential dissidents like Mario Cuomo and Jesse Jackson by appealing to their good-soldier reflexes (and whatever perks, like a Supreme Court seat, you may

dangle). But the ticklish problem remains: How can you persuade the most liberal-activist wing of “the Amurrican people” to swallow from a Democrat what might enrage them from a Republican? You hornswoggle them with dead-sheep language.

By now, even intransigents like me want the Democrats to win an election. We’ve got to play hard ball. But I just hate being taken for a sucker by my friends. We all know what the deal is. The nation is plunging into a very serious economic crisis for which nobody has an answer. People are scared to death and need a sense of being looked out for.

When all is said and done, the skimpy safety net woven by the New Deal-Fair Deal-New Frontier Democrats is our first defense against the savagery of a heartless profit system that has profited so many of us but now threatens to eat us alive.

How do you manage a minimal welfare state whose capitalist economy is going to hell? And who makes the political decisions — on what principles? — that come down to starving or nourishing the poor, helping or throwing overboard the aged, killing off which industries to invest in others?

When he orates,
I get my zzz’s.

It’s not a vision thing but a money thing. If we stray too far from the reality of money, we wander into the mushy swamp of the New Covenant. (Even if somebody put a gun to your head, could you explain what New Covenant means in 100 words or less?)

Mr. Clinton’s wooliness is not an amiably minor blemish but a product of hard political choices that need to be tenderized until our senses grow dull. But is there no risk in finally breaking the connection between language and meaning?

“Orthodoxy, of whatever color, seems to demand a lifeless, imitative style,” Orwell said. Today, he might amend that to include the bathos, sanctimony and humbuggery of Democratic speechifying, which leave us, voters and potential precinct workers, with a nerve-wracking decision: whether to say “phooey!” to corrupt language or take Pepto-Bismol and go down the line with politicians who collude with us in camouflaging the genuine terrors of what lies ahead. That, too, is a hard choice. □

Clancy Sigal, a novelist, is author of “The Secret Defector.”

The Washington Times

THURSDAY, JULY 23, 1992 *

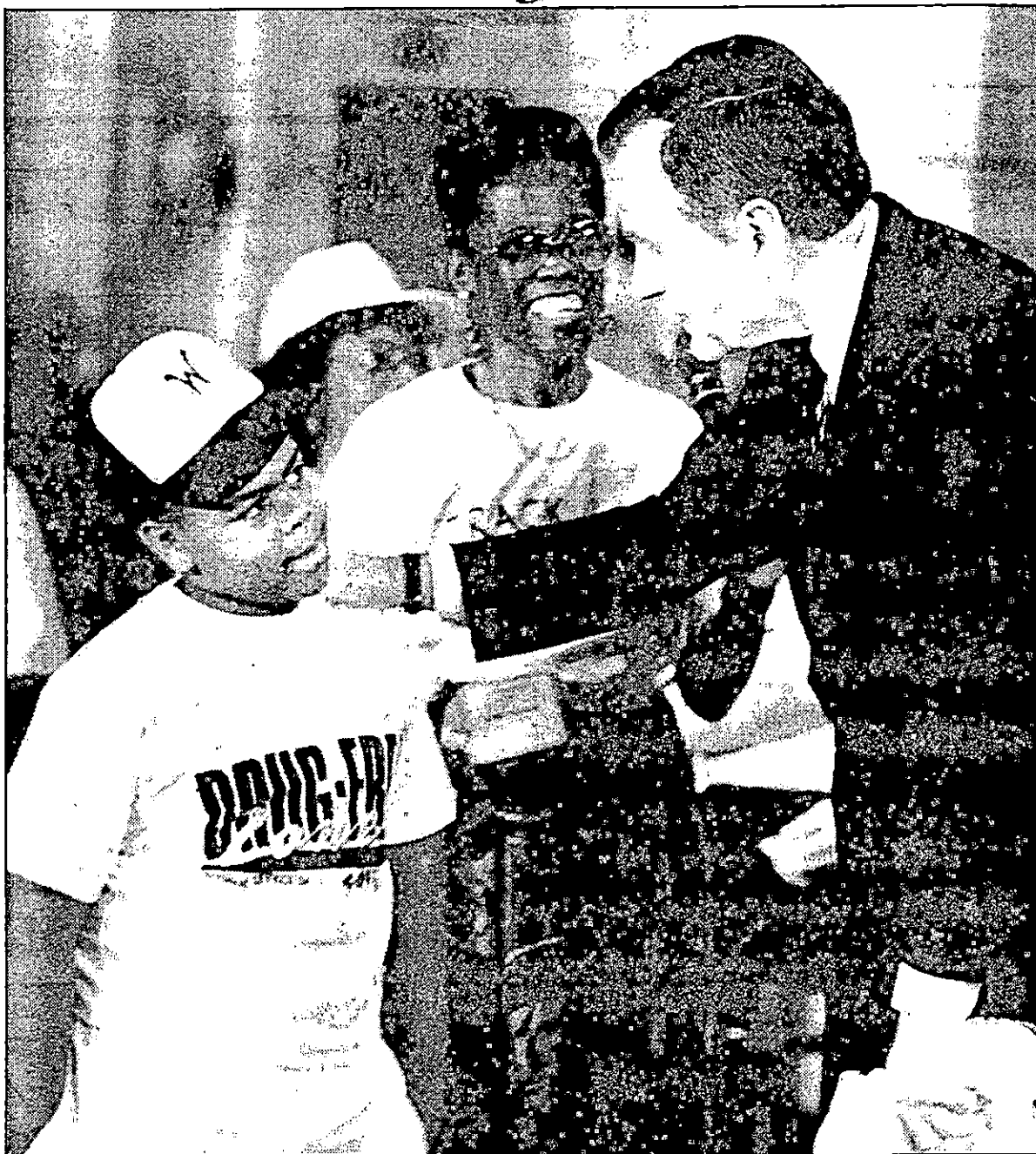


Photo by Sharon Natoli/The Washington Times

Brandon Dunbar, 10, receives some presidential advice yesterday. Joan Cooper watches the exchange.

Offhand remark brings Bush to citizens patrol's celebration

By Dace Embrekte
THE WASHINGTON TIMES

Joan Cooper, the founder of a citizen anti-crime patrol in Arlington's Nauck-Green Valley neighborhood, was joking when she told a Bush administration official to bring her boss along to the group's second-anniversary celebration.

The aide took her seriously, though, and yesterday President Bush showed up at the ceremony to praise the community group.

"This community is setting an example for the rest of the nation," Mr. Bush told an audience of about 400 children and adults at the Drew

Model School.

Members of the patrol group wore yellow T-shirts with "Crack down on drugs" written in black. Mr. Bush was given a T-shirt and an invitation to join the patrols.

Mr. Bush, who arrived by helicopter with Rep. Frank Wolf, Virginia Republican, spent much of his visit listening to neighborhood residents and answering their questions.

"Don't let the children get lost, because we've got some beautiful kids, whether they're black, white, Hispanic or whatever," urged Juanita Hicks, a neighborhood watch activist.

"What a way to celebrate the sec-

ond anniversary," said Ms. Cooper, an Arlington County Police Department community services technician. Her son, Carlton, finished serving nearly five years in prison for drug charges earlier this year.

Carlton "is the reason why I am here," Ms. Cooper said. "I am frustrated and mad about the drug problem and how it is affecting our children."

Arlington Police Chief William Stover said the community patrols have made a difference in the Nauck-Green Valley neighborhood.

"The success of this has really been the police and community working together," he said. "We can see the difference."

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Democratic debt to Quayle?



Suzanne Fields, a columnist for The Washington Times, is nationally syndicated.

"When you've seen your reflec-

see FIELDS, page G3

From page G1

"The Comeback Kid" is even making the Bible "the Comeback

Murphy owes the veep something, too. He put her show on the front burner. Dan Quayle, in fact, is dominating, however indirectly, the early weeks of the '92 campaign. If he doesn't believe it, Bill Clinton, who's supposed to know his potatoes, could just ask Tipper... or Chelsea.

The Washington Times

THURSDAY, JULY 23, 1992 *

Fretting over the Fair formula

Washington Post columnist Robert J. Samuelson, who has contributed much that is sensible to the discussion of economic policy over the years (as well as a few things not so sensible), weighed in yesterday with a piece on the Fair formula — so named for economist Ray Fair of Yale University. Mr. Fair has tracked the results of presidential elections against the performance of the economy in an effort to come up with a formula for predicting winners.

Mr. Fair's results have been good. His formula predicted that George Bush would get 53.2 percent of the vote in 1988. Mr. Bush got 53.9 percent. As Mr. Samuelson notes, "Since 1968, the formula has missed the actual vote by an average of about 1 percentage point. Since 1916, the error averages only about 2 percentage points." One election in which the formula under-predicted the result: 1964, in which Lyndon Johnson defeated Barry Goldwater by 7 percentage points more than the formula predicted.

What's up for 1992? A George Bush landslide. If the economy grows at an annualized rate between 2 percent and 3 percent between now and November (the forecast offered by most economists) and inflation holds to about 3 percent, the formula says Mr. Bush will walk away with 56 percent of the vote. If the economy doesn't grow in this period at all, Mr. Bush still wins handily with 54 percent of the vote.

Very interesting, this. Unfortunately, it has set Mr. Samuelson to fretting: "Fair's calculations," he writes, "raise a truly subversive notion. It is that our pres-

idential elections are mainly hoaxes. They're entertaining and occasionally enlightening. But they're rarely true contests. The outcomes are almost predetermined. Worse, they hinge on one thing: the economy. Our high-minded belief that elections — at their best — create 'national agendas' or settle critical 'issues' are delusions."

Mr. Samuelson goes on to cast some doubt on his own ruminations in the paragraph just quoted. But he does not go far enough. There is a long distance to travel from the notion that the economy predicts elections to the notion that elections are a fraud. Mr. Fair's formula doesn't support that leap.

There is, in fact, nothing mechanistic about the calculations actual people, as opposed to "the electorate," make when they go to the polls. If the economy is doing well, why should they *not* tend to support the party in power? Americans believe, quite correctly, that the natural state of the economy is growth. They have little use for the mysticism of the "business cycle." When the economy is not growing, they look to their leaders for an explanation. And they hold them accountable. This isn't mechanistic, it's voters' decision-making in a democracy.

As for the notion that the economy is everything, well, perhaps the failure of Mr. Fair's formula to predict the 1964 outcome accurately indicates that the economy isn't everything. In which case, perhaps the results of the 1992 election will reflect a multitude of calculations performed by voters — the way the results usually do.

Getting used to it

The summer months of Washington — a break in the heat notwithstanding — seem an excellent time to take up the subject of vanity license plates. For example, the one spotted on a bright blue car being driven by a woman Tuesday near the Washington Hospital Center.

The D.C. license plate said, "CUNTESS." Now, what on earth is that all about? Well, it is true that seven characters is about as much as will fit on a D.C. tag. So perhaps this is merely a contraction of the word "countess." Perhaps, therefore, it belongs to the woman who is 10th in line for the Yugoslavian throne, or something.

Perhaps not, however. Adjacent to the left of the license plate on the bumper of the car was a small square sticker, about 4 inches by 4 inches. On a rich purple field, there was a single pink character — the Greek letter lambda. Bumper sticker aficionados and others may recognize it as a declaration of homosexual solidarity, in particular lesbian solidarity. All in all, it lends a certain, er, piquancy to the license plate.

A few questions seem to be in order. For the woman

in the car: When you submitted your request for this particular customized tag, did you really think they'd let you have it, or were you surprised that they did? Come to think of it, was this your first choice, or were there other requests that didn't pass muster?

For the D.C. Department of Public Works (and for Mayor Sharon Pratt Kelly): What do you think about this? Any problems here? What exactly are the department's criteria for the acceptability of proposed vanity tags? Who has the ultimate say? Is this tag in compliance with those criteria?

For the courts (you've got to figure this matter may end up there sooner or later): What free speech rights adhere to vanity tags? Once a particular tag has been issued — therefore, once it has been deemed acceptable — is it subsequently revocable, and if so, on what grounds?

If the purpose of vanity tags is to draw attention, this one surely worked. The editorial page would love to hear from the owner of the car, as well as from appropriate city officials. Others are invited to comment as well.

The Washington Times

THURSDAY, JULY 23, 1992 *

Fredericksburg on the Potomac

The Beltway gobbled up a little more of Virginia this week, although that's not quite the way the headlines described it. The news concerned the start-up of a rail line capable of bringing commuters to Washington on a daily basis from as far away as Fredericksburg. The Virginia Railway Express hopes to get people out of cars on traffic-clogged I-95, where the 60-mile commute from Fredericksburg can take up to three hours depending on weather and accidents, and put them on a more leisurely 80-minute train ride to the nation's capital.

Ever since VRE announced plans for the rail line, real-estate agents have been awaiting an influx of people fleeing high-crime, high-cost Washington to spur home sales and prices in the suburbs. Developers are also counting on VRE to generate new commercial projects. Prince William County uses the line to promote itself: "Showing the link to the Washington area is very important to developers and investors," one county official told this newspaper last month.

What it means is that all these people have an even bigger economic stake in government than they did before. The day that a president or Congress decides to cut government down to size is the day that Realtors start wondering about what will happen to their commissions, and developers start wondering about their

business, and homeowners start worrying about what will happen to the value of their houses. In short, people not formally circumscribed by the Beltway may succumb to Beltway-think when it comes time to pull the lever in the voting booth.

Giving Fredericksburg a taste of Washington has other problems. City residents living near the line are concerned that landlords may want to take advantage of higher property values to charge higher rents and force them out of apartments. Homeowners worry about higher property taxes.

The point here is not that development is bad, only that when government directs it, there are unexpected consequences. VRE is a creature of government. It makes its living, directly or indirectly, off Washington. Government boards created it. Government subsidizes two-thirds of its \$18 million capital and operating expenses for fiscal 1993.

Only government could believe VRE will solve the area's traffic problems. Any easing of traffic tie-ups will only attract more cars to I-95. The train will provide subsidized rides for federal employees and generate bonanzas for those who understand how to manipulate government to their economic advantage. And despite geography, it will move Fredericksburg inside the Beltway.

The mysterious case of the moving olive trees

It has long been known that the European Community's Common Agriculture Policy, known to friends and foes as the CAP, is one of the wonders of the world. This extraordinary system of subsidies eats up more than half of the EC budget every year, about \$70 billion worth. Over the years, the CAP has paid Europe's farmers for producing phenomenal surpluses — mountains of butter, lakes of milk, warehouses full of beef — by guaranteeing them a price way above the going world market rate. With a deal like that, who wouldn't be busy as a bee?

But the system is even more wondrous. Some folks have found that they don't need to produce anything at all to benefit from the munificence of the European taxpayer. As revealed recently by the London Observer, fraud runs rampant through this vast system. As much as \$4 billion a year disappears from the EC coffers.

If the perpetrators are short of honesty, they have imagination aplenty. One famous case involves the Sicilian Mafia, which has perfected a technique for extracting the largest amount of subsidy from the smallest number of olive trees. Should EC inspectors come by to verify that the number of olive fields claimed for subsidy are based on actual fact and demand to see the trees, the Mafia has a small army of trees planted in large pots which can be whisked around from field to field in no time at all.

Another area of ceaseless activity is the agriculture export business, where the EC subsidizes agricultural

exports to non-EC countries. The most audacious scam, according to the Observer, involved a German team of thieves who simply set up their own customs posts, issuing false passports and permits to whomever they liked. Another case involved French grain that was found to have been unloaded and reloaded in Hamburg, making it available for export subsidies from Germany.

The Court of Auditors, a Luxembourg-based watchdog group, lists scores of similar cases throughout the community, not to mention an all pervasive laxness among customs officials in attempting to check the nature, destination and quantity of items claimed for export subsidy. The efforts of the European Commission's own fraud control unit, UCLAF, hold out little promise of improvement. Last year, it did not even spend all of its own budget and recouped only about \$80 million of the vast amounts siphoned off.

Europeans generally resent being blamed for the stalemate in the Uruguay Round of the General Agreement on Tariffs and Trade. The American agricultural policy makes just as little sense, they argue, paying farmers not to grow crops. They certainly have a point there. Yet, even the American system looks rational compared with a policy that will pay subsidies ranging from \$260 for 100 kilos of exported grated Parmesan to \$240 to nothing at all, depending on whether the stuff is shipped to Sweden, the United States or Finland. And of course, if the cheese is not grated, that's an entirely different matter.

THURSDAY, JULY 23, 1992 *

CLAUDIA WINKLER

Perot's design for deficit reduction

Leaders of the Ross Perot campaign across the nation are casting about for a way to channel the political energy their candidate mobilized with his brief, unofficial bid for president, which ended last week. One contribution they should make to the political debate of 1992 is to publish the deficit-reduction plan near completion when Mr. Perot quit the race.

Disgust with Washington's inability to bring the federal budget near balance was a wellspring of support for the Texas businessman. Mr.

Claudia Winkler is chief editorial writer for Scripps Howard Newspapers.

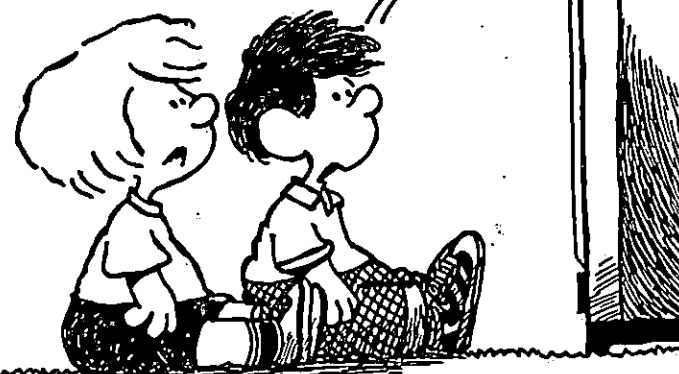
Perot turned a professional team loose on the budget problem and charged it with fashioning a detailed proposal that "spared no sacred cows." John White, a budget official in the Carter administration, led the effort.

Reportedly, the plan was within two weeks of completion when Mr. Perot dropped out. One reason for the candidate's decision, said top Perot aide James Squires, was that announcing the deficit-reduction plan would have meant antagonizing every political interest in sight.

Now that Mr. Perot is no longer running for president, he shouldn't be constrained by the political fallout from any plan he might endorse. Moreover, he owes his followers his

THE POLITICIANS ARE
TALKING ABOUT A
FUTURE FOR THE CHILDREN!

YEAH, PAYING
OFF THE
DEFICIT!



W. K. W. / AMARILO GLOBE NEWS / CREATORS INDICATE

best judgment as to how this national challenge should be met.

According to close Perot advisers, the plan relies on both tax in-

creases and spending cuts. The tax side includes some dubious old standbys — sin taxes likely to depress consumption and so bring in

less than the projected revenue; and a phased-in 50 cent increase in the gas tax, which arbitrarily penalizes Westerners and others who happen to drive long distances.

But the spending cuts the Perot team planned are solid ones. They amount to a massive rebuke to Washington, which has failed to take such obvious steps as: Reduce middle class and upper class entitlements including Social Security and other government pensions, either by cutting cost-of-living allowances or (preferably, in our view) by raising taxes on wealthy recipients; cap the mortgage interest deduction, perhaps at loans of \$200,000; end subsidies to well-to-do farmers and agribusiness and de facto subsidies to timber companies logging on public land; cut the deduction for business entertainment; reduce administrative overhead in all government programs by 10 percent; and so on.

The myth that federal spending has been cut to the bone is preposterous. Mr. Perot could usefully expend any public credibility he has left by helping explode it.

The Washington Times

THURSDAY, JULY 23, 1992 *

HARRY SUMMERS

"The soldier," Gen. Matthew B. Ridgway once said, "is the statesman's junior partner." Most Americans, including many within the military, would find those words hard to comprehend. But here at the Armed Forces Staff College they know full well that war is first and foremost a political act, and that statesmanship, especially including the building and maintenance of political alliances, is an essential requirement for victory in war.

Whatever form our future military strategy might take, these political alliances and their attendant military coalitions will remain vital. Allied military coalitions were the key to success in both World Wars I and II, and, while they played a lesser role in Korea and Vietnam, coalition warfare was once again decisive in the Persian Gulf.

While the U.S. military commander, Gen. H. Norman Schwarzkopf, got most of the credit for the victory there, his military triumphs could not have been possible without the political alliances forged beforehand by Secretary of State James Baker, Thomas Pickering, the U.S. representative at the United Nations, and by other unsung U.S. diplomats in capitals around the world.

Their efforts made possible the several U.N. Security Council resolutions that formed the legal basis for the war. And these diplomats argued successfully for the unprecedented out-of-area deployment of the military forces of our NATO allies. Especially significant was their forging of the Arab coalition without which the war could not have been waged.

Ironically, even though coalition warfare has been the supposed basis for U.S. national security for more than half a century, its dynamics are

Harry G. Summers Jr., a retired U.S. Army colonel, is a distinguished fellow of the Army War College and a nationally syndicated columnist.

Vital coalition signs

still not well understood, even by the self-styled experts. This became evident during the Gulf war when there was wild speculation that if Saddam Hussein played the so-called "Israeli card" the allied coalition would fragment and fall apart. But that never happened.

One reason, of course, was Israel's remarkable restraint in the face

American opinion doubts the legitimacy of unilateral American action, but accepts action taken under the rubric of 'world community.' "

of the Iraqi Scud attacks. Although these rocket attacks, targeted against civilian population centers, were deliberately designed to provoke retaliation, Israel refused to take the bait. But even if Israel had responded militarily, the odds are the coalition would still have held together.

The reason is inherent in the very nature of coalition war.

Coalitions come together in response to a common objective, and it is the intensity of that objective that determines their viability and cohesiveness.

Discussing the early 19th Century coalition against Napoleon, Karl von Clausewitz observed that it

was only "the extreme danger emanating from Bonaparte" that caused the allies to coalesce in the first place, and Napoleon was the glue that held the alliance together until victory was achieved.

In World War II, Adolf Hitler provided the glue that held together the United States and Britain in the unholy alliance with the Soviet Union. "In war, I would deal with the Devil and his grandmother," Josef Stalin reportedly said, sentiments to which both Winston Churchill and Franklin D. Roosevelt themselves subscribed. Once the threat of Nazis was removed, the alliance came unstuck.

Saddam Hussein provided just such a glue in the Persian Gulf. It was strong enough to cause such hitherto mortal enemies as Syria and Saudi Arabia to join in a common cause, and it certainly would have been strong enough to hold them together in the face of an Israeli response to the Iraqi Scuds.

As we look to the future, it is important to understand these dynamics, for coalition warfare will remain a key element in U.S. military strategy. One reason is that as we continue to cut the size and strength of U.S. military forces we will become increasingly dependent on allied forces to round out our own combat capabilities. But another reason, as the New Republic's Charles Krauthammer pointed out last year, is that "Americans insist on the multilateral pretense. A large segment of American public opinion doubts the legitimacy of unilateral American action, but accepts action taken under the rubric of 'world community.' "

While genuine coalitions can enhance U.S. security, the danger, says Mr. Krauthammer, is "that we will mistake the illusions — world opinion, U.N. resolutions, professions of solidarity — for the real thing."

Telling the difference between the two in these politically correct times will not be easy. Let us hope our statesmen will be equal to the task.

Loading the dice against Indians

RALPH LOONEY

The "white eyes" are gangling up on the Indians again. It seems the remarkable financial success of Native American gambling parlors is causing even high-rolling Las Vegas to study its hole card.

The Lakota Times, a large Indian newspaper, reports the Nevada Resort Association is prepared to spend \$500,000 to \$1 million on a plan to get Congress to amend the Indian Gaming Regulatory Act this year.

Represented on the group's board are such casino giants as Circus Circus, Bally's, Barbary Coast, Las Vegas Hilton, Showboat, Tropicana, Mirage, Nugget, the Gold Strike and Eldorado resorts.

One major player, the Mirage, split from the group on the issue. Alan Feldman, Mirage spokesman, told the Lakota Times that the Mirage was negotiating agreements with two different tribes for casinos. He said the NRA "has been deeply divided."

Mr. Feldman also said the resort group's anti-Indian gambling drive was being pushed by Circus Circus. "They're the one driving," he said. "What we say is let the market decide."

Minutes of the meeting said group president Chuck Rute was named to head "the fight to oppose Indian gaming."

Meanwhile, the Lakota Times checked election commission records in Washington and found the Las Vegas group had already made more than \$264,000 in individual and

Casino operators consider tribal gambling a major competitive threat. Gambling has proved to be a \$2.5 billion bonanza annually for long-impooverished tribes.

political action contributions to mostly out-of-state congressional candidates during the 1991-92 election cycle.

Obviously, casino operators consider tribal gambling a major competitive threat. Gambling has proved to be a \$2.5 billion bonanza annually for long-impooverished tribes. It's giving First Americans their first shot ever at the American Dream.

Among the beneficiaries of the Las Vegas group's political largesse is the Bush-Quayle re-election bid. The Lakota Times reports individuals contributed a total of \$14,000 to the ticket on March 18 and 23.

Ralph Looney, former editor of the Rocky Mountain News at Denver and the Albuquerque Tribune, writes a weekly commentary for Scripps Howard News Service.

Interior Secretary Manuel Lujan told casino owners on March 12 that "10 years from now Indian tribes will have gambling in every major city in the country," according to the Lakota Times. The Indian newspaper reports Mr. Lujan's statement "inflamed the Nevada gaming industry and intensified Bush administration scrutiny of tribal gaming."

The Lakota Times reported Vice President Dan Quayle flew to Las Vegas on March 16. Within a month, the Times said, Mr. Lujan sent a memo to White House chief of staff Samuel Skinner reversing his support of tribal gambling and advised the administration to further restrict gaming in Indian country.

Mr. Lujan's memo, dated April 20, was quoted by the Las Vegas Review-Journal as follows:

"In order to counter what may turn into a campaign to blame this administration for fostering Indian gaming onto states which profess not to want it, I suggest that this administration's position in favor of family values and against unwanted gaming be reiterated through proposed 'clarifying' amendments to the Indian Gaming Regulatory Act."

Gerald Ducheneaux, National Indian Gaming Association lobbyist, said it was "probable" that heavy political pressure was put on Mr. Lujan by the Nevada Resort Association.

The Bush administration is also lying itself with not only Las Vegas gambling casinos, but also several state governors who are trying their best to frustrate Native American efforts to climb out of their prison of poverty.

The Bush administration appears determined to continue this nation's tragic and unfair treatment of the American Indian.

This may also be the first time "family values" have been associated with the high-rolling Las Vegas gambling casinos.

THURSDAY, JULY 23, 1992 *

RICHARD GRENIER

"Kiss me!" the hunchback hypnotist commanded Mario, the lovelorn Italian Riviera waiter. "Mario!" cried the hypnotist. "My beloved! I am your beautiful Sylvestra! Trust me! I love you! Kiss me!"

The poor, hypnotized waiter, in a public exposure of deluded rapture, breathed from the very depths of his vanquished heart, "Sylvestra!" And in a resort-town auditorium, entirely under the control of a malign, deformed hypnotist — but with Mario convinced that this showman was the beautiful young woman by whom he'd been spurned — kissed him.

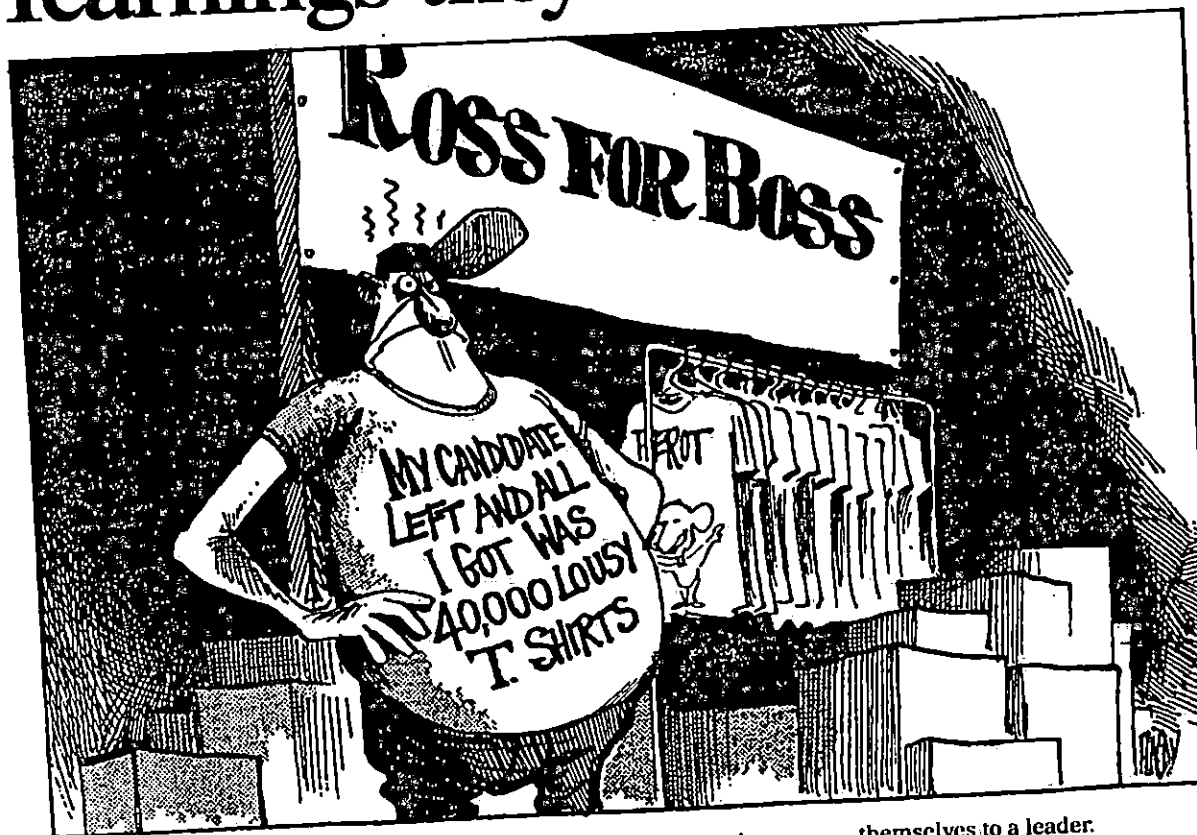
It is the climactic scene of "Mario and the Magician," the famous story written by Nobel Prize-winner Thomas Mann in 1929 about Mussolini's Italy. Adolf Hitler was ominously hypnotizing millions in Mann's native Germany, producing an enormous tidal wave that was to sweep over most of Europe. And Mann wrote of Mario's kiss that it was "grotesque," a "monstrous moment."

In Germany, there was no chit-chat about the evil magician in Mann's story being "just fiction." The Nazis knew that Mann intended the magician to represent Hitler, and when they came to power they stripped Mann and his brother Heinrich of citizenship in the German fatherland and banned them from the country. And the Nazis followed the magician to their *gottterdammerung*.

But today we have less reason to be concerned with Mann's magician than with his Mario. For as erstwhile challenger Ross Perot fades rapidly from the American political scene, and the bizarre Perot phenomenon heads for the dusty realm of Ph.D. doctoral dissertations, we're left with his followers.

Richard Grenier is a columnist for The Washington Times.

Yearnings they beat to follow



I came in for criticism many months ago when I wrote — some said insultingly — that I didn't know if Mr. Perot was a born leader, but knew those who followed him were born followers. Unfortunately, this is still my opinion. What made people flock to him?

Conventional thinking has it that they were alienated by the low level of today's politics. Those who fell under Mr. Perot's spell (and many in the media were sympathetic to this view) were under the impression that our politics had "disappointed" them, had not lived up to their high

standards. They were superior people, in short, perhaps better than the rest of us.

Somewhat ludicrously, many Perot followers managed to convince themselves that Ross Perot would do whatever they wanted to do. The fact that he'd never presented a platform or even a consistent strategy didn't seem to trouble them.

But a far more alarming feature of the whole affair was that many of these people didn't really care what Mr. Perot did. Like Mann's Mario, they were abdicating exercise of their will, surrendering control of

themselves to a leader.

I never at any point wrote that Mr. Perot was anything like a fascist. But between his followers and those of the great totalitarian leaders of the 20th century there is some resemblance. Once everyone at American universities read about such people in Erich Fromm's "Escape from Freedom."

I'm not about to defend the art of politics as it's practiced today in the United States, with its sensationalism, its vulgarity, its ad hominem attacks. But to whatever level it has sunk, with each of us stumbling

along, trying to figure out in our crude way what's best for us — and, yes, best for the country — it's better than anything Ross Perot could have given us.

The shouting, muddling around and assorted hypocrisies are, after all, politics in our own image. We often say smugly of others that a country gets the politics (or leaders, or government) that it deserves. But the evidence is strong that this is the kind of politics we deserve.

Much wailing and rending of garments is now taking place in the land at the "disaffection" Americans feel for our political process, with — if you trust opinion polls — an abnormally large number of people undecided as to how they're going to vote in the coming election. But the wailing is based on a widely held fallacy.

The United States has been victorious in a protracted, draining struggle. We have won the Cold War. But the fallacy is that victory is what the French call *mobilisatrice*, that morale should be high. But the contrary is often true. In World War I, Germany was defeated and France victorious. But who cowered? Who came raging out, looking for another fight? In World War II, Japan was defeated. Is Japanese morale low?

Victory, such as the one we're now enjoying, often brings feelings of confusion and aimlessness, a vague sentiment of, "Was it all for just this?"

Former presidential candidate Sen. Bob Kerrey of Nebraska, addressing a gathering of foreign journalists before the Democratic National Convention in New York, told them sadly that although he realized the United States was a model for many of the evolving countries, he found developments in Eastern Europe much more inspiring than "anything happening around here."

But that's the way it is, senator. You try to taste victory, but often it's hard to taste.

THURSDAY, JULY 23, 1992 *

ROGER MIRANDA / WILLIAM RATLIFF

It is hard to imagine a more flagrant abuse of official power than that evidently involved in the October 1990 murder of Jean Paul Genie in Nicaragua. As the 16-year-old boy returned home in his car after a date one evening, he was blasted by 51 rounds of automatic weapons fire.

Evidence suggests that the father of this crime was Humberto Ortega, the chief of Nicaragua's army and the only top Sandinista comandante in the government of Violeta Chamorro. Evidently the boy had tried to pass Gen. Ortega's caravan and Gen. Ortega's guards had wasted him, Terminator style.

A Nicaraguan criminal court judge has just ruled that Gen. Ortega's guards should be tried for murder, and the general himself may be prosecuted for attempting to cover up the crime, for which he denies any responsibility.

Roger Miranda was chief of the Sandinista Defense Ministry Secretariat and top aide to Humberto Ortega until late 1987. William Ratliff is a senior research fellow at the Hoover Institution.

Getting away with murder

Such shootings were common during the Sandinista regime from 1979 to 1990. Eleven top leaders had caravans of cars that sped through Managua, ignored traffic signals and caused innumerable jams and accidents, while guards routinely sprayed automatic weapons fire into any car that happened by.

The rationale was that anyone trying to pass a top leader might be getting into position to attack him. Usually a warning burst preceded shots fired directly at the car. But this security policy was never explained publicly and many Nicaraguans were sprayed over the years without even knowing why.

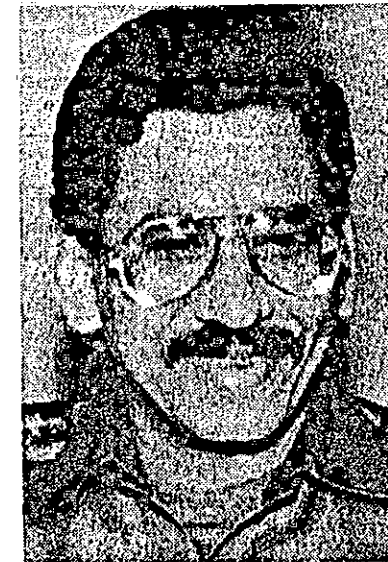
Only one top comandante had been called down for this practice prior to the Genie case — Humberto

Ortega, who was more paranoid about his safety than any other comandante and had a total personal security force of 300 men. This showdown came in 1982 when the microbus of the chief of the Soviet military mission in Nicaragua took a burst of machine gun fire when it tried to pass an Ortega caravan. The car was immobilized but no one was injured. Gen. Ortega apologized the next day, but the Soviet official responded: "Comrade minister, it had better not happen again." It didn't — to any Soviet official.

Things are different today. With a democratically elected government, the Genie family at least dared to demand that those responsible for the crime be punished and the court responded, in a way.

But things are not different enough, for as now planned the trial is bound to be a farce. The civilian judge has passed the case on to a military court, which means the army is supposed to try its own commander-in-chief and his men, and that chief holds absolute power. The newspaper La Prensa has called for Gen. Ortega to resign while the trial is going on, but that is not nearly enough.

President Chamorro should appoint a special commission to try the accused or there will be no more justice in this case than there was after the murder in Managua more than a year ago of former Contra military chief Enrique Bermudez. Even a special commission will have a hard time because of political and



Humberto Ortega

other pressures and because military counterintelligence and the police, also under Gen. Ortega's control, have already destroyed much evidence against their boss and hampered outside investigations of the case.

Finally, Humberto Ortega is responsible for a great deal more than just trying to cover up this shooting. His guards emptied their AK-47s into the Genie car — as they have into other cars over the years — on his standing orders. That means Jean Paul Genie's death, and many casualties in the past, came about because of Gen. Ortega's instructions to his guards.

At the end of May, when the presidents of other Central American countries arrived in Managua for a summit, Gen. Ortega strutted on the red carpet at the airport as if it had been put down for him. But it was a far greater arrogance that prompted him to order his guards to terminate passersby even after the inauguration of the civilian government in early 1990.

The Chamorro government must make it clear that no one — not even a top Sandinista within the government — has the right to murder citizens who just "get in their way."

The Washington Times

THURSDAY, JULY 23, 1992 *

DONALD LAMBRO

After the national news media's shameful knee-jerk performance at the Democratic National Convention, Bill Clinton's dangerous tax-hiking plan for the economy is in need of closer scrutiny.

Contrary to the Democratic Party's line that Mr. Clinton's \$270 billion tax-and-spend package will create jobs and ease the tax burden on the middle class, it will do just the opposite.

This isn't a plan that will cut the deficit, curb government and promote business investment. Its aim is to expand government with a wave of new federal programs, a mountain of environmental, business and labor regulations, and a more steeply progressive tax code.

While many of the world's industrial nations and emerging democracies are lowering taxes and deregulating, Mr. Clinton wants to reregulate the marketplace and raise business and marginal income tax rates to bleed \$150 billion more in tax revenue out of an anemic economy.

He also wants to pour \$220 billion into government public works jobs

Donald Lambro, chief political correspondent of The Washington Times, is a nationally syndicated columnist.

Perils of Clinton's economic proposal

and new federal employment training programs — Democratic pump-priming programs that did little or nothing in the 1960s or 1970s to spur business expansion and jobs.

Despite Mr. Clinton's pro-growth rhetoric, his program "doesn't put people first, it puts government first," says Housing and Urban Development Secretary Jack Kemp, one of the few people in President Bush's Cabinet who can translate complicated economic issues into the language of growth and opportunity.

"It's not for people, it's for bureaucracy. It won't expand the economy, it will weaken the economy," he said earlier this week.

While most of the national news media accept Mr. Clinton's tax increases as an act of faith, Mr. Kemp explains why creating a new fourth

top tax rate of nearly 40 percent would poison the U.S. economy.

"Gov. Clinton and the Democratic Party would like us to believe that their tax increases will only hurt the 'rich,'" he said. But pushing people who work, save and invest into tax shelters "won't create economic growth or jobs and it will lower revenues."

One chief reason: Higher tax rates will shrink the after-tax return on capital. That is a sure-fire prescription for driving capital, the lifeblood of a healthy economy, out of the country to emerging economies like Mexico and India, where the return on capital is much higher.

Raising taxes is exactly what the world's impoverished countries did in the 1960s and 1970s, to their detriment. It is what Mr. Clinton has done in Arkansas for the past dozen years of his governorship and the principal reason why it remains one of the poorest states in the country.

It was the 1981 Reagan tax cuts that produced seven years of uninterrupted growth, a fact no one can dispute. But tax cuts do not fit the left-wing ideology of Mr. Clinton's team of economic advisers, men like Harvard's Robert Reich and *Ira Magazine* — "all certified liberals," says *The Washington Post's* liberal economics writer Hobart Rowan.

Perhaps the best kept secrets in

see LAMBRO, page G4

LAMBRO

From page G1

Mr. Clinton's economic plan are the income levels his new taxes would hit. The news media have let Mr. Clinton get away with murder by saying his taxes would only apply to those making more than \$200,000.

The real "taxable income" level his taxes would hit: People making \$90,000 and heads of household making \$120,000, hardly income that anyone would define as the ultra-rich.

"This is a tax increase on the prosperous middle class, people who work hard so that they can send their children to good colleges without having to go into debt; so that they can put some money aside; by making investments, to provide for their retirement," says Mr. Kemp.

Instead of a pro-growth, flat tax policy that promotes job creation and the American dream of rising to the upper middle class, Mr. Clinton's higher 37 percent tax rate would punish anyone who works hard to reach that level. They are "designed to keep the middle class in its place," Mr. Kemp says.

Meanwhile, Mr. Clinton and the Democrats have been repeating the Big Lie that Mr. Bush has no economic plan when in fact he has a package of growth proposals including a much more ambitious enterprise zones program for inner cities; an investment tax credit; extending the research and development tax credit; and capital gains cuts to spur new and existing business expansion.

Former Sen. Paul Tsongas, who tried but failed to fix Mr. Clinton's flawed plan at the convention, has these words of warning for his fellow Democrats: "You cannot redistribute wealth you never created. You can't be pro-jobs and anti-business at the same time. You cannot love employment and hate employers."

Mr. Tsongas offered a minority plank to unlock capital investment by applying the capital gains cut to existing businesses, but his common sense advice fell on deaf ears at Madison Square Garden.

There is a basic axiom in American politics that many Americans are in danger of forgetting in their current mood of economic pessimism. And it is this:

Beware of any politician who says that tax increases will cure our economic ills. It is always a prescription for disaster, as John F. Kennedy, who pushed tax cuts to get America moving again, would be the first to argue if he were alive today.

The Washington Times

THURSDAY, JULY 23, 1992 *

CAL THOMAS

The Democrats' National Convention has ended, but the effects linger on. Watching and listening to the propaganda of the "Pepsi generation" answers the question of what happened to those unemployed writers for Pravda.

The Republican National Convention next month in Houston should throw caution to the winds and conduct a nonstop Desert Storm-type assault on the Democrats.

The program should remind voters of what 12 years of Reagan-Bush policies have produced, where Democratic policies were leading before them, how the will of the people has been frustrated by the Democratic Congress, and where President Bush and Vice President Quayle want to take the country during the next four years.

Frequent reminders of the scandals produced by Democratic leadership in the House bank and post office wouldn't hurt either.

To counter the patriotic posturing of the Democrats, Republicans should open their convention with a parade of people and flags from nations liberated from totalitarian rule during the Reagan-Bush years. These would include all of Eastern Europe, as well as Nicaragua, Grenada, Panama and the former Soviet Union. What a tableau it would make to have these flag carriers sing "God Bless America" on national television. And what about crediting workers from the defense industries who built the weapons that countered and overwhelmed the Soviet arms buildup? "Made in America" never looked so good.

Voters should be reminded that most Democrats opposed the peace-through-strength efforts and arms buildup of Ronald Reagan that made victory over communism inevitable.

The GOP should take on the social issues without timidity. They are uniquely theirs. They could invite Gianna Jessen to speak. She is a teen-ager who as a fetus survived a late-term abortion and needs an explanation from pro-choice Democrats on why she had no right to live. Lee Ezell, a California woman who was raped 30 years ago and became pregnant, could talk of the joy she has felt because she had her baby, and how her son-in-law and grandchildren thank her for not aborting her daughter. Why not also invite pro-life Democrats to speak, as Democrats invited pro-abortion Republicans?

Also invited should be women who have had their babies under difficult circumstances and are glad they did, and adoptive parents whose lives have been made complete because a woman with an unplanned pregnancy decided not to abort. This segment could be patterned after the television commercials "Life: What a Beautiful Choice," produced by the Arthur S. DeMoss Foundation.

Black Republicans should testify

see THOMAS, page G4

THOMAS

From page G1

about the small businesses they started during the Reagan-Bush years because taxes were lowered and incentives increased. They should take on black liberal Democrats and the "house of welfare dependency" the Democrats built — but now want to deny.

Companies that promote growth along with environmental responsibility should also be featured. Voters need to be reminded that an imbalance in the relationship between business and environment would eliminate jobs and damage the economy.

Scientists and other environmental experts who reject the data contained in Sen. Al Gore's environmental book should educate the nation about what is wrong with Sen. Gore's assumptions and conclusions.

The gay rights agenda should be challenged. Former homosexuals from groups like Exodus should speak of the lifestyle as abnormal and immoral, the availability of help for those wanting to change and the danger to society of accepting homosexual practice as valid and healthy. Someone with AIDS, who acquired the virus through chosen behavior of his or her own and now regrets

President Bush must use the upcoming convention to detail his vision and a strong agenda to implement it.

that behavior, could say so. All persons with AIDS should be treated with compassion and assisted medically, but those who indulged in the high-risk behavior that produces most AIDS cases must not be allowed to separate their personal lifestyle choices from the consequences of those choices.

The Hollywood elite, excoriated by Mr. Quayle and so visible in the Clinton-Gore campaign, should be barbecued again and again. Bill Clinton appeared on MTV, so Republicans might like to quote from the lyrics of some of MTV's more outrageous music and ask him why he wants to associate with such filth. They could begin with Ice-T, whose "song" "KKK Bitch" features the rapper having sex with Southern Nazi and skinhead girls as well as the 12-year-old nieces of Tipper Gore. Do Mr. Clinton and Mr. Gore want to defend mind pollution, including Ice-T's call to kill police officers, as speech protected by the First Amendment?

This election is about whose moral vision of the future will prevail. President Bush must use the convention to detail his vision and a strong agenda to implement it. With that vision, he will win.

The Washington Times

THURSDAY, JULY 23, 1992 *

WILLIAM MURCHISON

Hazard across the fairway

Bush Republicans must drink in quickly the full peril of their situation. Ross Perot isn't around to save them now, to siphon from Clinton-Gore the votes of the anxious and alienated. One party, and one party only at this stage, stands for change and reform, as opposed to retrenchment and quiescence. That party is the Democrats.

This is not a blurb for an upcoming Democratic brochure; it is fact. Bill Clinton's superslick time-for-a-change agenda leaves George Bush with two options: Change the current perceptions or hope that Bill Clinton and Al Gore will slip on a

Bush has to pick the Clinton agenda like a Thanksgiving turkey if on Thanksgiving Day he wants anything to say grace over. But he also has to serve up something nutritious and creative of his own.

banana peel, preferably daily. Successful presidential candidacies, alas, aren't built on anxious little hopes.

The Republicans right now deserve credit chiefly for riding out the Perot thing. GOP attacks on Boss Ross did their part in raising the doubts that ultimately persuaded the candidate to cut his losses, in good businesslike fashion. A Perot-less Perot movement won't sway the election, but the anger of its individual members can and may. Much of this may benefit Mr. Clinton, whose endless acceptance speech proved, if nothing else, that he's neither nuts nor nerdy.

To win, George Bush clearly has to show Bill Clinton is a fake reformer. This shouldn't be hard. Mr. Clinton, in his acceptance speech, castigated Mr. Bush's much-remarked lack of "vision." Fine, but what is the main vision of the calculating, cunning Bill Clinton if not of himself as supreme leader?

He is some tactician all right, having bound together a host of fanatically balanced but contradictory assumptions. It seems, according to the New Democrats, that we're going to bolster family values while building a federal government many times more powerful than the one we have now, thanks to national health

care as "a right," national service, congressional pre-emption of abortion policy, gay rights as federal policy and so on.

Mr. Bush has to pick the Clinton agenda like a Thanksgiving turkey if on Thanksgiving Day he wants anything to say grace over. But he also has to serve up something of his own, something nutritious and creative. This is the truly demanding challenge — that of showing what a renewed Bush presidency would look like, and how it would behave.

What would you offer if you were the president? "No new taxes?" Well, um, why don't we just get on to the

next topic. Family values? Good issue, but the Democrats are closely disputing title to it. Mr. Bush would like to work foreign policy into the equation. ~~ZZZZZZZZ~~. My own hazardous guess is that Americans are more interested in solid waste disposal than they are in foreign affairs.

What are they interested in, then? Their futures as free-standing citizens of a free country? That's what I would be interested in. A few others might be also.

Government — in 1992 or 1792 — doesn't exist to make us happy or fulfilled; oh Lord, no, it exists to guarantee our freedoms. Why

doesn't Mr. Bush explain to us that government spending — local, state and national — is 40 percent of gross national product and rising; that regulation is killing jobs; that the tendency to look to Washington for solutions is sapping local rights and initiative. Think of institutionalizing health care as a federal right. We'll all love paying for that, won't we?

Mr. Bush has a bunch of good little ideas — lower capital gains taxes, school choice, even the return of abortion policy to the states — that never come together as a good big idea, like human liberation from bureaucracy and taxes. Our president

sees the trees in infinite detail but seldom the forest. This helps explain why, under his magistracy, regulation and government spending have blossomed.

True, it's hard to pursue a human liberation agenda when you haven't done much expressly for liberation, apart from appointing good federal judges. Mr. Bush has some explaining to do, but actually I don't recall saying he should brag about the past four years. He might settle for imitating Bill Clinton's almost superhuman knack — that of taking your licks, going on, pointing the whole time to what's down the road.

William Murchison, a columnist for the Dallas Morning News, is nationally syndicated.

The Washington Times

THURSDAY, JULY 23, 1992 *

INSIDE THE BELTWAY

Larry's 15 minutes

You probably don't know Larry. You probably steel yourself and focus your eyes straight ahead when Larry sounds his call, "Spare change?" Larry is one of the homeless dudes who hang out down near the Hawk 'n' Dove on Capitol Hill.

Most Beltway Irregulars don't have any spare change; they tell Larry, "Get a job, man." But there's one Irregular whose heart is just too big to treat anybody that way. She drops by late in the evening to make sure Larry's had a sandwich or something.

The other night she's down there and this great big limo pulls up. A gentleman of obvious importance alights from the big vehicle and makes a beeline for Roland's, the grocery store beside the Hawk 'n' Dove.

"Spare change?" croaks Larry. Zoom, the important guy is by him like a wound-out Porsche passing a mo-ped.

Our Irregular, the one who looks after Larry and his street-people pals, checks out the big shot. Who is that, anyway? When the guy comes back out of Roland's hugging his cache, she shouts: "Larry, Larry, tell Senator Mitchell you want some of his money!"

"Spare change!" croaks Larry.

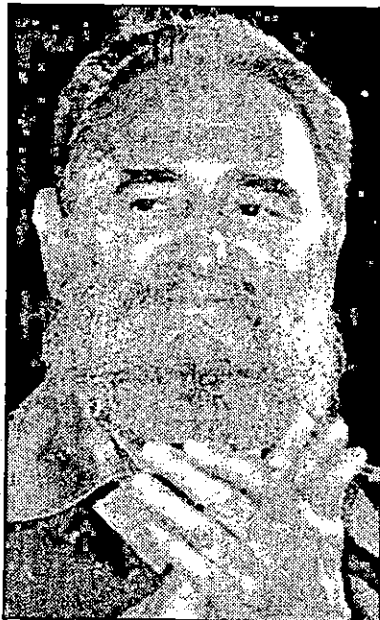
Yipes! Sen. George Mitchell, Maine Democrat, dives for the door of the limo like it's the door of the last plane out of Sarajevo. Zoom, he's gone down the road in a roar of liberal compassion, blazing a trail toward the safety and comfort of home and the solace of a sip of Chablis.

Some reservations

Conservative leaders are finding that the Bush-Quayle '92 campaign cares far less about them than it does about groups advocating homosexual rights. While Gregory King of the Human Rights Campaign got his rooms in Houston scheduled by the campaign a month ago, a number of conservative leaders say they've been put off to such an extent they're just not going to bother going.

"I'd been hoping to support Bush," L. Brent Bozell III of the Media Research Center says when asked if he's having the same kind of difficulty experienced by other conservatives. Mr. Bozell had been an ardent Buchananite, but he's willing to bury the hatchet. "But

I'm getting nothing but the run-around. They've put us off again and again and again. I sent a note to [RNC Chairman] Rich Bond but never heard back," he said. "It's just one more signal."



It's absurd, but Fidel Castro seems to have friends in the U.S. House.

Viva Moran!

A number of local, state and regional veterans groups are hacked at Rep. Jim Moran, Virginia Democrat, over his vote on the McCollum Amendment. Mr. Moran was one of 29 members of the House who voted against the amendment, introduced by Rep. Bill McCollum, Florida Republican, that would prohibit aid to the nations of the Commonwealth of Independent States if they continue to supply arms to Cuba.

The American Legion and the Veterans of Foreign Wars both have passed resolutions castigating the congressman for opposing legislation that would, in the words of one booster of the resolutions, "cut the props out from under Fidel Castro."

Birds of a feather

Hillary Clinton will deliver the keynote speech at the American Bar Association's annual meeting in San Francisco in August. She's well known to the group over and above her association with Slick Willie, having recently chaired the ABA commission on women. She'll be presenting the

Margaret Bent Women Lawyers of Achievement Awards. Honorees, of course, include Anita Hill, whose testimony nearly torpedoed the confirmation of Supreme Court Justice Clarence Thomas.

Running Bare?

The controversy continues over a distillery's decision to name a malt liquor after Crazy Horse, a famous Indian warrior. One tribal council asked the Bureau of Alcohol, Tobacco and Firearms to intervene, but the agency says that's not its job. Surgeon General Antonia Novello condemned the name as "insensitive to the plight of Indians and the progress they've made against alcohol abuse on reservations."

A spokesman for the Hornell Brewing Co. said the company thought it was "celebrating a great Native American, not denigrating him." Maybe they should change the name. How about "PCB," for Politically Correct Brew?

Bad rap

Ice-T says the heat coming down on his "Cop Killer" rap song is just prejudice and politics. "People are looking for platforms — 'Let's go after this black guy,'" he told Arsenio Hall on TV the other night. "I talk to the brothers on the street that say, 'Yo, man, the only way we're gonna get these cops up off of us... start killin''," he says.

"I think they move like the Gestapo. I think [former Police Chief] Daryl Gates showed the whole world he's butt-crazy," Mr. T says. "They got to change. They need to start acting like humans and treat us like human beings."

Time Warner's recent annual meeting was the scene of considerable protest over the song, but the company contends it is merely allowing the artist's right to express himself. Reed Irvine of Accuracy in Media, who persuaded Charlton Heston to join the protest and attend the annual meeting with him, tells us "some of our message may have gotten through."

Well, try this

Callers complained that they couldn't reach the toll-free telephone number we gave for Howard Phillips' U.S. Taxpayers Party. So try this one: 1-800-2-VETO-IRS.

— John Elvin

THURSDAY, JULY 23, 1992 *

Ever since North Vietnam released 591 American prisoners of war in 1973, the U.S. government has maintained publicly that it had no conclusive evidence of any POWs left behind in Indochina.

That long-held position is now under direct challenge.

Barry A. Toll, a former U.S. Army intelligence specialist, has given the Senate Select Committee on POW/MIA Affairs sworn testimony that flatly and dramatically contradicts the government's official position.

In a confidential statement June 14 to the committee, subsequently bolstered by a formal deposition given under oath behind closed doors June 26, Mr. Toll made the following revelations:

"During the period June 1973 through July 1975, I personally saw, distributed and briefed high-ranking officers of the (Pentagon's) Joint Staff on intelligence reports, analyses and operations regarding the transfer of U.S. POWs and/or MIAs from the custody of North Vietnamese or Laotian authorities through Soviet bloc nations, or directly into the U.S.S.R.

"Further, it was the considered opinion of the Joint Chiefs of Staff, and the entire U.S. intelligence community, that at the conclusion of Operation Homecoming (the return of American prisoners of war) in 1973 there were an estimated 290 to 340 U.S. POWs and MIAs alive and held captive in Laos."

Mr. Toll insists that this information, which was classified top secret, went directly to then-President Nixon.

"That analyses and reporting was disseminated to the president of the United States, Richard Nixon. I specifically recall that information being included on a list of the president's Daily Intelligence Briefing agenda more than once," Mr. Toll declared in his statement to the committee.

Mr. Toll also told the committee that the White House received highly classified intelligence reports that American POWs were being transferred from North Vietnam to the Soviet Union beginning in the fall of 1973, seven months after all American prisoners of war were to have been repatriated.

"Reports of real-time transfers in progress, aircraft bearing U.S. POWs in the air en route to the U.S.S.R. and Soviet bloc countries, were passed to the White House for the president several times during this period. There simply is no doubt

Challenging the official POW line

that the president knew of these conclusions and events, barring a massive and collusive intent to deprive him of the information," Mr. Toll said in his statement.

The same intelligence reports went to Henry Kissinger, then President Nixon's national security affairs adviser and later secretary of state, Mr. Toll said.

If the committee can locate documents or witnesses corroborating Mr. Toll's testimony, it would effectively rewrite the entire public record of the POW/MIA saga over the last 19 years.

If Mr. Toll is telling the truth, successive administrations beginning

with the Nixon administration misled the American people, not to mention the families of the more than 2,000 Americans still unaccounted for in Southeast Asia.

If Mr. Toll's account is accurate, American POWs were, in fact, abandoned in Indochina and some were subsequently transferred to the Soviet Union.

And, if Mr. Toll's story bears up under scrutiny, it is not inconceivable that at least a few American POWs might still be alive in Indochina or the Soviet Union. If so, public pressure would compel the Bush administration to do almost anything to effect their prompt release

and repatriation. The political pressure on any government holding American POWs — whether that of Vietnam, Laos or the Soviet Union's successor, the Commonwealth of Independent States — would be immense.

In short, Mr. Toll's testimony, if it is accurate and can be corroborated, would provide the breakthrough the committee has sought since its formation last October.

Clearly, Mr. Toll's credibility and the veracity of his testimony are now among the most pressing questions facing the committee. Committee members have had nothing to say publicly about Mr. Toll or his information, save for one supportive remark last month by the vice chairman, New Hampshire Republican Sen. Bob Smith.

Committee investigators are reportedly attempting to locate military and intelligence officers who served with Mr. Toll during 1973-75 and might be able to verify his account of what he saw.

Pending the results of that effort, the committee and the public are left to judge Mr. Toll's truthfulness by his personal record and the wealth of detail he has provided to support his claims. Committee investigators have reportedly validated Mr. Toll's military record and his access to some of the nation's most highly classified intelligence during the 1973-75 period.

Mr. Toll's military record is exemplary. He saw extensive combat in Vietnam in 1968 and was decorated for valor on the battlefield. He later became an intelligence specialist, returning to Vietnam several times on temporary assignments.

From June 1973 to July 1975, Mr. Toll served as a non-commissioned officer with the Pentagon's World Wide Military Command and Control System or its World Wide Airborne Command Post System. As an intelligence specialist and operations assistant on the Pentagon's battle staff teams, Mr. Toll had access to military intelligence classified top secret and destined for the White House.

The Pentagon's battle staff teams had custody of the launching codes for nuclear weapons and were formed to serve the president in the event of nuclear war. At least some team members were required to know at all times what military intelligence the president had seen. Mr. Toll said the teams, also known as the National Command Authority SIOP Execution Teams, had access to the

combined product of the U.S. intelligence community as submitted daily in summary form to the president.

According to Mr. Toll, the transfer of selected American POWs from Hanoi to the Soviet Union began in October 1973. The U.S.-equipped Israeli air force had just defeated its Syrian and Egyptian opponents, who were equipped by the Soviets. The Soviet military, worried about its own air defenses, desperately wanted technical information from American pilots. Hanoi, almost totally dependent on Soviet aid, apparently cooperated.

Mr. Toll has told the committee that the Central Intelligence Agency, the Defense Intelligence Agency and the super-secret National Security Agency monitored these transfers. On one occasion, an attempt was made to interdict a transfer flight from Hanoi. The plan entailed forcing the plane to land in a third country and then liberating the POWs. The attempt failed when the aircraft fled into Soviet airspace, according to Mr. Toll.

Mr. Toll says he personally saw two so-called Red Rocket emergency messages to the president that day — one informing him that the attempted intercept had begun, the second that it had failed.

Mr. Toll's military career ended abruptly when he left the Army in the summer of 1975. He says he was embittered and disillusioned by the government's cover-up on POWs, by its abandonment of South Vietnam and Saigon's subsequent fall and by President Ford's failure to acknowledge the bloodbath that American intelligence was then confirming in Cambodia.

What happened next may diminish Mr. Toll's credibility, although he insists it is unrelated to the truthfulness of his testimony. By his own admission, Mr. Toll was drawn into a marijuana-smuggling scheme. He was arrested, pleaded guilty and served two years in prison. He says he volunteered this information to committee investigators.

Now a businessman in St. Petersburg, Fla., Mr. Toll says he is willing to testify before the Senate committee publicly, under penalty of perjury, and to submit to an appropriate polygraph test if necessary.

The Senate Select Committee on POW/MIA Affairs can have few more urgent tasks over the next few weeks than determining whether Barry Allen Toll is telling the truth.





BF

SCHEDULE OF THE PRESIDENT
Thursday, July 23, 1992

7:30 am (10 min)	<u>Coffee with Elvis Mason</u> (Zamaria)		Oval Office
7:45 am (10 min)	<u>Meeting with Jack Stein</u> (Zamaria)		Oval Office
8:00 am (15 min)	<u>Domestic Update</u> (Darman)		Oval Office
8:15 am (15 min)	<u>Personal Staff Time</u>		Oval Office
8:30 am (15 min)	<u>Intelligence Briefing</u> (Scowcroft)		Oval Office
8:45 am (30 min)	<u>National Security Briefing</u> (Scowcroft)		Oval Office
9:15 am (15 min)	<u>Personal Staff Time</u>		Oval Office
9:30 am (30 min)	<u>Domestic Briefing</u> (Yeutter)	(TAB A)	Oval Office
10:00 am (15 min)	<u>Personal Staff Time</u>		Oval Office
10:15 am (30 min)	<u>Video Taping Session</u> (Smith)	(TAB B)	459 OEOB
10:45 am (15 min)	<u>Pre-Brief for CBN Interview</u> (Smith)	(TAB C)	450 OEOB Sitting Room
11:00 am (20 min)	<u>Interview with Christian</u> <u>Broadcasting Network</u> (Smith)	(TAB D)	459 OEOB
11:30 am (10 min)	<u>Photos with departing</u> <u>Military Office Staff</u> (McBride)	(TAB E)	Rose Garden
11:40 am (20 min)	<u>Personal Staff Time</u>		Oval Office

UNP 07/22/92
7:00 pm

12:00 pm (60 min)	Lunch with Messrs. Cheney, Powell, Eagleburger, Gates, <u>Skinner, Scowcroft and Howe</u> (Scowcroft)	Oval Office
1:00 pm (25 min)	<u>Staff Time</u> (Zamaria)	Oval Office
1:25 pm	The President departs for Northern Virginia Community College, Annandale, for Higher Education Reauthorization Bill <u>Signing Ceremony</u> (Holiday/Demarest) (TAB F)	South Lawn <i>Travel open</i>
2:30 pm	<u>Arrives White House</u>	South Lawn
2:30 pm (30 min)	<u>Administrative Time</u>	Oval Office
3:00 pm (25 min)	<u>Meeting with Senator Dole</u> (Calio) (TAB G)	Oval Office
3:30 pm (15 min)	Meeting with Republican Senators <u>on Superconducting Super Collider</u> (Calio) (TAB H)	Oval Office <i>Wire</i>
3:45 pm (15 min)	<u>Personal Staff Time</u>	Oval Office
4:00 pm (30 min)	<u>Haircut</u>	West Basement
4:30 pm (30 min)	<u>Meeting with Chief of Staff</u>	Oval Office
5:30 pm 6:30 pm	Meeting With Bob Teeter The President and Mrs. Bush depart for Congressional <u>Country Club for Koch Dinner</u>	<i>Residence</i> South Lawn
9:30 pm	<u>Arrive White House</u>	South Lawn

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Schedule	Schedule of the President; redactions. (1 pp.)	07/23/92	(b)(3)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Thursday, July 23, 1992 [3]

Date Closed: 11/18/2024	OA/ID Number: 90699-005
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

7:02 POTUS In
 7:25 Fitzwater
 7:32 Fitzwater Out / Elvis Mason In
 7:50 Elvis Mason Out
 7:52 Jack Stein In
 8:05 Jack Stein Out
 8:06 Skinner, Dorman In
 8:35 Skinner, Dorman Out
 8:36 Gates, Skinner, Scarcraft, (b)(3)
 8:38 Skinner Out
 8:52 (b)(3) Out
 8:55 Gates Out
 9:15 Skinner In
 9:25 Scarcraft, Howe Out
 9:37 Dorman, Moor, Yvette, Porter, Boskin, In
 9:45 Skinner Out
 10:05 Skinner In
 10:10 All out but Skinner
 10:11 Skinner Out
 10:17 Skinner In
 10:20 Skinner Out
 10:23 POTUS Out to DEOB
 10:27 POTUS In Hold / 12.5m In
 10:32 POTUS Out to 459
 10:34 POTUS In 459
 10:55 POTUS Out to Hold
 10:56 POTUS In Hold w/ Porter, Metzger, Porter, Mary Moblin
 11:10 POTUS Out to 459
 11:11 POTUS In 459 w/ Pat Robertson
 11:38 POTUS In Hold
 11:44 POTUS Out
 11:48 POTUS Arrives Rose Garden
 11:54 POTUS In / Gen. Powell In
 11:56 Sec. Cheney In
 11:58 Edo Gates In
 12:00 Hawk In
 12:06 Skinner In / 12:08 Eagleburger In
 12:10 Scarcraft In
 1:23 Skinner Out
 1:32 POTUS Out to South Grounds
 "See Tab F"
 2:20 POTUS Arrive South Grounds
 2:25 Skinner Out

2:31 Patty Presock In
 3:00 Skinner In
 3:05 Skinner Out
 3:09 Calif. Skinner In
 3:10 Sen. Dole, Jim Dyer In
 3:45 Dole, Dyer, Calif. Skinner Out
 3:47 Sen. Conrad Burns, Sen. Mitch McConnell
 Sen. Phil Gramm, Sen. Al Simpson,
 Sen. Dantrell, Moore, Linda
 Stuntz, Calif. Shawn Smalley,
 Edo Grady In
 4:03 Skinner In
 4:08 Moore Out
 4:13 Grady Out
 4:14 Grady In
 4:30 All Out
 4:32 POTUS Out to Hearcut
 5:05 POTUS In oral
 5:27 POTUS Out to Res.