

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

FOIA Number:
2009-0166-S

FOIA MARKER

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

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

OA/ID Number: 90717
Folder ID Number: 90717-003

Folder Title:
Friday, September 11, 1992 [3]

Stack:	Row:	Section:	Shelf:	Position:
G	35	2	4	0

Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Schedule	Schedule of the President for St. Louis, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
02. Schedule	Schedule of the President for Excelsior Springs, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
03. Schedule	Schedule of the President for Excelsior Springs, Missouri; redactions. (5 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
04. Schedule	Schedule of the President for Joplin, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
05. Schedule	Schedule of the President for Joplin, Missouri; redactions. (3 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
06. Schedule	Schedule of the President for Virginia Beach, Virginia; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
07. Schedule	Schedule of the President for Virginia Beach, Virginia; redactions. (3 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	
08. Diagram	Seating Diagram of VH-3D, Re: South Lawn to Andrews AFB. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Friday, September 11, 1992 [3]

Pinksheet Number: RML16037

OA/ID Number: 90717-003

Date Closed: 12/19/2024

FOIA/Sys Case #: 2009-0166-S

Re-review Case #:

P-2/P-5 Review Case #:

Processed by: Matt Lee

Processed by:

Processed by:

WHITE HOUSE STAFFING MEMORANDUM

DATE: 09/11/92

ACTION/CONCURRENCE/COMMENT DUE BY: ----

SUBJECT: PRESIDENTIAL REMARKS: JOBS CORPS CENTER, EXCELSIOR SPRINGS, MO

09/11

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	MCBRIDE	☐	☒
BAKER	☐	☒	MOORE	☐	☒
SCOWCROFT	☐	☒	MULLINS	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☒
BATES	☐	☒	PORTER	☐	☒
BRADY	☐	☒	PROVOST	☐	☒
BROMLEY	☐	☐	ROSS	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	TUTWILER	☐	☒
FITZWATER	☐	☒	ZOELICK	☐	☒
GRAY	☐	☒	KAUFMAN	☐	☒
HOLIDAY	☐	☒	MCGROARTY	☐	☒
HORNER	☐	☐	BOSKIN	☐	☒
			GROOMES		☒

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 SEP 10 PM: 21

September 10, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: DAN MC GROARTY *DMG*
SUBJECT: PROPOSED REMARKS FOR JOB CORPS CENTER, EXCELSIOR
SPRINGS, MISSOURI

I. SUMMARY

On Friday, September 11, at 12:40 p.m., you will address approximately 2,000 people at a job training site, the Job Corps Center in Excelsior Springs, Missouri. In the audience will be 500 students and administrators from the program, as well as 500 students from area schools.

II. DISCUSSION

Your remarks (approximately 13 minutes / teleprompter) reprise your economic address from Detroit, putting special emphasis on the impact your agenda will have on young people entering the job market.

McGroarty/Walters
September 10, 1992
8:00 p.m.
[JCMO] P11:09

PRESIDENTIAL REMARKS: JOBS CORPS CENTER
EXCELSIOR SPRINGS, MISSOURI
SEPTEMBER 11, 1992
12:40 P.M.

Thank you, Booker [T. Jones, President and CEO of the company that runs the Job Corps Center], for those kind words. Governor John Ashcroft; John Douglas and Wayne Jenkins from the Department of Labor; and John Thomas, president of the student body here, thank you. /

Just before I came here today, I met with a home-team hero - - Derrick Thomas, who runs the Third and Long Foundation, when he's not running down opposing quarterbacks. On Sundays you know him as Number 58 -- but today, he's number 832: America's 832nd Daily Point of Light. // Actually, when I got right up next to Derrick, I didn't know whether "Point of Light" would do it -- I thought maybe we should name him a lighthouse. //

And I know Derrick will agree when I say it's great to see the team spirit here at Job Corps. //

We're in a political season so tough it makes what goes on in Arrowhead Stadium seem like two-hand touch. So when you're all done with your training, I'd like to invite all the carpenters here back to Washington. There's a certain House on Capitol Hill that's in need of a little renovation. // You know Bob Vila's (Veel-ah's) show: This Old House? Well, there's an old House of Representatives back in Washington that hasn't been cleaned out for 38 years. //

Let me tell you why I'm here at Jobs Corps cutting into your lunch hour. I've just seen first-hand the fruits of your labor - the skills you'll use to succeed in an economy that seems to change by the day. Today, I want talk to you about your world: Tell you how America as a nation is ready to move forward to a future of peace and prosperity -- if we but make the right choices.

As we gather today, I am proud to be the first President who can say: The Cold War is over -- and freedom finished first. But with change comes new challenges. The defining challenge of the 90s is to win the peace -- to win the competition of the new global economy. // In the 21st Century, America must be not only a military superpower, but an export superpower and an economic superpower.

We start with an honest appraisal of our weaknesses -- and our strengths. My opponent talks about an America in decline -- but just remember: If you want to talk to the most productive workers in the world -- you don't have to fly to Japan ... you don't have to hop a flight to Germany: You can look right here in the USA -- because the American worker is the most productive worker in the world. //

How do we guarantee that our workers will still be the world's most productive -- and that there will be plenty of high-wage jobs in your future? / Yesterday in Detroit I set out a strategy -- what I call my Agenda for American Renewal: Six challenges we must meet to move America forward. And I set a

goal: Today our national economy is nearing \$6 trillion dollars. My agenda will make America the world's first \$10 trillion dollar economy by the first years of the 21st Century. //

My Agenda for American Renewal starts with these facts: Right now, in our factories, 1 of every 6 manufacturing jobs is tied to trade. On our farms, produce from 1 in every 3 acres we harvest will be sold abroad. In the century ahead -- in your lifetimes -- the percentage of your paycheck that comes from what America sells abroad is only going to grow. The bottom line in our new world economy is this: Exports equal jobs. //

I have faith that if we open foreign markets, our workers will satisfy the demand for our products. So my agenda starts with a global trade strategy -- a network of new free trade arrangements from Chile to Czechoslovakia, from the Pacific nations to Poland. Give America the opportunity, and I believe we can respond to the needs of any customer -- anywhere.

But developed economies need developing minds. That's why my Agenda for American Renewal takes aim at the critical challenge -- preparing our children for the new century ahead. That means a revolution in American education.

Competition works in our economy -- it's time to bring some competition to the classroom. I have a GI Bill for Kids -- which would give thousand dollar scholarships to every parent, so that they can choose where their kid should go to school. Whether it's the public school across town or the private or religious

school across the street, I believe parents, not the government, should decide which school is best for their kids. //

Now, the third key component of my agenda for American renewal: Helping America's businesses sharpen their competitive edge. Small businesses create 2/3 of all new American jobs -- and they're the first to turn change to advantage in a fast-moving economy. When you finish this program, a small business is where you'll most likely end up with a job.

We must ease the burden on small business. Small businesses need relief -- from tight credit / over-regulation / taxation / and litigation.

Let me expand on this last point. America has become the land of the lawsuit -- each year we spend \$200 billion on direct costs to lawyers./ I think that's crazy, and I have a plan to put an end to crazy lawsuits. America won't work until we start suing each other less -- and start caring for one another more.

//

Fourth, my Agenda for American Renewal means promoting economic security for working Americans. That means health care reform -- to make health insurance affordable to all Americans, and make sure you're never locked into a job you want to leave because you're worried you may lose your health care coverage. It means a retirement or pension plan that you can take with you throughout your career.

Fifth, our Agenda for American Renewal must mean an America that leaves no one behind. That means programs that break the

cycle of dependency. That help public housing tenants become homeowners . . . that help people on welfare find work . . . that help people without hope take heart. We don't owe every American a living -- but we do owe every American an opportunity. //

And finally, my agenda won't be complete until we bring change to one of the most hide-bound institutions in America: The government. I call my idea "right-sizing" government. But whatever we call it, I know you'll agree: Government is too big, and it spends too much. //

My opponent wants to make big government even bigger. To be precise, he's already on record for at least \$220 billion dollars in new spending -- and \$150 billion in new taxes.

Now my opponent likes to tell you he'll only raise taxes on the rich. But I'll tell you this: Bill Clinton's going to end up taxing all working Americans for the same reason outlaw Willie Sutton robbed banks: "Because that's where the money is." //

Well, I don't think people are undertaxed. I think government spends too much. That's why my agenda includes a new idea to drive down the deficit -- by giving the American taxpayer power to earmark a full 10 percent of his federal tax dollars for one purpose, and one purpose only: to pay down the national debt. It is time to rightsize our government.

My new plan is comprehensive -- filled with specific answers to questions Americans are asking around their dining room tables these days. One of those questions is -- how will I stay ahead of the changes in the world economy?

According to some studies, just 2 percent of you will work the same job from now until retirement. The average worker can expect to change jobs 10 times during the course of his career. You need real-world security -- skills you can put to work now - - and ten years from now. //

But just as you can't drive a nail without a hammer, you can't build a dream without a job. You're here at Job Corps because you know that it takes more and better skills to earn good jobs -- and you decided you were going to do something about it. //

Well, America has work to do -- and we can't let your drive go to waste. // Maybe fifty years ago, a strong back might have been enough to get a good job. In our changing economy, it's not enough any more. What you earned yesterday with sweat -- you've got to earn tomorrow with skills.

That's why last month, I announced new initiatives to focus federal job training on the kind of real-world skills Americans like you -- and Americans of all ages need in this new world economy.

To help young people find that first job -- we have a program called the Youth Training Corps, modeled after Job Corps programs like this one, to get inner-city kids off the mean streets, and give them a second chance to build the skills they need to succeed. For older workers who've lost their job -- or worry that next pay envelope may bring a pink slip, we've developed a new idea called Skill Grants. We want to give

workers vouchers worth \$3000 dollars -- to be used towards the training program of their choice.

And let me say: choice is critical. You know what I mean. I don't see job training as an excuse to shoehorn you into whatever program has an open slot, or the next box on some bureaucrat's checklist. I want to give you the power to go where you want to get training -- in the kind of career that you choose. //

These are some of the ideas I'm talking about to Renew America. Many are underway, others are just beginning.

You see, I'm committed in this campaign -- to providing serious answers -- to the questions Americans are asking about our future. I have diagnosed the problem, and offered serious solutions -- not all of which are popular. And I'm asking for a mandate -- to put my solutions into action, and get this country moving.

For now at least, my opponent has chosen a different strategy. Rather than talk about what he wants for America, he spends his time belittling my ideas, and playing on fears.

One example. I want to talk about limiting the growth of government spending -- which my opponent says he agrees with. But instead of offering any ideas of his own, he simply says -- watch out seniors, watch out Veterans.

Governor Clinton is running a Freddie Krueger candidacy, "he's more interested in playing on people's fears, than in dealing with this country's problems.

I know times are tough, and that Americans have real concerns. But I reject a candidate who'll say anything to get elected. I'm going to talk about real ideas -- ideas that are right for America.

You see, we stand on the cusp of a new age in our nation. We have changed the world, and our children sleep safer because of our actions. Now we can devote the same energy, the same determination we used to win the Cold War -- to building a safer and more secure America here at home.

With the agenda I've outlined today, I believe we can Renew America, and build a better and brighter future.

Thank you all for this warm welcome -- and may God bless this great nation, the United States of America.

#

WHITE HOUSE STAFFING MEMORANDUM

RR

DATE: 09/11/92 ACTION/CONCURRENCE/COMMENT DUE BY: -----

SUBJECT: PRESIDENTIAL REMARKS: MISSOURI SOUTHERN STATE COLLEGE, 09/11

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	MCBRIDE	☐	☒
BAKER	☐	☒	MOORE	☐	☒
SCOWCROFT	☐	☒	MULLINS	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☐
BATES	☐	☒	PORTER	☐	☒
BRADY	☐	☒	PROVOST	☐	☒
BROMLEY	☐	☐	ROSS	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	TUTWILER	☐	☒
FITZWATER	☐	☒	ZOELICK	☐	☒
GRAY	☐	☒	KAUFMAN	☐	☒
HOLIDAY	☐	☒	BOSKIN	☐	☒
HORNER	☐	☐	MCGROARTY	☐	☒
			GROOMES		☒

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

September 10, 1992

11:22:23

SEP 11 11:23

MEMORANDUM FOR THE PRESIDENT

THROUGH: STEVE PROVOST *SP*
FROM: JENNIFER GROSSMAN *JAG*
SUBJECT: MISSOURI SOUTHERN STATE

Tomorrow morning, at 9:15 a.m., you will deliver remarks (11 mins./teleprompted) to a crowd of 4,000-10,000 students and family members on the campus of Missouri Southern State College. The event was organized by the campus College Republicans.

Your remarks showcase your Agenda For American Renewal -- discussing how the six components will help reach the goal of a \$10 trillion economy by the beginning of the next century. The message of the day is that this campaign will be decided not by scare tactics -- but on the merit of serious ideas like the ones you present in your Agenda.

(Grossman)
September 9, 1992
JOPLIN
Draft Four

PRESIDENTIAL REMARKS: MISSOURI SOUTHERN STATE COLLEGE
JOPLIN, MISSOURI
FRIDAY, SEPTEMBER 11, 1992

Governor Ashcroft, thank you for that introduction.

[Acknowledgements]. ((I spend my days in the Oval Office in Washington, let me just say it's great to be in the Oval at Missouri Southern State. Millie would love this Oval -- she'd have a thousand people to walk her.))

Four years, when I spoke on this campus, our country, our cities, our towns, were marked by thumbtacks on a war map inside the Kremlin walls. Today, I stand before you and say something no President has ever been able to say before: The Cold War is over -- freedom finished first. \\

Peace is precious but precarious. We must know its risks to reap its rewards. For America to be safe and strong, we must win the defining challenge of the 1990s: we must win the economic competition. We must be a military superpower, an export superpower, and an economic superpower. \\

This must be our goal: a ten trillion dollar economy by the beginning of the next century. The opposition will tell you: we can't cut it. I say anyway you cut it...we can. \\

Yesterday I released my Agenda for American Renewal. This is my agenda for action. America is a place where ordinary people can do extraordinary things if only they are set free. Here are my keys to unlock the door.

The first unlocks foreign markets, it's called Challenging the World. I want to complete the global trade negotiations, and get congressional approval of the North American Free Trade Agreement. Trade with Mexico and Canada already brings two billion dollars into this state each year. Our agreement would turn the entire continent into a gigantic free-trade zone -- a \$6 trillion market from Manitoba to Mexico City, and create over 400,000 jobs for American workers. Don't let the other side try to scare you into thinking we're not up to the job. I believe that when trade is free and fair -- our workers can beat the competition, fair and square. \\

When it comes to exports, I say this continent's not big enough for the American worker. I want a free trade agreement with Poland...and with Hungary. I want an agreement with Czechoslovakia. We will have these agreements by the end of my second term. \\

My opponent used to support free trade. First he was for the Mexican free trade agreement -- then he wasn't so sure. Now he says: "I'm reviewing it carefully; when I have a definitive opinion I will say so." Now are there any history students in the audience? You may recall that Walter Lippman said leadership means guarding, quote, "a nation's ideals." And the Roman historian Tacitus defined leadership as, quote, "reason and judgment." \\ But you know....I don't recall ever hearing leadership defined as "Please leave a message and we'll get back

to you." \\ It doesn't work that way. In the Oval Office, there's no "call-waiting." \\

The second key is Preparing our Children. Developed economies demand developing minds...our schools must prepare our kids to compete on a world-scale. We must raise standards, we must demand accountability, and we must give parents the right to choose their kids' schools. My GI Bill for Kids would give scholarships to your younger brothers and sisters, your children to go to the school of their choice. Now both Governor Clinton and I want to change schools: he wants to change them a little. I want to change them a lot. My opponent says he's for a variety of school choice: public, public, or public. I disagree. Whether it's a public school, a private school or a religious school -- I believe parents, not government, should choose their children's schools. \\

The third key must unlock the future: We must Sharpen Businesses' Competitive Edge. My opponent wants to do for American businesses what he's done for Arkansas businesses. But if you ask the entrepreneurs of Arkansas, they'll tell you there's been little hope in Little Rock. Private dollars build more businesses. Public dollars build more bureaucracies. Which do you think will help our economy? I believe that we must cut the regulations that turn red tape into pink slips. And we've got to put a restraining order out on our legal system. \\ This country is suing itself silly...but cost to our competitiveness is no laughing matter. When it comes to taking on the trial

lawyers, my opponent's over in their corner, sponging their brow, I want to step into the ring and strike a blow against frivolous lawsuits. \\

The fourth key is Promoting Economic Security. That means job training to ease our workers into the new economy. It means health care reform -- proposals I've introduced to cut almost 400 billion dollars of health care costs over the next five years so that you and your neighbors can afford it. Governor Clinton's ideas could end up turning 13% of our GNP over to the government. Uncle Sam, M.D.? I don't believe that's the right prescription for America. \\

The fifth key is Leaving No One Behind. My approach to welfare is not how much we hand out -- but how many we help up. The policies of the past put a roof over people's heads, but forgot to build the door. We must build that door, with housing vouchers, Enterprise Zones, and workfare reforms. You see, I believe that our policies won't work unless people do too. \\

The final key is what I call Rightsizing Government. Today the federal government spends almost a quarter of every dollar of the nation's income. Apparently my opponent thinks we're getting off cheap. He's proposed \$150 billion in new taxes and at least \$220 billion in brand new spending -- and that's batteries and spare parts not included. He's promising a rainbow -- but first you've got to hand over the pot of gold. \\

Recently the people of Missouri voted down a tax increase, and sent a message that should echo from coast to coast:

government's not taxing too little -- it's spending too much. \ Send that same message to Washington when you vote this November.

The agenda I published yesterday contains specific proposals to cut the fat: caps on the growth in mandatory spending and a freeze on domestic spending; a balanced budget amendment and a line-item veto. Governor Ashcroft has a line-item veto -- and he's used it to keep almost a quarter of a billion dollars in your pockets. Imagine what a President could do with the same power. I've also proposed a check-off box on tax returns -- to give the taxpayers their own private veto pen.

I am committed in this campaign to providing serious answers to the questions Americans are asking about our future. I have diagnosed the problems, and offered serious solutions -- not all of which are popular. And I'm asking for a mandate -- to put my solutions into action, and get this country moving.

For now at least, my opponent has chosen a different strategy. Rather than talk about what he wants to do for America, he spends his time belittling my ideas, and playing on fears. One example. I want to talk about limiting the growth of government spending -- an idea my opponent says he agrees with. But instead of offering serious ideas of his own, he simply says: watch out senior citizens, watch out Veterans, watch out disabled Americans.

Governor Clinton is running a Freddie Kreuger candidacy, he's more interested in playing on people's fears than in dealing with this country's real problems.

But America doesn't scare easily. We know the future holds its challenges, but we're not cowards...we're not quitters.

Let me tell you a little story about a fellow born not far from here in Commerce, maybe you know him. Mickey Mantle played in the minors right here in Joplin before he went to the Yankees. His dad was a coal miner. Mutt Mantle worked all his life in the mines so that Mickey wouldn't have to. One day Mutt got a long-distance call from his son. The Yankees were sending Mantle back to Joplin. Mickey said, "Dad, I can't play." Well Mutt just hung up the phone, jumped in his car, and drove through the night to Mickey's hotel. Without a word, he started packing his son's suitcase. Mickey said, "What are you doing?" His dad replied, "You can work the mines with me. I didn't think I raised a quitter." That night Mutt Mantle drove back home alone.

Now I wasn't raised a quitter and I reckon you weren't either. The competition in the coming years will be tough. But let's remember who invented the game. It's not time to pick up our ball and go home, it's time step up to the plate. Thank you, God bless you, and God bless America.

#

#

#

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Schedule	Schedule of the President for St. Louis, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE
WASHINGTON

SCHEDULE OF THE PRESIDENT
FOR

ST. LOUIS, MISSOURI

SEPTEMBER 11, 1992

EVENTS:

Remarks to McDonnell Aircraft Company Employees

DRESS:

Men - Business Suit
Women - Day Dress

CONTACT:

Office of Presidential Advance
John G. Keller, Jr. - 202/456-7565

Trip Coordinator
Lori Rosso - 202/456-7565

St. Louis, Missouri Signal - 202/757-5000

ADVANCE:

Dianne Harrison	- LEAD	Blake Williams	- SITE
Robbie Aiken	- PRESS		
(b)(7)(C), (b)(7)(D), (b)(7)(F)	- USSS		
Rusty Schorsch	- MIL. AIDE		
Gordon Errington	- WHCA		
Dave McKinney	- AFI		

WEATHER:

Sunny/low 70's

SCHEDULE OF THE PRESIDENT

FOR

ST. LOUIS, MISSOURI

SEPTEMBER 11, 1992

GUEST AND STAFF INSTRUCTIONS:

Upon arrival at Lambert St. Louis International Airport, Guests and Staff will be escorted to Staff Viewing Area.

Please board Air Force One no later than 3:20 pm.

2:45 pm
(C.D.T.)

THE PRESIDENT arrives McDonnell Aircraft Company Ramp, Lambert St. Louis International Airport, St. Louis, Missouri.

EVENT: REMARKS TO MCDONNELL AIRCRAFT COMPANY EMPLOYEES

OPEN PRESS

REMARKS

2:50 pm

THE PRESIDENT is announced from Air Force One and proceeds to Stage.

2:53 pm

THE PRESIDENT is introduced for Remarks by Governor John Ashcroft.

2:55 pm

THE PRESIDENT makes Remarks.

3:25 pm

THE PRESIDENT concludes Remarks, departs Stage and boards Air Force One.

3:35 pm
(C.D.T.)

THE PRESIDENT departs St. Louis, Missouri en route Norfolk, Virginia.

(Flying Time: 1 Hour 5 Minutes)

(Interchange: Yes-C/9-C/20)

(Time Change: Ahead 1 Hour)

(Food Service: Snacks)

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Schedule	Schedule of the President for Excelsior Springs, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE
WASHINGTON

SCHEDULE OF THE PRESIDENT

FOR

KANSAS CITY AND EXCELSIOR SPRINGS, MISSOURI

SEPTEMBER 11, 1992

EVENTS:

Address Job Corps Center Students and Employees and Local
Community
Remarks to Missouri Victory '92 Luncheon
Victory '92 Major Donor Meeting

DRESS:

Men - Business Suit
Women - Day Dress

CONTACT:

Office of Presidential Advance
John G. Keller, Jr. - 202/456-7565

Trip Coordinator
Shirley Huang - 202/456-7565

Kansas City, Missouri Signal - 816/891-0744
*96/35-000

ADVANCE:

John Horne	- LEAD	Jim Ursomarso	- SITE
Peter Gaillard	- PRESS	Robert McDowell	- SITE
(b)(7)(c);(b)(7)(e);(b)(7)(f)	- USSS	Kristin Haveman	- SITE
John Wissler	- MIL. AIDE	Elizabeth Duperier	- PRESS
Mike Curry	- WHCA	Katherine Burton	- PRESS
Robert Turner	- HMX		

WEATHER:

Partly Cloudy/mid 70's

SCHEDULE OF THE PRESIDENT
FOR
KANSAS CITY AND EXCELSIOR SPRINGS, MISSOURI
SEPTEMBER 11, 1992

10:35 am
(C.D.T.)

THE PRESIDENT arrives Kansas City International Airport, Kansas City, Missouri and boards Marine One.

Met by:

Mr. Gary Martinette
Republican Chairman, Jackson County

Mr. Kevin Mayo
Republican Chairman, Clay County

Dr. Vernon Rice
Republican State Committeeman, Kansas City

Ms. Mable Page Lee
Republican State Committeewoman, Kansas City

Mr. Tom Fowler
Republican State Chairman

The Honorable E. Thomas Coleman
U.S. Representative

Ms. Barbara Ladesich
5th Congressional Bush/Quayle Coordinator

Ms. Roberta Capps Moore
6th Congressional Bush/Quayle Coordinator

Mr. Pat Kelley
Bush/Quayle Chairman, 5th Congressional District

Ms. Judy Fine
Bush/Quayle Coordinator, Buchanan County

Mr. Fred Pouche
Bush/Quayle Chairman, Platte County

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03. Schedule	Schedule of the President for Excelsior Springs, Missouri; redactions. (5 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Friday, September 11, 1992 [3]

Date Closed:	12/19/2024	OA/ID Number:	90717-003
FOIA/SYS Case #:	2009-0166-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

Ms. Jean Ralston
Bush/Quayle Coordinator, Clay County

Daily Point of Light Greeters:

Mr. Joseph Thompson
50-Year Boy Scout Volunteer and 835th Daily Point
of Light

Mr. Derrick Thomas
Founder, Third and Long Foundation and Football
Player, Kansas City Chiefs and 832nd Daily Point
of Light

Ms. Donna Woolard
Teacher, Third and Long Foundation

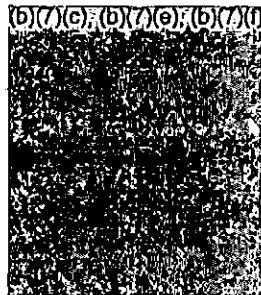
Mr. Stephen Williams
Student, Third and Long Foundation

10:40 am

THE PRESIDENT departs Kansas City International
Airport en route Excelsior Springs High School
Landing Zone, Excelsior Springs, Missouri.

HELICOPTER ASSIGNMENTS:

Marine One:



Nighthawk II:



(b)(7)(c), (b)(7)(e), (b)(7)(f)

Nighthawk III:

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

Nighthawk IV:

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(Flying Time: 20 Minutes)

11:00 am

THE PRESIDENT arrives Excelsior Springs High School Landing Zone and boards Motorcade.

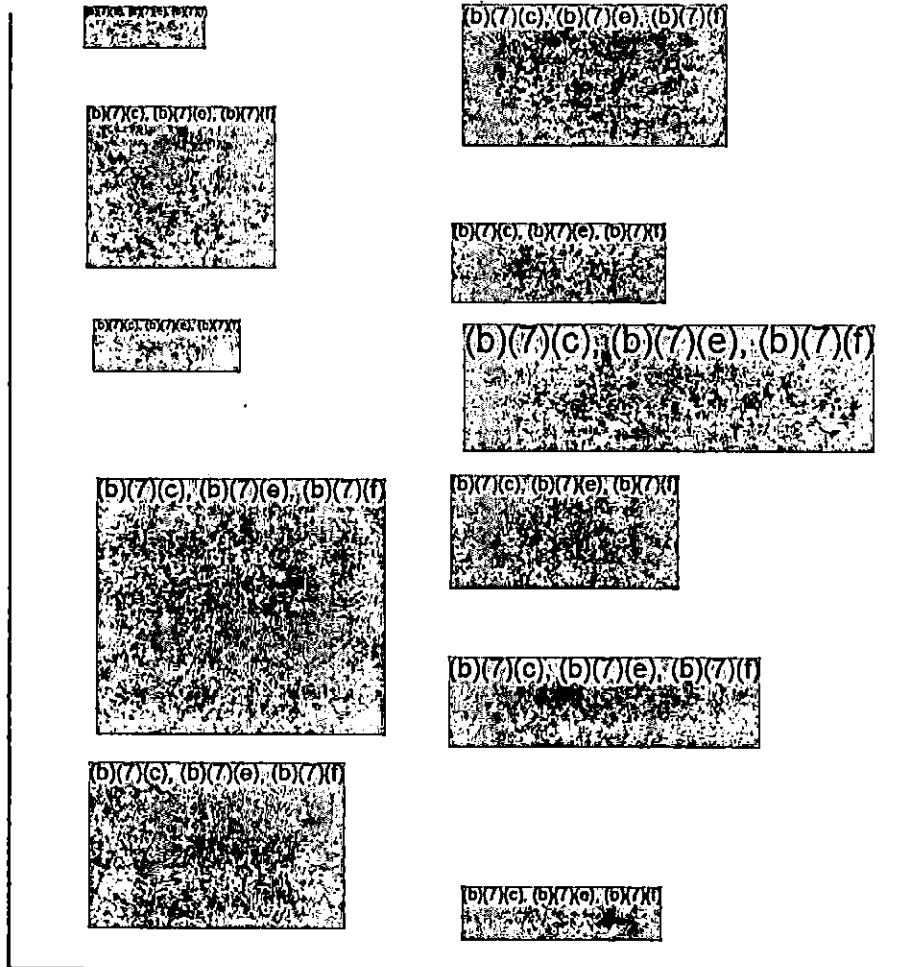
11:05 am

THE PRESIDENT departs Excelsior Springs High School Landing Zone en route Excelsior Springs Job Corps Center.

MOTORCADE ASSIGNMENTS:

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)



(Drive Time: 5 Minutes)

11:10 am

THE PRESIDENT arrives Excelsior Springs Job Corps Center and proceeds to Carpentry Room.

Met by:

Dr. Bernard J. Fennell
Director, Excelsior Springs Job Corps Center

Mr. Wayne Jenkins
Job Corps Project Manager, U.S. Department of Labor

Mr. Booker T. Jones
President and Chief Executive Officer, Minact
and Company

Mr. John I. Douglas
Job Corps Regional Director, U.S. Department of
Labor

11:12 am THE PRESIDENT arrives Carpentry Room for Private
Time.

(PRIVATE TIME: 10 MINUTES)

11:22 am THE PRESIDENT departs Carpentry Building en route
Off-Stage Announcement Area.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 1 Minute)

11:23 am THE PRESIDENT arrives Off-Stage Announcement Area
and holds briefly.

NOTE: Dais Guests will already be on stage.

EVENT: ADDRESS JOB CORPS CENTER STUDENTS AND EMPLOYEES
AND LOCAL COMMUNITY

OPEN PRESS

OFF-STAGE ANNOUNCEMENT

REMARKS

TELEPROMPTER

11:24 am THE PRESIDENT is announced onto Stage, proceeds to Seat and is seated.

11:25 am The Honorable John Ashcroft, Governor of Missouri makes welcoming remarks and introduces Mr. Jones.

11:27 am THE PRESIDENT is introduced for Remarks by Mr. Booker T. Jones, President and Chief Executive Officer, Minact and Company.

11:28 am THE PRESIDENT makes Remarks.

11:43 am THE PRESIDENT concludes Remarks and boards Motorcade.

11:45 am THE PRESIDENT departs Excelsior Springs Job Corps Center en route Excelsior Springs High School Landing Zone.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 5 Minutes)

11:50 am THE PRESIDENT arrives Excelsior Springs High School Landing Zone and boards Marine One.

11:55 am THE PRESIDENT departs Excelsior Springs High School Landing Zone en route Kansas City International Airport.

HELICOPTER ASSIGNMENTS:

Same as on Arrival.

(Flying Time: 20 Minutes)

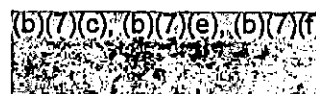
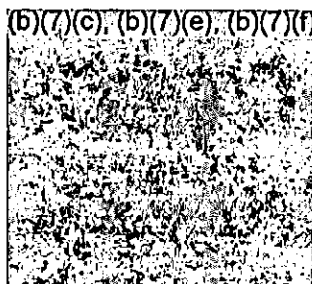
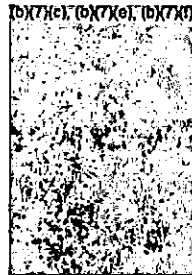
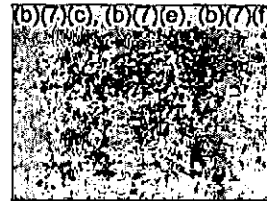
12:15 pm

THE PRESIDENT arrives Kansas City International Airport and boards Motorcade.

12:20 pm

THE PRESIDENT departs Kansas City International Airport en route Kansas City Airport Hilton Inn.

MOTORCADE ASSIGNMENTS:





(Drive Time: 10 Minutes)

12:30 pm

THE PRESIDENT arrives Kansas City Airport Hilton Inn and proceeds to Litton Ballroom Off-Stage Announcement Area.

Met by:

Mr. Richard E. Feasel
General Manager, Kansas City Airport Hilton Inn

Ms. Sharon Danner
Director of Sales and Catering, Kansas City
Airport Hilton Inn

12:32 pm

THE PRESIDENT arrives Litton Ballroom Off-Stage Announcement Area and holds briefly.

NOTE: Dais Guests will already be on stage.

EVENT: REMARKS TO MISSOURI VICTORY '92 LUNCHEON

CLOSED PRESS

OFF-STAGE ANNOUNCEMENT

BRIEF REMARKS

TOAST LECTERN

12:33 pm THE PRESIDENT is announced onto Stage and remains Standing.

12:34 pm THE PRESIDENT is introduced for Remarks by Mr. Richard C. Green, Jr., Chief Executive Officer, Utilicorp and Company.

12:35 pm THE PRESIDENT makes Brief Remarks.

12:40 pm THE PRESIDENT concludes Brief Remarks, departs Stage and proceeds to Mexican Consulate Room.

EVENT: VICTORY '92 MAJOR DONOR MEETING

CLOSED PRESS

12:45 pm THE PRESIDENT arrives Mexican Consulate Room and begins participation in Victory '92 Major Donor Meeting.

12:55 pm THE PRESIDENT concludes participation in Victory '92 Major Donor Meeting, departs Mexican Consulate Room and proceeds to Holding Room.

1:00 pm THE PRESIDENT arrives Holding Room for Private Time.

(PRIVATE TIME: 25 MINUTES)

1:25 pm THE PRESIDENT departs Holding Room and boards Motorcade.

1:30 pm

THE PRESIDENT departs Kansas City Airport Hilton Inn en route Kansas City International Airport.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 5 Minutes)

1:35 pm

THE PRESIDENT arrives Kansas City International Airport and boards Air Force One.

1:40 pm
(C.D.T.)

THE PRESIDENT departs Kansas City International Airport, Kansas City, Missouri en route Norfolk, Virginia.

(Flying Time: 2 Hours 25 Minutes)
(Interchange: Yes/C-9/C-20/Press)
(Time Change: Ahead 1 Hour)
(Food Service: Snacks)

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Schedule	Schedule of the President for Joplin, Missouri; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

THE WHITE HOUSE
WASHINGTON
SCHEDULE OF THE PRESIDENT
FOR
JOPLIN, MISSOURI
SEPTEMBER 11, 1992

EVENTS:

Address Missouri Southern State College

DRESS:

Men - Business Suit
Women - Day Dress

CONTACTS:

Office of Presidential Advance
John G. Keller, Jr. - 202/456-7565

Trip Coordinator
Paige Scheer - 202/456-7565

Joplin, Missouri Signal - 417/623-1182
- * 96 34 000

ADVANCE:

Tim Simonson	- LEAD	Dianne Harrison	- SITE
Scott Fassett	- PRESS	Damon Moley	- SITE
(b)(7)(c), (b)(7)(e), (b)(7)(f)	- USSS	Buz Presock	- SITE
Wayne Justice	- MIL. AIDE	John Myers	- PRESS
Dale Ellenbarger	- WHCA	Teresa Wiedel	- PRESS
Taylor Emmanuel	- AFI		

WEATHER:

Partly Cloudy/Upper 70's.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05. Schedule	Schedule of the President for Joplin, Missouri; redactions. (3 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

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

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

SCHEDULE OF THE PRESIDENT

FOR

JOPLIN, MISSOURI

SEPTEMBER 11, 1992

GUEST AND STAFF INSTRUCTIONS:

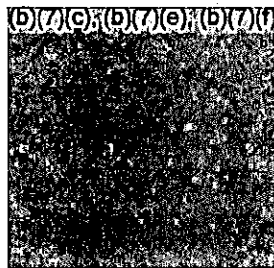
6:15 am Vans depart West Basement
en route Andrews Air Force
Base.

6:35 am Those with own transportation
and without baggage should
arrive Andrews Air Force Base,
Distinguished Visitor's
Lounge, at this time.

7:00 am

THE PRESIDENT departs White House en route Andrews
Air Force Base.

MARINE ONE MANIFEST:



(Flying Time: 10 Minutes)

7:10 am

THE PRESIDENT arrives Andrews Air Force Base and
boards Air Force One.

7:20 am
(E.D.T.)

THE PRESIDENT departs Andrews Air Force Base en
route Joplin, Missouri.

(Flying Time: 2 Hours 35 Minutes)
(Interchange: Yes/C-9/C-20)
(Time Change: Back 1 Hour)
(Food Service: Breakfast)

8:55 am
(C.D.T.)

THE PRESIDENT arrives Joplin Regional Airport,
Joplin, Missouri and boards Motorcade.

Met by:

The Honorable Bernard Johnson
Mayor, City of Joplin

The Honorable Dennis Smith
State Senator, Missouri

The Honorable Marvin Singleton
State Senator, Missouri

Mr. Mickey Poor
Candidate, State Representative

Mrs. Shug Hancock
Wife of Congressman Hancock

Mrs. A.L. Shortridge (Marcia)
Coordinator, Bush/Quayle, Jasper County

Dr. Esber Shaheen
President, International Institute of Technology

Mr. Lance Beshore
Area Businessman

9:00 am

THE PRESIDENT departs Joplin Regional Airport en
route The Oval, Missouri Southern State College,
Joplin, Missouri.

MOTORCADE ASSIGNMENTS:



(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(b)(7)(c), (b)(7)(e), (b)(7)(f)

(Drive Time: 10 Minutes)

GUEST AND STAFF INSTRUCTIONS:

Upon arrival at Missouri Southern State College, Guest and Staff will be escorted to Viewing Area.

Please board Motorcade no later than 9:15 am for transport to Joplin Regional Airport.

9:10 am

THE PRESIDENT arrives The Oval, Missouri Southern State College and proceeds to Stage (Announced from Limo).

Met by:

Dr. Julio S. Leon
President, Missouri Southern State College

Mr. John W. Tiede, J.D.
Vice President, Missouri Southern State College

Mr. Eric S. Weber
President, College Republicans, Missouri Southern
State College

NOTE: Dais participants are already on Stage at
this time.

EVENT: ADDRESS MISSOURI SOUTHERN STATE COLLEGE

OPEN PRESS

ON-STAGE ANNOUNCEMENT

REMARKS

TELEPROMPTER

9:12 am THE PRESIDENT is announced onto Stage by The
Honorable John Ashcroft, Governor of Missouri, and
proceeds to Podium.

9:14 am THE PRESIDENT makes Remarks.

9:22 am THE PRESIDENT concludes Remarks, departs Stage and
boards Motorcade.

NOTE: Upon conclusion of Remarks, THE PRESIDENT
will participate in Photo Opportunity with
Dais Participants.

9:25 am THE PRESIDENT departs Missouri Southern State
College en route Joplin Regional Airport.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 10 Minutes)

9:35 am THE PRESIDENT arrives Joplin Regional Airport and boards Air Force One.

9:40- am THE PRESIDENT departs Joplin, Missouri en route
(C.D.T.) Kansas City, Missouri.

(Flying Time: 55 Minutes)
(Interchange: Yes/C-9/C-20/Press)
(Time Change: None)
(Food Service: Lunch)

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Schedule	Schedule of the President for Virginia Beach, Virginia; redaction. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024

OA/ID Number: 90717-003

FOIA/SYS Case #: 2009-0166-S

Appeal Case #:

Re-review Case #:

Appeal Disposition:

P-2/P-5 Review Case #:

Disposition Date:

AR Case #:

MR Case #:

AR Disposition:

MR Disposition:

AR Disposition Date:

MR Disposition Date:

RESTRICTION CODES

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

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

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]

(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

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

PRM...Removed as a personal record misfile.

THE WHITE HOUSE
WASHINGTON

SCHEDULE OF THE PRESIDENT
FOR

VIRGINIA BEACH, VIRGINIA

SEPTEMBER 11, 1992

EVENT:

Meeting with Victory '92 Supporters
Reception at Dr. Pat Robertson's Residence
Pat Robertson's Christian Coalition Major Donor Photo
Address Christian Coalition Road to Victory Conference

DRESS:

Men - Business Suit
Women - Day Dress

CONTACTS:

Presidential Advance Office
John G. Keller, Jr. - 202/456-7565

Trip Coordinator
Anne Mincy - 202/456-7565

Virginia Beach, Virginia Signal - 804/523-6309
- * 96 36.000

ADVANCE:

Bob Marlow	- LEAD	Kelli Perkins	- SITE
Dan McCardell	- PRESS	Robert McClellan	- SITE
(b)(7)(C)(b)(7)(E)(b)(7)(D)	- USSS	Paul Redmond	- SITE
Joe Walsh	- MIL. AIDE	Lani Miller	- PRESS
Lynn Litchy	- WHCA		
Steve Deaux	- AF-1		

WEATHER:

Mostly Cloudy/Low 70's

SCHEDULE OF THE PRESIDENT

FOR

VIRGINIA BEACH, VIRGINIA

SEPTEMBER 11, 1992

6:35 pm
(E.D.T.)

THE PRESIDENT arrives Norfolk Naval Air Station,
Norfolk, Virginia and boards Motorcade.

NOTE: Open Arrival for Military Personnel

Met by:

The Honorable John Warner
U.S. Senator

The Honorable Mark Early
State Senator, Virginia

The Honorable Kenneth W. Stolle
State Senator, Virginia

The Honorable Leo Waldrup
State Delegate, Virginia

The Honorable Frank Wagner
State Delegate, Virginia

The Honorable Robert Tata
State Delegate, Virginia

The Honorable Harry R. Purkey
State Delegate, Virginia

The Honorable Bob McDonnell
State Delegate, Virginia

Mr. Gordon Robertson
Chairman, 2nd Congressional District Republican
Party

Mr. Al Ablowich
Chairman, Virginia Beach Republican Party

Mrs. Mary Grigg
Chairman, Norfolk Republican Party

Mr. Dan Jenkins
Candidate, U.S. House of Representatives, 3rd
District

Mr. Jim Chapman
Candidate, U.S. House of Representatives, 2nd
District

Admiral Paul David Miller
Commander-in-Chief, U.S. Atlantic Command-Supreme
Allied Commander, Atlantic

Daily Point of Light Greeters:

The Reverend Gary Ham
Coordinator and Volunteer, Operation
Breakingthrough and 522nd Daily Point of Light

The Reverend Lawrence Lewis
Volunteer, Operation Breakingthrough and 522nd
Daily Point of Light

Mr. Richard Hassell
Founder, Christian Action and 732nd Daily Point of
Light

Ms. Ann Riggio
Staff Member, Christian Action

Mr. Don Kennedy
Volunteer, Enterprise Helping Hands Network and
886th Daily Point of Light

Captain Daniel C. Roper
Commanding Officer, USS Enterprise

Lt. Douglas Moberg
Coordinator, Dam Neck Personal Excellence
Partnership and 466th Daily Point of Light

OSC (SW) Bryan Tuvell
Coordinator, Dam Neck Personal Excellence
Partnership and 466th Daily Point of Light

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07. Schedule	Schedule of the President for Virginia Beach, Virginia; redactions. (3 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records
Office: Office of the President
Series: Daily Files
Subseries:
WHORM Cat.:
File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

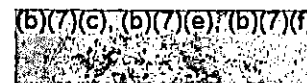
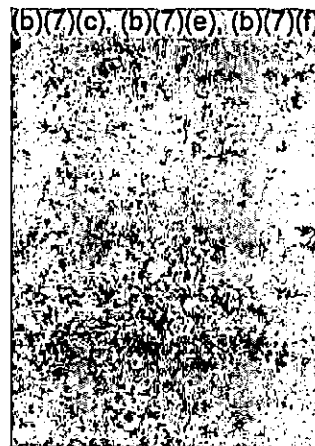
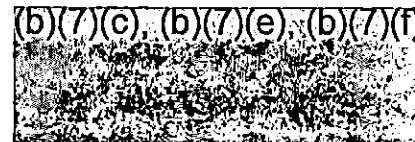
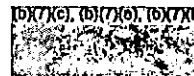
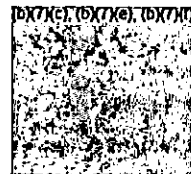
Freedom of Information Act - [5 U.S.C. 552(b)]

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

6:45 pm

THE PRESIDENT departs Norfolk Naval Air Station en route Founders Inn and Conference Center.

MOTORCADE ASSIGNMENTS:



(Drive Time: 15 Minutes)

GUEST AND STAFF INSTRUCTIONS:

Upon arrival at Founders Inn and Conference Center, Guests and Staff will be escorted to Staff Holding Area.

Page Three

Please board Motorcade no later than
7:10 pm for transport to Robertson
Residence.

7:00 pm THE PRESIDENT arrives Founders Inn and Conference
Center and proceeds to Benjamin Franklin Room.

EVENT: MEETING WITH VICTORY '92 SUPPORTERS

CLOSED PRESS

7:05 pm THE PRESIDENT arrives Benjamin Franklin Room and
begins participation in Meeting.

7:15 pm THE PRESIDENT concludes participation in Meeting,
departs Benjamin Franklin Room and boards
Motorcade.

7:18 pm THE PRESIDENT departs Founders Inn and Conference
Center en route Robertson Residence.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 2 Minutes)

GUEST AND STAFF INSTRUCTIONS:

Upon arrival at the Robertson Residence,
Guests and Staff will be escorted to
Staff Viewing Area.

Please board Motorcade no later than
7:30 pm for transport to Founders Inn
and Conference Center.

EVENT: RECEPTION AT DR. PAT ROBERTSON'S RESIDENCE

CLOSED PRESS

TALKING POINTS

TOAST LECTERN

7:20 pm THE PRESIDENT arrives Robertson Residence and
proceeds to Terrace.

Met by:

Dr. and Mrs. Pat Robertson (Dede)
President, Christian Coalition

7:21 pm THE PRESIDENT, accompanied by Dr. and Mrs.
Robertson, arrives Terrace and proceeds to Toast
Lectern.

7:22 pm THE PRESIDENT gives Brief Remarks.

7:35 pm THE PRESIDENT concludes Brief Remarks, departs
Terrace and proceeds to Library.

EVENT: PAT ROBERTSON'S CHRISTIAN COALITION MAJOR DONOR PHOTO

CLOSED PRESS

7:36 pm THE PRESIDENT arrives Library and begins participation in Major Donor Photo.

7:41 pm THE PRESIDENT concludes participation in Major Donor Photo, departs Library and boards Motorcade.

7:42 pm THE PRESIDENT departs Robertson Residence en route Founders Inn and Conference Center.

MOTORCADE ASSIGNMENTS:

Same as on Arrival.

(Drive Time: 2 Minutes)

GUEST AND STAFF INSTRUCTIONS:

Upon arrival at the Founders Inn, Guests and Staff will be escorted to Staff Viewing Area.

Please board Motorcade no later than 8:10 pm for transport to Norfolk Naval Air Station.

7:44 pm THE PRESIDENT arrives Founders Inn and Conference Center and proceeds to Holding Room.

Met by:

Mr. Arun Daniel
General Manager, Founders Inn and Conference
Center

Mr. Earl Wilson
Assistant General Manager, Founders Inn and
Conference Center

7:45 pm THE PRESIDENT arrives Holding Room and holds
briefly.

7:49 pm THE PRESIDENT departs Holding Room and proceeds to
Off-Stage Announcement Area.

7:50 pm THE PRESIDENT arrives Off-Stage Announcement Area
and holds briefly.

NOTE: Dais participants are already on Stage
at this time.

EVENT: ADDRESS CHRISTIAN COALITION ROAD TO VICTORY
CONFERENCE

OPEN PRESS

OFF-STAGE ANNOUNCEMENT

REMARKS

TELEPROMPTER

7:52 pm THE PRESIDENT, accompanied by Dr. and Mrs. Pat
Robertson, is announced onto Stage, proceeds to
Seat and is Seated.

7:53 pm

THE PRESIDENT is introduced for Remarks by Dr. Robertson.

7:55 pm

THE PRESIDENT makes Remarks.

8:20 pm

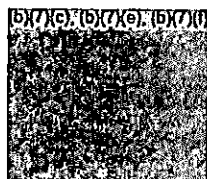
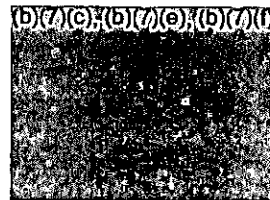
THE PRESIDENT concludes Remarks, bids Farewell to Dr. and Mrs. Robertson, departs Stage and proceeds to Motorcade.

NOTE: Six Police Photos will be taken at this time.

8:25 pm

THE PRESIDENT departs Founders Inn and Conference Center, Virginia Beach, Virginia en route Norfolk Naval Air Station, Norfolk, Virginia.

MOTORCADE ASSIGNMENTS:



(b)(7)(C), (b)(7)(E), (b)(7)(F)

(b)(7)(C), (b)(7)(E), (b)(7)(F)

(b)(7)(C), (b)(7)(E), (b)(7)(F)

(b)(7)(C), (b)(7)(E), (b)(7)(F)

(Drive Time: 15 Minutes)

GUEST AND STAFF INSTRUCTIONS:

8:55 pm C-9 departs Norfolk, Virginia
en route Andrews Air Force Base.

9:40 pm C-9 arrives Andrews Air Force
Base.

8:40 pm THE PRESIDENT arrives Norfolk Naval Air Station,
Norfolk, Virginia and boards Air Force One.

8:45 pm THE PRESIDENT departs Norfolk, Virginia en route
(E.D.T.) Hagerstown, Maryland.

(Flying Time: 45 Minutes)

(Interchange: No)

(Time Change: None)

(Food Service: Snacks)

9:30 pm THE PRESIDENT arrives Hagerstown, Maryland and
boards Marine One.

9:40 pm
(E.D.T.)

THE PRESIDENT departs Hagerstown, Maryland en route Camp David.

(Flying Time: 10 Minutes)

9:50 pm

THE PRESIDENT arrives Camp David.

Daily



FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Hubert T. Bell
5906 Reservoir Heights
Alexandria, Virginia 22311



THE PRESIDENT

September 11, 1992

Dear Hubie,

Barbara and I were saddened to learn of your mother's passing. She was a special person who was loved by so many.

While the days ahead will not be easy, please know that all the Bushes send their love and deepest sympathy to your wonderful family. We hope that the caring and the prayers of your many friends will make a difference.

*My most sincere
condolences to all*

Sincerely,



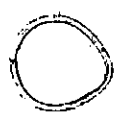
Daily



FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Fred Drilling
1040 17th Street, N.W.
Washington, D.C. 20036

Fred sent two sizes
of draw sheets and
two sets of Penn
tennis balls.



THE PRESIDENT

September 11, 1992

Dear Fred,

Just a quick note of thanks for the draw sheets and tennis balls. The draw sheets will be very helpful to our horseshoe tournament and will make us all feel more "official." I haven't been on the court much lately but the new balls may give me a good reason to get out there.

Thanks, again, for your thoughtfulness. With best wishes,

After all this
campaign maybe I'll
get to see you in action again

Sincerely,

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
08. Diagram	Seating Diagram of VH-3D, Re: South Lawn to Andrews AFB. (1 pp.)	09/11/92	(b)(7)(c), (b)(7)(e), (b)(7)(f)	

Collection:

Record Group: Bush Presidential Records

Office: Office of the President

Series: Daily Files

Subseries:

WHORM Cat.:

File Location: Friday, September 11, 1992 [3]

Date Closed: 12/19/2024	OA/ID Number: 90717-003
FOIA/SYS Case #: 2009-0166-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

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

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

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

PRM. Removed as a personal record misfile.

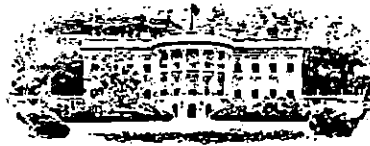
Freedom of Information Act - [5 U.S.C. 552(b)]

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

Daily 9/11
PLEASE ATTACH A COPY
OF THE ECONOMIC
"AGENDA" ANNOUNCED
IN DETROIT.

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mrs. Annelise Anderson
Hoover Institute
Stanford Institute
Stanford, California 94305-2323



Sept. 11 '92

Dear Annelise -

*David Bates showed me
that supportive op-ed piece.
I am very grateful to you.
I enclose the "Agenda"*

announced in Detroit yesterday.

*It's a tough year with
the anemic economy our
biggest problem; but for the
reasons you very generously
pointed out we are going
to win. Warm regards from a
very grateful Cy Burl*

HOOVER INSTITUTION

ON WAR, REVOLUTION AND PEACE

Stanford, California 94305-6010



September 8, 1992

Mr. David Bates
The White House
Washington, D.C. 20500

Dear David:

I thought you and the President might enjoy seeing this op-ed I did about him.

The last paragraph recalls our travels together in 1980-- I was glad to see you'll be working with him again.

With every good wish to you both, personally and politically,

Sincerely,

A handwritten signature in cursive script that reads "Annelise".

Annelise Anderson
Senior Research Fellow

The most critical issue in the campaign is economic policy; there are two choices, but George Bush's vision — minimum taxation and control of spending — makes him...

The right man for our time

BY ANNELISE ANDERSON

THE MOST critical issue in a presidential campaign is economic policy — more specifically, taxing and spending. One vision of economic policy puts Washington at the center, picking winners and losers among industries and companies, telling employers what they cannot do and what they must do, taxing more and spending more, redistributing income from this group to that group.

This is the Clinton vision — \$32 billion of new taxes on individuals and businesses and \$42 billion of new spending in the first year alone, offset by only \$8 billion in program reductions, primarily more cuts in defense and international affairs. Another \$18 billion in savings will supposedly come from administrative savings and staff reductions.

Clinton's numbers

Over four years, it's \$220 billion in new spending, \$160 billion in new taxes, deeper defense cuts, and more administrative savings. And those are his numbers.

What of the spending? More for roads and sewers; funds for a new high-speed train system; federal financing of a national computer network to put data bases on-line; funds for a new network of commercial development banks to lend to low-income entrepreneurs.

But funding for transportation is already at a record high in the Bush budget; our government-owned passenger rail company, Amtrak, loses \$600

million a year that has to be made up by taxpayers; private enterprise has been providing the public with continually improving on-line access to data bases for a decade; and the United States has experienced one failure after another with special-purpose, government-controlled lending institutions.

That's not all. A National Police Corps, 100,000 strong! Socialization of the health care system: each of us would be required to carry a card with an electronic medical history record, and the government would require insurance companies to charge uniform premiums and would set prices for medical services. Employers who didn't buy insurance for their employees would be taxed instead — an amount not included in the Clinton campaign's tax estimates. A new agency to engage in research and development — at the same time that his proposals cut \$750 million from current funding of university research.

Private employers would also be required to spend 1.5 percent of payroll for training and provide unpaid leave of 12 weeks for people with a new child or a sick family member. It is one of the strengths of our system that such fringe benefits have traditionally been negotiated between employers and employees rather than legislated across the board by government.

Government can cook up innumerable schemes to tax and spend, to transfer money from one group of people to another,



to force employers to spend themselves into international uncompetitiveness. It can intervene with a heavy hand in the workings of competitive markets and even, as in Clinton's proposals, in the balance of power between the

states and the federal government.

But what we have learned from experience around the world — West Germany versus East Germany, Taiwan versus mainland China, the Soviet Union versus the United

States — is that free markets and competitive enterprise are the only lasting prescriptions for prosperity and economic growth.

This is the vision held by President Bush. The government's role is to tax as little as possible and in such a way that economic growth is least discouraged, to control government spending, to regulate when necessary as lightly as possible and in accordance with economic principles, and to encourage a sound monetary policy.

If the government fails at these tasks, no spending programs for R&D, training, infrastructure, export subsidies, or health and welfare will correct the damage.

Thus, Bush's commitment to lower taxes for everyone if Congress delivers acceptable spending control and an annual check-off on our tax returns to at least let the government know our views on spending and the national debt are on target.

Clinton offers the taxing and spending approach; Bush will get right what needs to be gotten right.

The second critical issue is foreign policy. Bush didn't end the Cold War single-handedly, but he has been an active participant in U.S. leadership of the free world since the end of World War II — in policies that kept America and Europe free and safe, and enable us now to welcome to our world the former communist countries of Eastern Europe and the old Soviet Union. In his first term he has handled the collapse of the Soviet empire

with prudence and backbone. He neither poked the sick bear, propped up its leadership prematurely, nor compromised with communist leaders as some would have had him do.

The Baltics and Eastern Europe are free; the Soviet Union has broken up into independent states; Germany is united and remains in NATO; and troop withdrawals and the dismantling of nuclear weapons continue apace. Saddam Hussein's aggression in the Middle East was reversed and he has been contained, all with the support of other nations and the United Nations.

Long experience

Bush's record in foreign policy is one we can trust; he has long experience and has handled an especially unpredictable and turbulent period in history with skill and care.

Clinton, by contrast, is inexperienced; we have few grounds on which to guess how he would handle challenges we cannot now predict. Clinton doesn't offer an alternative vision here; it's simply no contest.

I traveled with then vice presidential candidate George Bush 60,000 miles in 60 days during the 1980 presidential campaign, as a policy adviser and envoy from the Reagan staff. This I know: George Bush is a strong man and a good man. On both domestic policy and foreign policy, he is the right man for our time.

Annelise Anderson is a senior research fellow at the Hoover Institution.

MATERIALS FORWARDED TO THE PRESIDENT
September 11, 1992

ACTION

1. Letter to Republican Leader Bob Michel on Health Care. (w/ DM)
2. Nomination: Annette Kent to be U.S. Marshal for the District of Hawaii. (w/ DM)
3. Personnel Selection: National Security Education Board -- Frederick Messing, Steven Muller, William Pattis, and Richard Stolz.
4. Super Memos re President and Mrs. Bush being Honorary Co-Chairs for the Hispanic Educational Symposium and Honorary Chairmen for AmeriCares.
5. Personnel Selections: Edward Emmett to be a Member of the Interstate commerce Commission; Ray Witter, to be a Member of the Chemical sAFETY adn Hazard Investigation Board; JFK Center for the Performing Arts Board of Trustees.

CLASSIFIED

1. Request for Waiver for Satellite Exports to China. (w/ DM)

INFORMATION

1. Deland Memo re September 14 Trip to CA, WA, and Oregon: Endangered Species Issues.
2. Holiday Memo re Sec. Card's Response to Letter from Alex Muxo and J.W. DeMilly, Homestead Mayor and City Manager re Hurricane Andrew.

REMARKS

1. Missouri Southern State College, Joplin, MO (delivered to Residence early a.m.)
2. Job Corps Center, Excelsior Springs, MO (delivered to Residence early a.m.)
3. Christian Coalition, Virginia Beach, VA (version as staffed/delivered to Residence early a.m.)
4. McDonnell Douglas, St. Louis, MO (version as staffed/delivered to Residence early a.m.)

SCHEDULE

1. Tripbook for 09/11 to Missouri and Virginia (delivered to Residence early a.m.)

THE WHITE HOUSE
MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

FRIDAY, SEPTEMBER 11, 1992

Mrs. Bush	(in folder)
Susan Porter Rose	
Julie Cooke	
Anna Perez	
Joan DeCain	
Laurie Firestone	
Ann Brock	
Sondra Haley	
Jean Becker	
Sally Runion	
Jane Moore	
Peggy Swift	
Anne Griffith	Room 98 OEOB
Diana Kellogg	Room 157 OEOB
Secretary Baker	West Wing
Marlin Fitzwater	West Wing
Constance Horner	West Wing
Dennis Ross	West Wing
Margaret Tutweiler	West Wing
Steve Provost	Room 118 OEOB
Patty Presock	Residence
Gregg Petersmeyer	Room 100 OEOB
Shirley Green	Room 94 OEOB
Karen Connell	Room 58 OEOB
Carol Powers	West Wing
Marguerite Sullivan	Room 268 OEOB
Carolyn Washington	Room 268 OEOB
Benita Somerfield	hold one copy
First Lady Detail	Staircase
Chronological Files	
Event Files	(originals)

9-11-92

Pit-bull press turns into pussycat when it comes to Hillary

HILLARY Clinton sat on a couch in the governor's mansion in Little Rock as Jane Pauley drilled her with the big question: "Do you cook?" Jane asked.

Wow! Talk about tough questions. Hillary laughed. "Not so much. What I make is OK, but it's a limited repertoire." That's how it went in a 20-minute interview on NBC's "Dateline" this week. It was billed as a program to get to know Hillary Clinton better, to find out what kind of First Lady she might be. What we got was a 20-minute exercise in press agency.

That's the way it has been all through the presidential campaign, especially on TV. Its reporters have gone after Barbara Bush and Marilyn Quayle like pit bulls, but when they get to Hillary Clinton they turn tabby. The partisan, biased reporting in this campaign, especially on the wives of the candidates, is unprecedented. This is how bad it is: At the Republican Convention in Houston, TV reporters hammered the proposition that the GOP had made spouses an issue, when, in fact, it was the Clintons. The spouse issue exploded when Gov. Clinton said, "Elect me and you get two for the price of one," when Hillary ridiculed homemakers with her "cookies and tea" jibe, and finally, when Vanity Fair, after an interview with Hillary, announced that she and her husband were "co-candidates" for the presidency.

In Houston, the TV cops hounded Barbara Bush and Marilyn Quayle on everything from hypothetical abortion scenarios in their own families to gay and lesbian controversies to Pat Buchanan and Pat Robertson. They sought not to elicit information but to embarrass the women and make them



**RAY
KERRISON**

squirm. At the Democratic Convention in New York, TV gave the candidates and their wives the kid-glove treatment.

It's still that way. Here are some of the pitty-pat politically correct questions Jane Pauley asked Hillary: If you become First Lady of the land, will you be the same kind of First Lady that you have been in Arkansas? What is it about you that pushes peoples' hot buttons? What are your worst mistakes? Do the GOP attacks make you hurt or make you mad? What's the worst thing you've heard said about you? What was the grossest distortion of your record? Was your daughter prepared for the bad things said about Mommy? What makes you proud of our generation?

Given the history and flow of this campaign, here are some questions Jane Pauley might have asked Hillary Clinton:

■ Marilyn Quayle was asked repeatedly what it was like to live with a man ridiculed throughout the country for nearly four years. What is it like to live with a man who has been depicted as a habitual philanderer?

■ Why did you retain your maiden name after marriage? Why did you change it after the governor lost an election? Why did you file your last income-tax

See KERRISON on Page 16

Pit-bull press is pussycat with Hillary

KERRISON from Page 5

return under your maiden name?

■ The Bushes and Quayles were all asked what they would do if a daughter or granddaughter wanted an abortion. If your 12-year-old daughter, Chelsea, became pregnant, would you approve of her having an abortion without your consent or knowledge?

■ The Clinton campaign strongly supports the homosexual agenda. Do you believe two men or women living together in a homosexual relationship constitute a family unit, entitled to all the benefits of a married couple?

■ Are you satisfied your husband is not a draft dodger?

■ Do you agree with your husband that Gov. Cuomo is a "mean son of a bitch" who acts like a

Mafioso?

■ On what basis did you publicly accuse President Bush of having an affair with another woman?

Don't get me wrong. TV's coverage of the Republican Convention was tough. No problem. The candidates and their wives are seeking the highest political office on earth, with great power, responsibilities, benefits, rewards and prestige. Why shouldn't they be subjected to the most searching scrutiny?

The problem is, TV applied that standard against the Republicans but not the Democrats. That's more than a double standard. It is thoroughly unprofessional and intellectually dishonest. It's time someone asked Hillary Clinton the hard questions.

Workers, Wives and Mothers

By Marilyn Quayle

WASHINGTON
Have you ever wondered why most politicians speak in safe clichés? I've recently learned the answer. The great hazard in stating one's views publicly, in one's own words, is that they will be misunderstood or, for political reasons, deliberately misconstrued.

Since my speech to the Republican convention, I have had an experience similar to looking in a fun-house mirror, watching my words come back at me in grotesque, often unrecognizable forms. It's time to set the record straight.

The accusation that astonished me most is that I implied that women who work are somehow less admirable than women who stay home with their children. This is nonsense. I never said that, and I never implied it. We all know that many women work because they have to, and two decades of social progress and a decade of economic growth have created more, higher-paying options for women than ever before.

Some women work by choice. Many

Marilyn Tucker Quayle, wife of Vice President Dan Quayle, works to improve disaster preparedness and response and is active in the fight against breast cancer.

take less demanding jobs at lower pay in order to have more time at home. Still others, often at great financial sacrifice, choose not to work outside the home at all.

I worked for several years as a lawyer; but 15 years ago, when we moved to Washington with young children, I was fortunate to be able to choose to stay at home. My full-time job became our three children and volunteer work — coaching soccer, directing school plays, assisting with school fund-raisers. And, yes, I helped with my husband's career.

As the wife of the Vice President for the last four years, I have had the unique opportunity to highlight issues important to me — disaster relief and the fight against breast cancer. I've tried to be there for my children, too. These were the choices I made. They were right for me. I do not hold them up as right for every woman. It never crossed my mind to do so.

Making choices concerning work and family has become a constant in women's lives. My generation has been privileged to have had many more opportunities than women before us. With this, however, have come conflicts — conflicting ambitions, desires, responsibilities — that women handle differently according to individual circumstances.

Many women, particularly those with young children, have experienced conflicting emotions as they have made their choices — whether to work full time or not, to take the more

demanding job or the less, to stay at home. Most of us try to shape our lives in ways that make sense for us, our mates and children. Women deserve credit for their professional work and for their successful juggling of responsibilities. And women also deserve credit for staying home and raising children in a society that often gives little status to stay-at-home mothers.

My words were willfully distorted.

One statement of mine has been subject to particularly wild and hostile misinterpretation. I said that I sometimes think liberals are angry, because it turns out that most women do not wish to be liberated from their essential natures as women.

The people who have objected most vehemently to this sought to construe this phrase as an argument for keeping women tied to the home. This is puzzling because central tenets of feminist thought spring from writings by Carol Gilligan and Betty Friedan. They have made the case that women and men are different, especially in their approach to relations with others, and that liberation

wouldn't be worthwhile if it simply turned women into clones of men.

Today women don't have to dress or act like men to advance in the professional world previously dominated by men. We don't have to reject the prospect of marriage and children to succeed. We don't have to reject our essential natures as women to prosper in what was once the domain of men. It is no longer an either-or situation.

The novelist Tom Wolfe has called our era "the great relearning." That applies to many in my generation who have relearned the old verities: the value of responsibility, integrity, morality, industry, compassion and charity. These enduring truths — needed by men and women and children — are what traditional values are all about. We can apply those truths in different ways toward our goals, such as strong family life based on mutual respect and commitment; and such as development of our God-given talents, whether in a career outside the home or in it or both.

Perhaps all this is too delicate to discuss in a political year, when the natural tendency is to polarize views. But let's not underestimate American women. The ones I know, who can just as well see a dozen different shades of white in their laundry as spot the flaw in a long legal contract, can also tell the difference between what I've said and how others have twisted it. □



Associated Press

SHE STOOPS TO CONQUER: *These kids are seniors at Whitney Young HS in Chicago, which means some may be eligible to vote this November. What with everyone predicting a close election, Hillary Clinton wasn't letting any moss grow on her high heels — she leaped over to remind the students that they should register ASAP.*

9-11-92

Nearly Half of Adults Collecting Jobless Aid Have Low Literacy

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — Nearly half of adults collecting federal unemployment insurance or applying to the government's Job Training Partnership program score in the bottom two of five literacy levels, according to a new Labor Department study.

That means that their abilities are limited to low-level information processing, the report said. "It seems likely that skills evident at these levels would place severe restrictions on full participation in our increasingly complex society, including the workplace," the study said.

Between 15% and 20% of the Job Training Partnership applicants and 20% to 25% of people on unemployment insurance demonstrated skills in the highest two literacy levels.

Partnership of 109 Companies Aims to Improve Care Nationwide for Children and the Elderly

By SUE SHELLNBARGER
And CATHY TROST

Staff Reporters of THE WALL STREET JOURNAL

In the largest corporate collaboration of its kind, 109 companies formed a partnership aimed at making major improvements in the quality and supply of child-care and elder-care services nationwide.

The accord, which also includes cities, states and non-corporate entities, calls for new child-care centers and programs, training of child-care workers, services for the elderly, expansion of school-age day care and other programs in 44 locations ranging from Orange County, Calif., to Burlington, Vt.

The partnership is the biggest example of a trend toward corporate collaboration in easing employees' work-family conflicts. It also reflects the crumbling of a longstanding idea in U.S. business that work and family issues should be kept separate.

The \$25.4 million partnership, led by International Business Machines Corp., was also organized by such strange bedfellows as Amoco Corp. and Exxon Corp.; Travelers Cos. and the Allstate Insurance unit of Sears, Roebuck & Co.; AT&T Co. and Xerox Corp., as well as American Express Co., Eastman Kodak Co., Johnson & Johnson and Motorola Inc.

It encompasses companies as small as Scitor Corp., a Sunnyvale, Calif., software concern with 180 employees, as well as 28 cities, states or agencies, bringing total participants to 137. Contributions range from \$9 million by IBM to \$5,000 or less by smaller participants.

The collaboration makes "an impressive contribution" to solving serious problems with the nation's dependent-care system, says Helen Blank, a child-care expert at the Children's Defense Fund, a Washington, D.C., advocacy group. Though the partners' employees will get priority enrollment in many of the new projects, the partnership promises to raise standards for child-care and elder-care services in the target communities, as well as to lay the groundwork for expanding future cooperation.

The accord does little to address some of the nation's most fundamental child-care problems, including affordability, low teacher salaries and uneven state licensing standards. The collaboration "doesn't cure the overall day-care problems for American families," Ms. Blank says. But the partnership reflects a growing recognition among U.S. companies that the nation's dependent-care problems are hurting productivity. Even the largest companies, such as IBM, have found it impossible to solve employees' complex child-care and elder-care problems alone.

"Companies are realizing that there's a limit to what they can achieve on their own," says Arthur Emlen, professor emeritus at Portland State University in Oregon and an authority on dependent-care issues. Announcement of the accord yesterday included an unusual joint statement, signed by the chief executive officers of the 11 leading companies,

Projects Planned by the Partnership

TYPE OF PROJECT	NUMBER	AMOUNT (In millions)
Increase school-age care	125	\$3.1
Improve child-care quality and training	55	2.5
Improve family day care	51	2.8
Increase elder care	44	1.5
Build or expand child-care centers	25	14.5
Undesignated		1.0
TOTAL	300	25.4

SOURCE: American Business Collaboration for Quality Dependent Care

proclaiming the importance of improving dependent-care services to attract workers and sustain their productivity.

It also marks a new role for corporate America in family issues.

"These corporations should be lauded for taking a step into an area that has been taboo for American businesses," says Bradley Googins, head of Boston University's Center on Work and Family. In a historic change, he says, "companies are seeing that families just cannot keep on" playing dual home and workplace roles without more support.

The collaboration comes as many employers reap startling internal survey data about workers' future dependent-care needs. At Eastman Kodak, 75% of employees will be caring for elders or children under 13 in the next five years. Work-family conflict "is going to be a continuing business issue," says Walt Burdick, IBM's senior vice president, personnel.

Many of the planned projects aim to eliminate work-family headaches that no employers could tackle alone. New Jersey employers, for instance, are planning a conference for school administrators to "raise their awareness about the needs of working parents," says Rebecca Haag, senior vice president of Work/Family Directions, the Boston consultant that helped organize the collaboration.

For American Express and Travelers employees, the accord means day care will be organized in some cities for employees' children during school holidays and vacations. Tenneco Inc., another partner, is able through the accord to secure a telephone elder-care resource and referral service for its 2,000 Houston employees, among other things.

For Codman & Schurtliff, a Johnson & Johnson surgical-instrument unit, the collaboration makes possible a near-site child-care center for employees in Massachusetts.

Assembling the accord was a Herculean task, requiring nearly full-time effort by dozens of employees of the leading firms. The effort began 17 months ago, when IBM and its consultant, Work/Family Directions, quietly convened a meeting of human-resources managers of 39 big employers in Greenwich, Conn. IBM subsequently recruited 12 big companies to organize participants in their regions. This group of 12 so-called "cham-

pions" met about a dozen times.

Over the course of the talks, an estimated 250 companies considered joining. Some felt competitive pressure. "People were thinking, 'Well, gee, if Amoco is going to do it, then Exxon had better be involved too,'" says Diana Freeland, manager of employee-assistance programs at Tenneco in Houston. The two oil-producing giants ultimately worked together to recruit collaborators.

The recession kept some likely participants out. For Du Pont Co., which has made substantial financial commitments to its own extensive work-family program, "it wasn't the right time or place" to join a collaboration, says Faith Wohl, Du Pont's director of work force partnering. "In an environment of a billion-dollar cost reduction [at Du Pont], it didn't seem a good time to pursue a new initiative." Also, the location of the major project sites didn't coincide with areas where Du Pont employees were concentrated, she says.

The talks weren't without snags. When

cont.

9-11-92

2 of 2

AT&T asked in July that its unions receive broad credit as collaborators, some participants were dismayed. Though AT&T later narrowed its proposal, the move helped drive NationsBank to leave the talks, taking with it an estimated \$6 million that it was expected to commit. AT&T and NationsBank declined comment on the incident, but NationsBank is expected to announce soon two major work-family initiatives on its own.

Though IBM plays down its role, other partners credit the computer maker with "being a catalyst and playing a leadership role" without overshadowing smaller players, says Susan Connolly, Eastman Kodak's director of work force development. After NationsBank bolted, IBM raised its contribution to \$9 million from a planned \$7 million, tipping the total project size over a \$25-million target.

Here are names of the participants in the partnership, according to a spokesman:

Automatic Data Processing Inc.; Aetna Life & Casualty Co.; Allied-Signal Inc.; Allstate Insurance Co., a subsidiary of Sears, Roebuck & Co.; Amdehl Corp.; American Express Co.; America West Airlines; Amoco Corp.; Pinnacle West Capital Corp.'s Arizona Public Service Co.; Arthur Andersen/Andersen Consulting; American Telephone & Telegraph Co.; Atlanta Regional Commission; Bankers Trust New York Co.; Barnett Banks; Bashas' (Phoenix, Ariz.); Bausch & Lomb Inc.; Belcor; Bergen Brunswig Corp.; Bethco Inc.; Blue Cross/Blue Shield of Arizona; Blue Cross/Blue Shield of Florida; Blue Cross/Blue Shield of Massachusetts; Blue Cross/Blue Shield of New York; Bristol-Myers Squibb Co.;

Bull HN Information Systems Inc.; Bureau of National Affairs Inc.; Burroughs Wellcome Co., a unit of Wellcome PLC; CAE-Link Corp.; Ciba-Geigy Corp.; Cigna Corp.; Citibank, a Citicorp unit; City of Boulder (Colo.); City of Jacksonville (Fla.); City of Syracuse (N.Y.); Coastal Corp.; Cobb County (Ga.) Senior Services; Codman & Schurtliff, a Johnson & Johnson unit; Colgate-Palmolive Co.; Conde Nast Publications Inc., a unit of Advance Publications Inc.; Consolidated Edison of New York; Continental Corp. subsidiary Continental Insurance Co.; Adolph Coors Co.; C&P Telephone; Crum & Forster; Culinary Institute of America;

Dial Corp.; Digital Equipment Corp.; Dow-Jones & Co.; Duke Power; Dunkin' Donuts; Eastman Kodak Co.; Eastbridge Properties Corp.; Exxon Corp.; Family Health International; First Data Corp.; First Interstate Bank of Texas; Fried, Frank, Harris, Shriver & Jacobson; GE Aerospace, a unit of General Electric Co.; Glaxo Holdings PLC; GTE Corp.; Hallmark Cards Inc.; Hancock & Estabrook; HBO & Co.; Helene Curtis Industries; Hewitt Associates; Hoechst Celanese; Household International; International Business Machines Corp.; IMSL Inc.; Johnson & Johnson; J.P. Morgan & Co.; King of Prussia (Pa.) Chamber of Commerce; Philip Morris Cos. subsidiary Kraft General Foods; Leo Burnett & Co.; Lexington (Ky.) Herald Leader; Lexmark; Lyondell Petrochemical; Marine Midland Bank; Marist College (Poughkeepsie, N.Y.); Mead Johnson, a Bristol-Myers Squibb unit;

Merck & Co.; Mervyn's; Mobil Corp.; Montgomery County, Md.; Motorola Inc.; Mutual of New York; RJR Nabisco; National Medical Enterprises; New England Tele-

phone; New York Telephone; Norwest Corp.'s Norwest Banks; Nynex; Oclia; Onondaga County, N.Y.; Pacific Bell, a subsidiary of Pacific Telesis Group; Pitney Bowes; PepsiCo Inc.; Pepsi-Cola Co.; Pacific Gas & Electric; Philip Morris; Primerica Corp.; Quaker Oats; Reader's Digest Association; Reuben E. Price & Co.; Rochester Gas & Electric; Rochester Telephone Corp.; St. Joseph's Hospital (Tampa, Fla.); St. Mary's Hospital (Rochester, N.Y.); St. Francis Hospital (Poughkeepsie, N.Y.); Schmidt Printing Inc.; Scitor Corp.; Sematech; Seton Hospital/Daughters of Charity (Austin, Tex.); Software Publishing (Santa Clara, Calif.); South Central Bell, a subsidiary of BellSouth Corp.;

State of Maryland; State of Minnesota; State of New York; Syracuse (N.Y.) Chamber of Commerce;

Target Stores; Tenneco Inc.; Texaco; Minnesota Mining & Manufacturing Co.; Time Warner Inc.; Time Warner Cable; Transamerica Insurance Co.; Travelers Corp.; U S West; Vassar Brothers Hospital; Vassar College; Vistakon, a Johnson & Johnson unit; West Central Florida Area Agency on Aging; Warner-Lambert Co.; Washington Metropolitan Area Transit Authority; Western Digital Corp.; Wildwood Associates; Work/Family Directions Inc.; Xerox Corp.; YMCA/King of Prussia, Pa.; YMCA/Burlington, Vt.

9-11-92

Women divided on combat

By Laurence Jolidon
USA TODAY

A majority of women in a survey of active-duty soldiers think they should be allowed to volunteer for combat — but only 34%-44% think women should be compelled to fight.

And only 10%-14% said they'd volunteer for combat.

The survey was presented Thursday at a hearing of the Presidential Commission on the Assignment of Women in the Military, formed last spring to study opening combat jobs in all military branches to women. Its report is due by Nov. 15.

About 34% of women surveyed say they'd probably leave the military if the Army required women to join men in combat missions.

Enlisted men and male non-commissioned officers were more likely than officers to favor women in combat.

But some male NCOs "are what I call egalitarian sexists," says Charles Moskos, a commission member and Northwestern University sociologist.

"They say: 'Let them in combat jobs, they'll fall flat on their face and that will end the issue.'"

The survey of about 800 men and 800 women at four U.S.

How military personnel view women serving in combat

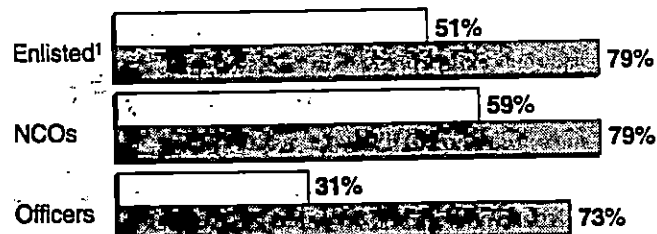
By sex and rank of respondents, here are the responses of 1,651 military personnel on whether women should be allowed to volunteer for or be compelled to serve in combat.

KEY

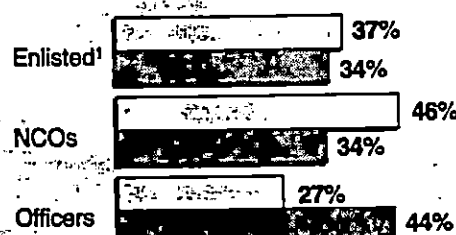
MEN

WOMEN

Allowed to volunteer for combat



Compelled to serve in combat



1 — Pay grades E1 through E5

Source: Report to the Presidential Commission on the Assignment of Women in the Military

By Marty Baumann, USA TODAY

military bases was conducted for the commission by Moskos and Laura Miller, a Northwestern graduate student.

Moskos said the soldiers' mental image of combat differed widely. Female soldiers picture combat as what happened in the Persian Gulf and the 1989 Panama invasion,

while male soldiers "think of World War II and Vietnam."

Miller said male soldiers worry that placing women in combat "will cause more sexual harassment and problems with morale and cohesiveness," while female soldiers generally view combat exclusion rules as career barriers.



Pat Robertson

OFFICIAL WHITE HOUSE PHOTO 11SEP92 OU P035653 -012



St Louis
Missouri

OFFICIAL WHITE HOUSE PHOTO 11SEP92 Q1 P035648 -003

- -



11-11-68 10:00 AM



153306 A 199301 0000 5074 5110 153307

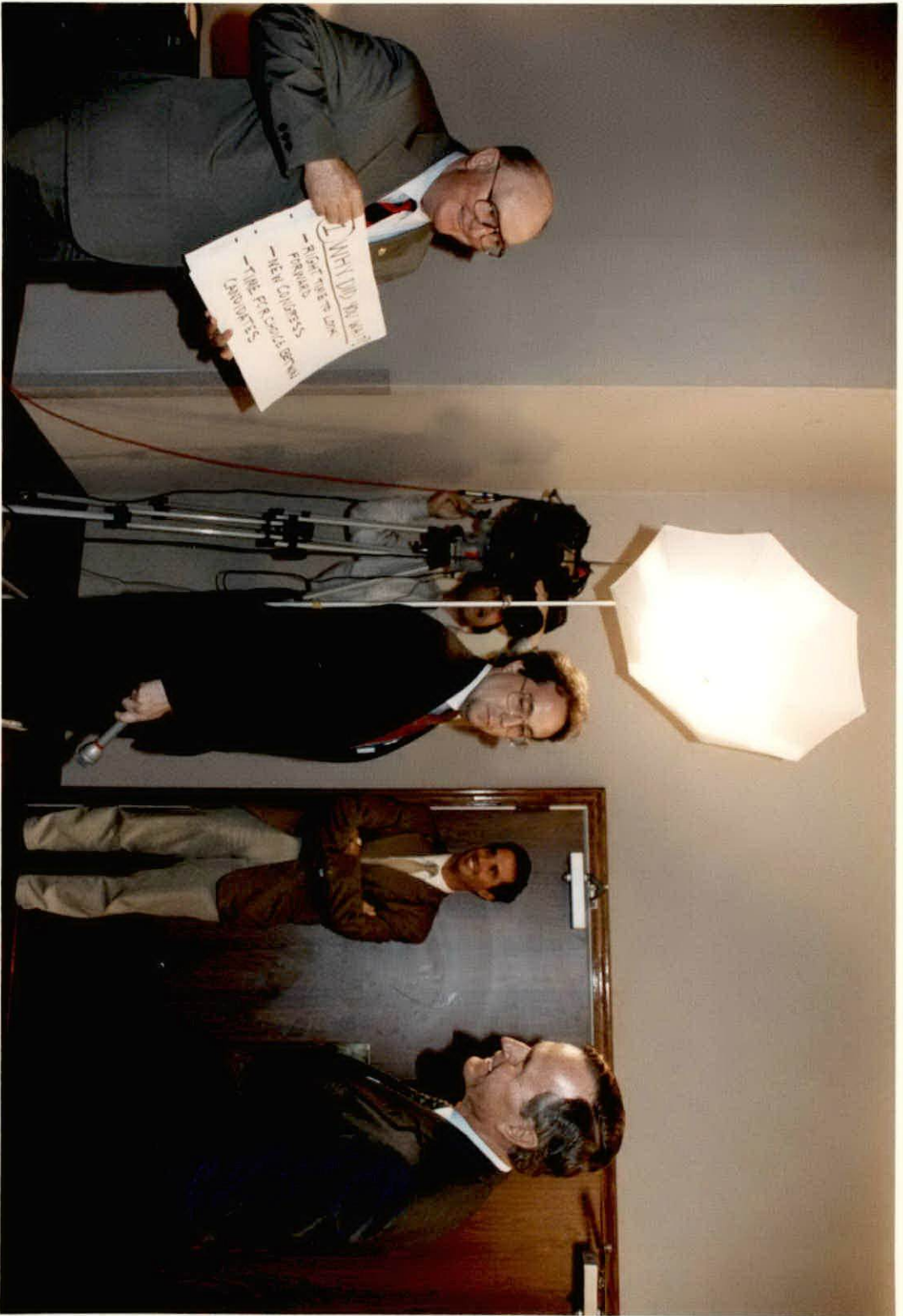
President Bush & McDonnell Douglas

JOBS FOR AMERICA





OFFICIAL WHITE HOUSE PHOTO 11SEP92 OU P035655 -04A



OFFICIAL WHITE HOUSE PHOTO 11SEP92 OU P035644 -03A

Bush Hopes to Double Economy to \$10 Trillion

■ **Campaign:** President sets the goal in a speech pulling together past proposals for job training, health care and education. He repeats call for tax cut.

By JAMES GERSTENZANG
TIMES STAFF WRITER

DETROIT—President Bush, striving to demonstrate a comprehensive plan to pull the nation out of its economic doldrums while hoping to boost his reelection campaign, set a goal Thursday of building a \$10-trillion U.S. economy.

If achieved, the target for post-recession growth would nearly double the size of the U.S. economy—as measured by the value of the goods produced in its factories and the services its workers offer—by the early years of the 21st Century. It would mean equaling the rate of growth in gross domestic product from 1980-89, including inflation.

In a lengthy speech that focused on the failures of the past and the challenges of the future—and little on the most immediate and pressing problems facing American workers—the President offered no new plans or short-term solutions to ease recession-induced fears over job security.

Instead, the speech pulled together the swath of programs Bush has proposed in the past to deal with such pressing problems as job training, health care and education. He related them to their potential impact on the U.S. economy and sought to make a case for the ever-growing links between the U.S. economy and global markets.

The speech to the Economic Club of Detroit, titled "Agenda for American Renewal," outlined a philosophical approach that calls

Please see BUSH, A6

BUSH: He Vows to Cut Salaries of Staff Members

Continued from A1

for cutting taxes, paying for the tax cuts by reducing government spending and producing a shrunken government, in the process providing incentives to a streamlined business community so that it can reach the \$10-trillion goal.

"That's the direction I want to go: Tax less. Spend less. Cut the deficit. And redirect our current spending to serve the interests of all Americans," Bush said.

For the first time, Bush attached a specific figure to the across-the-board tax cut that he says he would seek from Congress if reelected. But the 1-percent-age-point figure he cited was offered only as an

'That's the direction I want to go: Tax less. Spend less. Cut the deficit. And redirect our current spending to serve the interests of all Americans.'

PRESIDENT BUSH

example of what could be achieved if all the spending cuts for which he has called, valued at roughly \$130 billion, were approved by Congress.

"That is an illustration because it would depend on if you could get the \$130 billion," a senior Administration official said, explaining that Bush's purpose in using the figure was to demonstrate the sort of break taxpayers would get in return for cuts in government spending.

And in what he called "rightsizing" government, Bush said he would cut the operating budget of the Executive Office of the President, which includes his immediate staff of assistants and secretaries and hundreds of people working in the Office of Management and Budget and other executive branch agencies, by 33% if Congress—with a staff many times larger—agrees to a similar percentage reduction in its operating budget.

"With fewer congressional staffs badgering us for endless reports and endless visits to Capitol Hill, I know we can cut costs by that amount," he said.

"And," he said, "I'll cut the salaries of all federal employees earning more than \$75,000 by 5%. Taxpayers have tightened their belts. The better paid federal workers should do the same."

Such a cut would trim his own \$200,000 salary by \$10,000 a year.

Democratic presidential nominee Bill Clinton said the President's proposals amounted to more of the same programs that have led the nation into economic decline.

"I strongly believe we have to go beyond the failed policies of this Administration, beyond trickle-down economics. We need real incentives to invest in this country, to educate our people, to control health care costs and to compete around the world," he said by satellite from the governor's mansion in Little Rock, Ark.

Clinton contended that under Bush's plan, Americans with incomes of more than \$200,000 would get a \$14,000 tax cut, whereas those making \$20,000 would get about \$50.

But despite Clinton's critique and Bush's own description of a "grand canyon" between himself and Clinton, Bush's speech and an address Clinton delivered to the same organization on Aug. 21 demonstrated the degree of similarity in their approaches.

Bush's program on "job-creating investment," including job training, education reform, and improved health care; and on using money saved from reduced defense spending to invest in new civilian technologies.

The principle difference with Bush, as outlined in that speech, is over the formation of a "national economic strategy," which the President labels an "industrial policy" that he says would give government too great a role in directing the nation's businesses.

"Our nation has never been seduced by the mirage that my opponent offers—of a government that accumulates capital by taxing it and borrowing it from the people and then redistributing it according to some industrial policy," Bush said. "We know that the clumsy hand of government is no match for the uplifting hand of the marketplace."

Clinton and dealt instead with Bush's view of how to achieve a vibrant economic future in which the United States would compete with other global powers.



Reuters

President Bush waves to members of news media as he leaves the White House on Thursday for his campaign trip to Detroit with Cristina Martin, left, his speechwriter, and deputy press secretary Judy Smith.

"I know that times have been very, very difficult for many Americans. The world that we knew as children, no matter your age, will never be the same. America will change—that's our destiny; how it will change will soon be decided," Bush said.

"I ask, as you consider the choice that you face, to consider carefully whose agenda for change best fits America's principles, our national experience and our hopes for lasting peace and prosperity.

"For America to be safe and strong, we must meet the defining challenge of the 1990s: to win the economic competition, to win the peace. We must be a military superpower, an economic superpower and an export superpower," Bush said.

More than a year ago, the recession and troublesome unemployment rates in the vicinity of 7.8% punctured Bush's soaring poll ratings in the wake of the Persian Gulf War. And throughout this election year, the economy has been the riveting issue that has fueled the attacks on Bush from within his own party and from Democrats.

Bush has made multiple efforts over the months to present himself as concerned and eager to act on the economy, but his political fortunes did not improve. The new team of White House assistants, under Chief of Staff James A. Baker III, hoped that Thursday's speech would be what the senior Administration official called "a conceptual document that seeks to integrate the different proposals we have."

"Perhaps the point we haven't conveyed effectively is how this fits together," the official said.

In addition to delivering the 39-minute speech, Bush taped a five-minute encapsulation of the same points to be broadcast on major television networks Thursday evening. And the campaign printed a 29-page expansion of the speech intended for distribution to schools, libraries, political groups and individuals who seek it from the campaign organization.

The President said that in the first year of a second term, he would press Congress for approval of the 13 central elements of his existing program:

Overhauling the nation's education system; training; health care reforms; streamlining government; spending cuts; tax cuts; approval of the North American Free Trade Agreement; expansion of trade-negotiating authority to push for free trade agreements with Poland, Hungary, Czechoslovakia, Asian nations and others in the Western Hemisphere; reforms of the legal system; urban programs to cut crime and build inner-city investment; expansion of research and development; campaign contributions reform, and placing limits on congressional terms.

"The purpose of this speech, frankly, and this agenda is not to be trying to propose magic bullets or try to throw out a set of new ideas 60 days before the election," the senior Administration official said. "It's to say: These are some of the things I've been working on. I've got some of them under way. There's others I'm just starting. But here's how they fit together as a package."

Bush's plan was unveiled as the White House struggled to explain the President's tax statements of a day earlier.

A day after Bush told a New Jersey audience, "I went along with one Democratic tax increase and I'm not going to do it again—ever, ever," Press Secretary Marlin Fitzwater insisted that Bush was not repeating his famous broken pledge of 1988: "Read my lips—no new taxes."

Bush was given a polite, if not overly enthusiastic, reception in Detroit. He spoke for 22 minutes before the audience applauded; and then, it was to show support for his often-stated goal of providing up to \$1,000 in tuition payments to give parents a choice of sending their children to public, private or parochial schools.

The speech and the accompanying booklet were organized much like a high school essay, outlining major points and then providing supporting evidence to flesh out the President's arguments as he reviewed "six interconnected fronts . . . five profound changes . . . four guiding principles . . . three key features."

As he sought to explain how the nation could tumble from the boom of the 1980s to the woes of today, Bush cited five developments:

- The cutbacks in the defense industry, prompted by the end of the Cold War.
- Restructuring of U.S. industries, "a revolution as dramatic as the one made earlier this century when Henry Ford led the country from craft-based production to mass manufacturing."
- Payment of the debts incurred in the 1980s, which have made consumers and firms wary of spending.
- Failure of an outmoded banking system, "designed for the days when tellers wore green eyeshades," to keep up with the demands of an era when billions of dollars are moved around the world in a flash.
- The emergence of a global economy, the development Bush called "the most far-reaching."

As evidence of the appeal of U.S. values, products, "even our language," Bush said: "In Moscow today, the lines at McDonald's are longer than the lines at Lenin's Mausoleum."

In a question-and-answer session, Bush insisted that his goal of a \$10-trillion economy was realistic—if his long-range prescriptions are followed.

"You've got to do the math on it, but you're talking about 7% growth, when anticipated inflation of 3.5% is taken into account, he said.

But he said he did not want to achieve such growth—which would rival the growth achieved as the nation emerged from the recession of the early 1980s—as a result of inflation.

When Bush and Ronald Reagan assumed office in 1981, the economy was valued at \$3.3 trillion and it has grown by about \$2.5 trillion since then, on some accounts. A growing economy reflects increases in spending, by consumers, businesses and foreign purchasers, which result in fuller employment for those producing the goods and providing the services.

Gore Attacks Apparent Bush Tax Flip-Flop

■ **Issues:** President's new vow 'never' to OK hikes wasn't a pledge, Fitzwater says. Democratic hopeful sarcastically offers his thanks for 'interpretation.'

By SAM FULWOOD III
TIMES STAFF WRITER

LEXINGTON, Ky.—Seizing an opportunity to score points off an apparent Bush Administration flip-flop, Democratic vice presidential nominee Al Gore on Thursday ripped into White House Press Secretary Marlin Fitzwater's apparent softening of his boss's promise to never raise taxes.

While campaigning Wednesday in New Jersey, Bush said he had learned his lesson and vowed he would "never, ever, ever" raise taxes again. The White House dispatched Fitzwater on Thursday to make clear that the statement was not a revisiting of his 1988 "read my lips, no new taxes" promise.

"It wasn't a pledge," Fitzwater told reporters at the White House. "It was within the context of the mistake we made before on the budget."

But in Gore's interpretation, Bush was leaving himself room to raise taxes, and that provided enough of a political opening for Gore to unleash a torrent of sarcasm.

"Well, it sounds to me as if Marlin Fitzwater has learned to be a lip reader," Gore told reporters following him as he campaigned here. "We are now greatly in debt to Mr. Fitzwater for interpreting the President's comments."

"President Bush has said repeatedly that the principle [campaign] issue is whether or not he can be trusted," Gore said. "We now know that even when he bangs his fist on the table and sets his jaw and says with a very determined look that he will never, ever, ever do something, he doesn't really mean it."

"We will have to wait for the interpretation from his official spokesman after he's checked with his handlers to get the truth of what he's really trying to say," Gore added. "Maybe next time he will say 'cross my fingers and hope Quayle succeeds me.'"

"I want to thank Mr. Fitzwater for being such a good lip reader and interpreting the President's comments, because otherwise the nation might have been fooled into believing the President meant what he said."

Gore was in Kentucky to meet with a panel of families who had risked losing their jobs by taking time off to care for an ill or injured family member. Later in the day, Gore journeyed to Durham, N.C., where he met with 10 families with critically ill children at the Ronald McDonald House.

Both of those settings were intended to draw attention to the family leave legislation, which passed the House on Thursday. The Senate has already passed a similar bill and Bush has threatened to veto the legislation.

Gore repeated a challenge he first issued to Bush on Wednesday night during a broadcast of CNN's "Larry King Live" show for the Administration to support the family leave legislation in the spirit of supporting family values.

When asked about business opposition to the legislation, Gore said families should come first.

"Now you talk about the hardship that would be faced by an employer," he said. "What about the hardship faced by families? We have to make a choice as a country."

Bush Expected to Announce Sale of 72 F-15s to Saudis

By DOUGLAS JEHL
TIMES STAFF WRITER

WASHINGTON—In another offer of political largess, President Bush intends to hand-deliver a major reward to Missouri's aircraft industry today by announcing that his Administration will approve a major sale of 72 advanced F-15 fighters to Saudi Arabia, sources said Thursday.

The \$5-billion contract is expected to save thousands of jobs for workers at the St. Louis-based McDonnell Douglas Corp. and could bring new business as well to defense firms in Ohio and California that perform work on the project, the officials said.

The Administration has agonized for months over whether to approve the sale, which could antagonize supporters of Israel and could complicate the Middle East peace

process if it is perceived in Jerusalem as a sign of a new U.S. tilt toward the Arabs.

But after a debate within the Administration threatened to jeopardize the sale, officials said Thursday that the White House had concluded the transaction will not upset the delicate balance of power in the region.

The announcement is certain to delight the defense firm, union officials and lawmakers who had warned that White House rejection of the contract would lead to the loss of as many as 20,000 aerospace jobs by next summer.

Bush is expected to present the plan during a morning appearance in Kansas City, Mo., just days after he had used another speech to scold Arkansas Gov. Bill Clinton for attempting to steal a march on the White House by announcing

Please see SAUDIS, A8

Continued from A1

that he would approve such a contract.

Senior White House officials said later that the President had not meant to imply that he was opposed to the sale, but was angered by Clinton's having spoken out on the complicated issue without giving any sign that he had reviewed its implications.

Coming one day after Bush devoted a major address outlining his long-term vision for the nation's economic future, the planned jet sale announcement reaffirms that his short-term plans for winning reelection include making the most of his control over a vast federal and foreign purse.

The planned sale of F-15s to Saudi Arabia will effectively channel Saudi riches to Missourians' pockets, following the model Bush employed only last week when he traveled to Dallas to sign off on the sale of \$6 billion worth of 150 Texas-made F-16s to Taiwan.

In the last 10 days, Bush also has dispatched billions of dollars of federal disaster

relief to hurricane-wrecked Florida and Louisiana, postponed a lowering of the sugar quota that would have hurt Louisianans, and ordered a massive increase in grain subsidies paid to American farmers.

The flurry of federal handouts, both direct and indirect, has angered Democrats who have suggested that Bush is abusing power for political purposes.

The White House has denied such a motive, arguing only that good policy makes good politics.

In the case of the planned Saudi sale, the fact that House Majority Leader Richard A. Gephardt (D-Mo.) has been among its leading advocates may help to insulate Bush from some criticism.

But leaders of major American Jewish organizations last week announced that they were opposed to the transaction.

Administration officials have suggested that the White House may attempt to mollify those critics and Israel by approving the sale of F-15 aircraft somewhat less capable than

Saudi Arabia requested when it formally asked to buy 48 F-15E and 24 F-15H planes earlier this year.

The F-15E is an advanced air-to-ground attack configuration of the aircraft, and was used extensively by the Air Force during the Gulf War. The F-15H is among the most modern two-seat configurations of the air-to-air version of the fighter.

McDonnell Douglas already has had to lay off 1,000 of its workers as the production of F-15 fighters has decreased and as the sale of commercial airliners also made by the company has declined.

Until recently, it had appeared as if the Administration would wait until after the election to approve the sale, acting out of concern at alienating Israel and its supporters at a crucial stage of the Middle East peace process.

Israel has taken unilateral steps to free Palestinian detainees and to announce its support for the land-for-peace concept and now believes that it is the Arab states' turn

to make similar concessions.

But proponents of the sale had argued that the importance of Missouri to Republican electoral hopes made it imperative that the White House act quickly, and they argued that the Administration's decision to grant \$10 billion in loan guarantees to Israel last month would be enough to quiet Israeli criticism.

As word spread that Bush was to visit Missouri this week, White House officials took pains to emphasize that he would visit Kansas City rather than St. Louis and stressed that the F-15 issue remained unresolved.

But the sources who said Thursday that the President would indeed make the announcement suggested that White House decision-making had been accelerated at least in part to ensure that the jet sale—rather than a Bush speech later today to the controversial Christian Coalition—dominates news coverage of the day.

Co
F

From the
in Germ:
Attacks on foreign
neo-Nazi politics, w
the fringe, are not is
events in a souring ec

BY GREGORY F. TREVER

Anti-foreigner riots are
than ugly public distu
when they occur in G
When skinheads firebombed
see hostel in Rostock recently,
from Germany's past rushed to
not least because a Holocaust

The legislation would require
larger employers to grant workers
up to 12 weeks a year of unpaid
leave—either to obtain medical
treatment for themselves or to care
for a newborn, sick children, ill
spouses or elderly parents.

Although companies would not
be forced to pay workers for the
time off, they would be required to
continue employees' medical in-
surance and to guarantee that their
jobs would be available when they
returned.

While Bush has said repeatedly
that he approves of the concept, he
objects to forcing companies to
provide the time off, believing that
would be burdensome, especially to
smaller firms.

As Thursday's vote neared,
White House aides suggested to
Capitol Hill that Bush might be
willing to use several hundred
million dollars in tax incentives to
encourage small employers to pro-
vide the leaves. But they reiterated
that the President intends to veto
the latest legislation, as he did a
similar bill in 1990.

The legislation approved Thurs-
day by the House in a 241-161 vote
was a compromise version of the
measure endorsed by the Senate in
a voice-vote last month. In all, 203
Democrats, 37 Republicans and one
Independent supported it.

Although the margin fell short of
the two-thirds majority that would
be needed to override a veto,
Democratic leaders said they
hoped the President's rejection
would convince voters that they,
and not the Republicans, were the
strongest supporters of "family
values."

The catch phrase, a major theme
of the Bush campaign, is now being
used by both parties to demon-
strate their commitment to tack-

Please see LEAVE, A8

LEAVE: Bill Highlights Family Values

Continued from A1

ling some of the issues troubling
Americans, from economics to
questions of morality.

House Speaker Thomas S. Foley
(D-Wash.) said the legislative
gridlock so often criticized by Bush
actually "lies with the President"
on the family values issue. "There
is no more concrete example of
legislation dealing with family val-
ues than [this bill]," Foley said.

Expectedly, the fiercely partisan
battle sparked unusually heat-
ed floor debate. Speaking for the
Administration, Rep. Robert S.
Walker (R-Pa.) argued that this
was "not a bill about families" but
merely another Democratic at-
tempt to draw government into
family problems.

"This bill kills jobs," he said, by
bloating employers' costs and
making them less able to hire more
workers.

"It undermines the job-creation
ability of this economy," Walker
warned. He predicted that "thou-
sands" of jobs would be lost if the
measure became law.

But Democrats contended that
the Republicans' concerns were
overblown and insisted that the
United States was the only major
industrialized country that does
not guarantee its workers protec-
tion against dismissal for taking
extended leave when family emer-
gencies arise.

House Majority Leader Richard
A. Gephardt (D-Mo.) recalled how
his son, Matt, had survived a
childhood battle with cancer in
part because Gephardt and his
wife, Jane, had been able to take

Vote on Family and Medical Leave

WASHINGTON—Here is how the California delegation voted on a bill
requiring unpaid family and medical leave for workers:

Democrats for—Anderson, Beilenson, Berman, Boxer, Brown, Condit,
Dellums, Dixon, Doolley, Edwards, Fazio, Lantos, Lehman, Martinez, Mat-
sui, Miller, Mineta, Panetta, Pelosi, Roybal, Stark, Torres, Waters, Waxman

Republicans for—Campbell

Democrats against—None

Republicans against—Cox, Cunningham, Dannemeyer, Doolittle, Dor-
nan, Dreier, Gallegly, Herger, Hunter, Lagomarsino, Lowery, McCandless,
Packard, Riggs, Rohrabacher, Thomas

Democrats not voting—Dymally, Levine

Republicans not voting—Lewis, Moorhead

enough leave to be with him during
his hospital treatment.

"For the parents whose employ-
ers do not provide this benefit
voluntarily, the choice between
keeping one's job or caring for a
new child or sick family member is
a choice no American should have
to make," Gephardt said.

For all the political furor, this
year's version of the bill is sub-
stantially weaker than the one that
the Democrats sent Bush two years
ago—the result of an effort by
Democrats to accommodate com-
plaints by small business that the
costs would be too burdensome.

Thursday's legislation would ap-
ply only to companies that employ
50 or more workers. House sponsors
said included only about 5% of American businesses
and about half the nation's total
work force—and to federal, state
and local government workers.

No employees would be eligible
unless they had worked at least
1,250 hours a year—an average of
about 25 hours a week. And em-
ployers could exclude the highest-
paid 10th of their work force from
the liberal leave policy.

Rep. Patricia Schroeder (D-
Colo.), a major sponsor of the bill,
complained that the White House
had repeatedly rebuffed Demo-
crats' efforts to negotiate a com-

promise Bush might find more
acceptable. "We weren't allowed
to talk with anybody," she told the
House.

The legislation was opposed by
most of the major national business
lobby groups, including the U.S.
Chamber of Commerce, the Na-
tional Assn. of Manufacturers and
the National Federation of Inde-
pendent Business.

Organized labor strongly sup-
ported the family leave legislation
and lobbied heavily for its enact-
ment.

California's 45-member House
delegation essentially split along
party lines in Thursday's voting,
with Democrats supporting the
measure and Republicans opposing
it. The lone exception was Rep.
Tom Campbell (R-Palo Alto), who
voted for the bill, as he did in 1990.

Four California lawmakers did
not vote in Thursday's ballot-
ing—Democrats Mel Levine of
Santa Monica and Mervyn M. Dy-
mally of Compton, and Republicans
Jerry Lewis of Redlands and Car-
los J. Moorhead of Glendale.

Republicans revived the family
values issue during the party's
August nominating convention, but
have backed away from it recently
in the face of adverse reaction in
the political polls.

Senate Storm Aid Bill Cuts AF Base

By ART PINE
TIMES STAFF WRITER

WASHINGTON—The Senate Appropriations Committee approved legislation Thursday to provide \$7.2 billion in disaster relief for storm-ravaged South Florida and Louisiana but rejected President Bush's request for nearly \$500 million to reconstruct devastated Homestead Air Force Base.

The package, to be considered by the full Senate early next week, is only slightly smaller than the \$7.6-billion proposal outlined earlier by the President.

The House Appropriations Committee is working on similar legislation and is expected to release it next week. A draft prepared by House Appropriations Chairman Jamie L. Whitten (D-Miss.) would authorize \$8.8 billion for the aid effort and include rebuilding of the base.

In declining to approve funds for rebuilding Homestead, Senate critics characterized the proposal as a politically motivated effort to win votes in a state critical to the President's reelection campaign. Homestead had been a major employer in hurricane-ravaged South Florida.

"I lost a base last year . . . and the President cavalierly says we're going to rebuild Homestead," Sen. Dale Bumpers (D-Ark.) said. "When President Bush went down and said he'd rebuild Homestead, you're talking about politics of the rankest kind."

Instead, the Senate committee approved only \$26 million to clean up debris on the base.

Despite some differences among the various plans, a disaster relief bill is expected to move through Congress quickly. Both Democratic and Republican congressional leaders have pledged to act promptly, despite election year pressures.

All three versions include spending and loans for families, businesses and governments to rebuild from the costliest natural disaster in the country's history. Andrew caused an estimated \$20 billion worth of damage in Florida and \$1.5 billion more in Louisiana. In all, the storm and its aftermath have been linked to the deaths of at least 53 people in Florida, Louisiana and the Bahamas.

Florida Gov. Lawton Chiles has complained to lawmakers that Bush's original proposal for \$7.6 billion in relief underestimates the extent of the damage. However, congressional leaders have pledged to appropriate additional monies if the tab proves larger than expected.

The Senate bill is part of a broader supplemental appropriations bill that also transfers money among various government accounts relating to Operation Desert Storm, the allied military deployment in Iraq, and bolsters the unemployment insurance trust fund.

It also provides \$500 million to finance part of the urban aid package that the Senate authorized earlier in the wake of the Los Angeles riots. The package was passed earlier by the House, but the Senate still has not formally approved that portion of the legislation.



CAMPAIGN '92

Clinton Carefully Picks the Medium and the Message

■ **Campaign:** He controls appearances, issuing video statements instead of dealing with the press in order to focus on one key issue: the economy.

By CATHLEEN DECKER
TIMES POLITICAL WRITER

LITTLE ROCK, Ark.—Autumn changes the pattern of the presidential campaign. Candidates who ambled around the countryside for months, talking to anyone who would talk to them, instead pick their appearances with strategic deliberation.

The crowds that surround the candidate are more carefully chosen. Local television anchors are more carefully courted. Political reporters who cover the candidate regularly are, to put it politely, shown the door.

The force of the campaign transfers from the summertime goal of maintaining a presence before vacation-minded voters to the aim of sticking toughly to a well-defined message.

In Democratic presidential nominee Bill Clinton's case, the message is simple: the economy. An example of his desire to focus directly on it and nothing else came Thursday, when President Bush delivered an economic ad-

dress that demanded a Clinton response.

The Arkansas governor, spending the day on state business in Little Rock, could have gathered the television network correspondents and reporters who travel daily with him and who were ensconced Thursday in a hotel little more than a mile from his mansion.

Instead, he ordered up satellite time and dispatched a video statement over the airwaves. Then he spoke by satellite to anchormen at three stations in Detroit, where the President gave his address and which is, not coincidentally, the largest city in one of the crucial electoral states.

Four times, Clinton pressed his contention that the President's plan was too little, too late.

"Why did it take you over 3½ years just to come up with more of the same?" Clinton asked Bush rhetorically. "It hasn't worked. It's given us the slowest growth in 50 years, the loss of manufacturing jobs, declining incomes—it hasn't worked and it



Associated Press

Gov. Bill Clinton, in Little Rock, speaks by satellite to anchormen at stations in Detroit, where President gave his address.

won't work.

"We've got a great opportunity to change course, to invest, to cooperate, to compete, to educate. That's what I want to do."

Within an hour after Clinton made his remarks, they were being broadcast on CNN.

The reporters whose business it is to cover Clinton never saw him in the flesh. They heard his remarks in a room at Clinton campaign headquarters, where his voice came over a speaker phone. Occasionally, the phone wires crossed and Clinton's remarks were overridden by the voice of a man discussing an out-of-body experience in the Holy Land.

The point of campaigning by video was to keep the focus on the subjects Clinton wants to discuss, which are not necessarily the things political reporters want to ask. By limiting what is said in public, a candidate limits what is written or televised about him.

"There's only 55 days left and we're going to talk about the economy and health care and jobs and education," said Clinton's campaign press secretary, Dee Dee Myers. "And we're going to keep talking about those things."

The phenomenon is hardly limited to Clinton. In 1988, George Bush went so long without speaking to the reporters traveling with him that they purchased electric bullhorns with which to shout questions. Seeing them, Bush laughed and shook his head.

Clinton has been avoiding his trailing crew for a few days, a move that appears to be timed to

his desire to avoid continuing questions about his draft record.

Much as Bush did in the fall of 1988, Clinton is favoring local television stations, whose reporters tend not to be as familiar with his past statements and ask what are generally considered softer questions.

That was demonstrated Thursday when Clinton in an interview declared that Bush's plan would raise the elderly's Medicare costs, cut disability payments to 1.2 million veterans and force millions of students to pay thousands more each in loan payments.

"Has George Bush said that?" the WJBK anchorman asked, with an air of disapproval that Bush would invoke such harsh cuts.

"Yes," Clinton said.

Actually, the cuts were listed as options in the Administration's midsession budget review, and Bush has not signed off on any of them. But Clinton's comment went unquestioned.

The strategy doesn't always work. Anchorman Mort Crim of WDIV opened his interview asking not about Clinton's preferred topic but instead about whether he had come to a decision on the proposed North American Free Trade Agreement.

Clinton, who has not decided whether to back the pact, said he was studying the issue. Crim followed up by questioning Clinton's past support of legislation that would raise the average auto mileage standard from 27.5 m.p.g. to 40 m.p.g. within a decade.

That position is not popular in Detroit, where auto makers fear that higher mileage requirements will put them out of business.

"When I mentioned the 40 m.p.g. limit, I said that it would be a goal," said Clinton, who has been edging away from the legislation for about a month. "I never said it would be written into the law as an iron rule."

Although Clinton was put on the defensive briefly, he did manage to repeat his criticisms of Bush's plan in all three interviews.

Campaign officials believe that the strategy of relative isolation makes the message easier to manage. And spokeswoman Myers all but predicted that Clinton will go further into his shell as the campaign wears on.

"We have formal news conferences periodically and we have informal news conferences almost every day," she said. "I don't know that that'll continue as much as it has been."

WASHINGTON EDITION
FRIDAY, SEPTEMBER 11, 1992
Los Angeles Times

NATION

Kerrey Tells Bush to Put the Draft Issue to Rest

■ **Vietnam:** The veteran urges the President to honor his pledge to heal war wounds and 'call off the dogs' hounding Clinton about his record.

By DAVID LAUTER
 TIMES STAFF WRITER

WASHINGTON—Sen. Bob Kerrey (D-Neb.), who predicted last spring that Republicans would use Bill Clinton's draft record to open him up "like a soft-shelled peanut," criticized President Bush on Thursday for trying to do exactly that, urging Bush to "call off the dogs."

Kerrey's own service in Vietnam—he lost a leg and won the Medal of Honor for his exploits as a Navy Seal—was a centerpiece of his try for this year's Democratic nomination. During the primary campaigns, his aides on several occasions circulated information to reporters about Clinton's draft status, actions that led Kerrey at one

point to suspend a key adviser.

In a speech on the Senate floor, Kerrey accused Bush of forgetting his pledge to heal the wounds of Vietnam, and warned him that, if he insists on judging Clinton by what he did 23 years ago, that Bush himself may be so judged.

Kerrey conceded that Bush's tactics "appear to be working" in weakening Clinton's support, particularly in the South. And he made little direct defense of Clinton's behavior, saying only that Clinton's "memory lapses" about his dealings with his draft board were "as understandable as they are common" among people his age.

"While my first concern and sympathy goes to those men and women who fought in the war, I am also sympathetic with those like

Bill Clinton who made other decisions," Kerrey added.

But although his words on Clinton were tepid, Kerrey's attacks on Bush were heated. Bush's actions show he "chooses to divide us again," Kerrey said. Referring to Bush's inaugural address in 1989, Kerrey said Bush in the past has been "sensitive to the need for healing" the nation's wounds over Vietnam, understanding how those wounds have "incapacitated individual combatants as well as the nation."

"Now, when the smell of political blood is in the air, you abandon your earlier and correct intention," he said, addressing the President directly. Bush's actions, Kerrey said, "jeopardize the healing."

"The hunger for reelection has gotten the better of you."

In his inaugural address, Bush decried the divisiveness among Americans that, he said, has existed since Vietnam. The final lesson of that war, he said, "is that no great nation can long afford to be

sundered by a memory."

If the Republicans want voters to examine Clinton's actions 23 years ago, Kerrey said, those same voters should ask about what role Bush played in the decisions that prolonged the war and that led to the ever-debated return of U.S. prisoners of war. "Do you want us to judge you by what you did then? Do you want us to make our decisions about your reelection according to your acquired standard of accuracy in recall?"

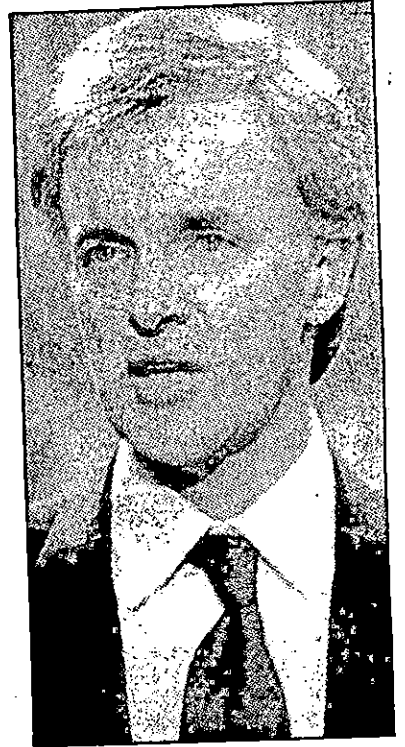
He also scored Bush for comparing World War II—which the President served in—to Vietnam, saying that no one thought the country's survival was at stake in Vietnam.

Kerrey also obliquely raised the issue of Republicans of Clinton's generation who failed to serve in Vietnam. Bush, he said, was trying to make the issue one of Clinton's credibility about the draft issue instead of whether he served in Vietnam "to protect prominent Re-

publican leaders who avoided serving."

Among the Republicans of Clinton's age who did not serve in Vietnam are Defense Secretary Dick Cheney, who received four student deferments before obtaining a final deferment when he and his wife had a child, Republican National Committee Chairman Richard N. Bond, whose draft board in New York never called him despite a low lottery number and Bush's eldest son, George W. Bush, who enlisted in the National Guard in 1968, the same year Clinton graduated from college.

Clinton has acknowledged that he took steps intended to avoid military service. But he has denied that he did anything improper, and has insisted that he "told the truth." His draft status received renewed attention in the last week in light of disclosures that his uncle successfully lobbied to get him a slot in the naval reserve—which Clinton did not take and says he did not know about until last March.



Associated Press

Sen. Bob Kerrey (D-Neb.)

COLUMN LEFT/
THE DEMOCRATS

Clinton Offers New Mind-Set, World View

■ Bush's economic vision is still focused on the wrong priorities. Investment in and for the people will turn the country around.

This commentary was written by Rep. Richard Gephardt, the House majority leader; Rep. Lee Hamilton, vice chairman of the Joint Economic Committee; Rep. Leon Panetta, chairman of the House Budget Committee, and Rep. David Obey, a member of the Joint Economic Committee.

In a presidency more than 1,300 days old, George Bush found it necessary to arrange a speech Thursday at the Detroit Economic Club and to buy television ads to detail his vision and explain his economic policy to the American people. He acts as if his problems with the economy and the recession have been bad rhetoric and poor packaging. But the reality is different, and his speech offered nothing new.

At a time when Americans need education, skills, health care and leadership at the national level to secure a new prosperity for themselves and their families, the Bush program runs in the opposite direction. The President talks a good game with respect to the need for more investment-oriented activities, but his program doesn't commit real resources and its priorities are wrong.

It seeks an unfair, untargeted cut in the capital gains tax rate, rather than a program carefully designed to promote additional new investment. It maintains unnecessarily high levels of military spending as a jobs program, while failing to adequately fund conversion programs that would enhance the capacity of the civilian sector to produce the jobs we really need.

It targets much of the federal research and development dollar to outdated Cold War weaponry, not the research we need to remain competitive globally. It offers little new in education, and an overdue, insufficient training program lacking in financing within the current budget.

The Administration cannot deliver what America needs. We need comprehensive economic change. The candidate of change is Bill Clinton, and his program stands in marked contrast to the President's.

—The President proposes tax-deductibility for interest on college loans—a good idea at the margin. But Clinton imagines a National Service Trust Fund that would allow Americans to borrow for college and perform a period of public service, if they so chose, to repay their debt.

—The President is still toying with the Democratic plan to create new jobs by speeding up some infrastructure spending. Clinton imagines much more: a program

'Our nation's chief executive must be the vital, catalytic center of action . . . when the country is off course.'

that would create both roads and a new generation of infrastructure, including a national information network that would link every home in America to public databases, libraries and schools.

—The President's major concern about the private sector is that firms are obligated by law to protect the environment and pay some minimum taxes when they earn profits. Clinton imagines a civilian research and development agency that supports cutting-edge projects, while penalizing executives who cut multimillion-dollar sweetheart compensation packages subsidized by the taxpayers as their companies flounder.

—The President's health-care proposal would boost the cost of some insurance premiums by 25%. By contrast, Clinton would reform health care through cost containment, generating funds to pay for expanded coverage. He would take on the hospitals, doctors, prescription drug and insurance companies, those that profit from the current breakdown of our health-care system.

These ideas, among others, add up to a new way of managing our economic affairs. They make our priorities clear: We want to invest in the American people; we want to help people help themselves; we will work with companies interested in forging ahead; we will make learning a lifelong task and provide the physical and social infrastructure to do so.

We're not talking here about just a difference in programs. We're talking about a difference in world view, of mind-set, of priorities. Ultimately, the Bush program smiles in satisfaction at the status quo and offers our citizens more of the same.

The problems that the economy faces are long term and structural. If we want to revitalize in the short-term and promote healthy and sustainable growth in the long term, we need a credible plan that will engender confidence among investors, consumers, producers and workers that real problems are being addressed.

Bill Clinton's proposals offer a radical departure from the President's failed policies. They point this nation toward a new, more productive and prosperous course for the 1990s and beyond. Most of all, they affirm a belief held by Democratic and Republican presidents of the past—that our nation's chief executive must be the vital, catalytic center of action for our entire government when the country is listing dangerously off course.

EDITORIALS



of THE TIMES

Too Hot to Handle

Yeltsin ducks the Kuril issue and imperils Russian-Japanese relations

Russian President Boris N. Yeltsin said the other day that he had 14 different ideas for settling the southern Kuril Islands dispute to offer Japan when he began his scheduled state visit to Tokyo this weekend. It's now clear that those ideas are destined to remain in Yeltsin's briefcase, probably for a long time to come.

Forced to choose between trying to resolve what has long been the major irritant in Russo-Japanese relations and risking a right-wing explosion at home if he made concessions on the islands, Yeltsin chose the status quo. Just four days before his visit was to start, he called it off, offending his hosts and dramatizing his own political weakness.

The costs of that retreat will be high. Tokyo has made clear that there will be no major

economic aid to Russia until the Kurils dispute is settled. What it wants, at a minimum, is recognition of ultimate Japanese sovereignty over the four small islands, taken as war booty by the Soviet Union in 1945. And indeed the islands are, by rights, Japan's, Russia having relinquished all claims to them in 1875. Why, then, does Moscow insist on holding on?

One reason is fear of the precedent that could be set if Russia softened or renounced its claims to the territories. Russia over the centuries has grown by imperial expansion; if the islands are let go there is no telling what other territorial claims might be put forward. Besides this worry, the Russian military raises strategic objections to giving up the islands, because the straits

between them allow the only year-round passage for nuclear subs into the Pacific Ocean.

Common sense—which so often grows scarce when nationalistic passions are aroused, as now—suggests a number of ways to finesse the Kurils issue. Just eight years after the end of World War II, for example, the United States recognized Japan's "residual sovereignty" over American-occupied Okinawa and the other Ryuku Islands. In 1972 the islands reverted to Japan. A similar resolution for the Kurils certainly is not inconceivable. It's obvious now, though, that any such deal must await the emergence in Russia of a leader strong enough to face down his conservative opponents. From the look of things, that wait could be a long one.

COLUMN RIGHT/
PATRICK J. BUCHANAN

We're in a War for the Soul of America

■ Ideas have consequences; the death of moral standards in our culture is corrupting our nation.

The savagery of the reaction—ongoing four weeks later—to my speech in Houston underscores my point: As polarized as we have ever been, we Americans are locked in a cultural war for the soul of our country.

What is it all about? As columnist Sam Francis writes, it is about power; it is about who determines "the norms by which we live, and by which we define and govern ourselves." Who decides what is right and wrong, moral and immoral, beautiful and ugly, healthy and sick? Whose beliefs shall form the basis of law?

The Bosnia of our cultural war is abortion. The Republican Party, in platform and ticket, is "pro-life." That is, we hold an abortion to be the unjust killing of a pre-born child. Bill Clinton's party rejoices in Roe vs. Wade. To one side, the 25 million abortions in 20 years are a testament to freedom and progress; to the other, they are the benchmarks of a society literally hellbent on suicide.

To those gathered at Madison Square Garden, a man's "sexual preference" and sexual conduct, so long as it is consensual, is irrelevant to moral character. To most of us in Houston, however, it is the codification of amorality to elevate gay liaisons to the same moral and legal plane as traditional marriage.

Let me be blunt: We can't support this.

But the cultural war is broader than these two battlegrounds.

Too many conservatives, writes art critic James Cooper, "never read Mao Tse-tung on waging cultural war against the West. [Mao's] essays were prescribed reading for the Herbert Marcuse generation of the 1960s, who now run our cultural institutions Conservatives were oblivious to the fact that . . . modern art—long separated from the idealism of Monet, Degas, Cézanne and Rodin—had become the purveyor of a destructive, degenerate, ugly, pornographic, Marxist, anti-American ideology." While we were off aiding the Contras, a fifth column inside our own country was corrupting the culture.

The distance from "The Sands of Iwo Jima" to "Born on the Fourth of July," from "The Song of Bernadette" to "The Last Temptation of Christ" is more than four decades. Hollywood has crossed a cultural and religious divide and left us on the other side.

A sense of shame presupposes a set of standards. In the old America, Ingrid

**'Hollywood has crossed a
cultural and religious divide
and left us on the other side.'**

Bergman, carrying the child of her lover, fled the country in scandal. Today, she would probably be asked to pose naked—and nine months pregnant—on the cover of *Vanity Fair*.

Does it make a difference that standards are gone? Only if you believe that books and plays and films and art make a difference in men's lives. Only if you believe that ideas have consequences.

"Poets are the unacknowledged legislators of the world," wrote Shelley. Does it make a difference that school kids in L.A., who never heard of Robert Frost, can recite the lyrics of Ice-T and 2 Live Crew? Ask the people of Koreatown.

When the verdict came in on the Rodney King beating and rage boiled, young men of South L.A. had no answer within themselves to the questions: Why not? Why not loot and burn? Why not settle accounts with the Koreans? Why not lynch somebody—and get even for King?

The secularists who have captured our culture have substituted a New Age Gospel, with its governing axioms: There are no absolute values in the universe; there are no fixed and objective standards of right and wrong. There is no God. It all begins here and it ends here. Every man lives by his own moral code. Do your own thing. Well, the mob took them at their word, and did its own thing.

In public-school history texts, Benedict Arnold's treason at West Point has been dropped. So has the story of Nathan Hale, the boy-patriot who spied on the British and went to the gallows with the defiant cry, "I regret that I have but one life to give for my country."

Slavery vs. freedom, that's all our Civil War was about, they tell us. But go to Gettysburg, look across that mile-long field, and visualize 15,000 men and boys walking across into the fire of cannon and gun, knowing they would never see home again. Nine of 10 never owned a slave. They were fighting for the things for which men have always fought: family, faith, friends and country. For the ashes of their fathers and the temples of their gods.

If a country forgets where it came from, how will its people know who they are?

Our "common difficulties . . . concern, thank God, only material things," F.D.R. said at the nadir of the Depression. Our national quarrel goes much deeper. It is about who we are and what we believe. Are we any longer "one nation, under God"; or has one-half of that nation already begun to secede from the other?

Patrick J. Buchanan writes a syndicated column in Washington.

A4 FRIDAY, SEPTEMBER 11, 1992

Comment

ON THE NATION

Moderates Must Save the GOP

BY JAMES A. LEACH

WASHINGTON
Just as many Democrats felt uncomfortable four years ago sharing a tent with an outspoken trained minister, the Rev. Jesse Jackson, many Republicans this year feel uneasy sitting in a political pew with a prominent leader of non-mainline churches, Pat Robertson.

At issue is a widening philosophical and social chasm within the Republican Party. Historically, the party of conservatism has been buffeted by two, sometimes conflicting, philosophical principles: one stemming from Edmund Burke's emphasis on stability and gradual change, the other from John Locke's radical assertion of individual rights. Today, Patrick J. Buchanan and Robertson, in speaking of an impending cultural—or religious—war, assert the need for the socialization of American values. Conservatives such as Barry M. Goldwater and before him, Robert Taft, in advocating the primacy of the individual over state interests, tend to be pro-choice and adamant about maintaining the separation of church and state.

Sociologically, the Republican Party has expanded its tent in the past three presidential elections to embrace groups who, by and large, are less likely to be members of mainline churches. As these new supporters have grown in numbers, traditional Republicans have felt increasingly challenged in ways similar to their Democratic counterparts, who watched their party cede more and more influence to special-interest concerns. With members of the cultural right making it clear, through party politics, that they deserve more attention and power, the crucial question has become whether or not mainstream Republicans will stay in the tent or exit through the rear door.

As a pro-choice, pro-Israel, pro-public education, pro-arms control, non-isolationist Republican, I would argue that George Bush is far more tolerant than his party's platform, and that he deserves the support of mainstream Republicans. Furthermore, for

Religious values anchor individual morality. But in our democracy, individuals of faith have a responsibility to ensure that the line between faith and bigotry is not crossed.

believers in two-party coalition politics, warning bells should be going off. A desertion of the Republican ticket by moderates could be the catalyst for the development of splinter parties.

To avoid this outcome, mainstream Republicans must understand and respect what motivates the new cultural conservatives and recognize that large tents imply the existence of healthy, unavoidable tensions.

More important, it is crucial that Republican descendants of the Taft-Goldwater and the Dwight D. Eisenhower-William P. Scranton wings of the party get their philosophical houses in order and find principled common ground with the newcomers.

A good place to begin is to acknowledge that non-mainline churches and their pastors are playing an important and underrecognized role in addressing the quandaries faced by many families disoriented by changes in modern society. But such an acknowledgment need not imply that because they proclaim religious authority for their views, they should enjoy a monopoly on moral themes.

Religious values, to be sure, anchor individual morality. But in our constitutional democracy, individuals of faith have a responsibility to ensure that the line between faith and bigotry, between tolerance and coercion, is not crossed.

Several days after the Republican National Convention, Buchanan told a convention of the Religious Right that the rioting in Los Angeles stemmed from "barbarians" educated in public schools, where God had been "long ago expelled." Americans may reasonably differ on whether state-crafted prayer should be authorized in public schools, but it is an insecure, if not manipulative, view of the Christian faith to imply that an agency of the state can block the presence of God.

The best reflection of faith and inspiration for ethical conduct stems from models of personal behavior. Moral exhortation, while a function of all leadership, is more appropriately the principal province of churches and deacons than political parties and candidates.

James A. Leach, a member of the House Banking and Foreign Affairs committees, is chairman of the Republican Mainstream Committee.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Bush Suggests A 1-Point Drop In Tax Rates

Various Cuts Are Outlined In Levies and Spending, Without Any Promises

By DAVID WESSEL
And MICHEL MCQUEEN

Staff Reporters of THE WALL STREET JOURNAL

DETROIT — President Bush, attempting once again to convince voters that he does have a plan for the economy, held out the prospect of a one-percentage-point cut in personal tax rates if he is re-elected.

In addition, Mr. Bush suggested he would propose modest reductions in small-business taxes as well as a lower capital-gains tax. But he stopped short of actually promising the tax cuts, saying only that he was using the proposals as an "illustration of what we can do."

Hours before Mr. Bush delivered what aides had been promoting as a crucial speech, the president suffered another embarrassment over his stance on taxes, as the White House backed away from what appeared to be a pledge Mr. Bush made Wednesday never to raise taxes again. To a cheering crowd in New Jersey, Mr. Bush said, "I went along with one Democratic tax increase, and I'm not going to do it again. Ever. Ever" — a reference to his 1990 deficit-reduction compromise with Congress. Press secretary Marlin Fitzwater insisted yesterday, however, that that "wasn't a pledge, no. He was saying, as he's said before, that he wouldn't make that mistake again."

After hearing that, Senate Democratic Leader George Mitchell of Maine quipped: "At least the last no-tax pledge lasted more than 24 hours."

In his speech to the Detroit Economic Club, the president said he would pay for the tax cuts with \$132 billion of money-saving proposals he has made in the past, but which have been rejected by Congress. These include measures that would reduce benefits to some veterans, squeeze hospitals and doctors, make Medicare beneficiaries pay more for certain services and trim farm subsidies paid to upper-income farmers.

Despite his recent flirtation with tax cuts, Mr. Bush continues to argue for deficit reduction. His aides said he wants to reduce spending by an additional \$300 billion over five years for that purpose. But Mr. Bush has offered no specifics. Budget experts say he would have to cut deep into such politically popular programs as Medicare, veterans benefits and farm subsidies.

In a speech crafted largely by his new deputy chief of staff, Robert Zoellick, to combat the accusation that the president hasn't made clear what he believes, Mr. Bush declared, "I want to stimulate entrepreneurial capitalism, not punish it. I want to empower people to make their own choices, not yoke them to new bureaucracies. I want a government that spends less, regulates less and taxes less. And I will fight without hesitation for a free flow of trade and capital and ideas around the world because Americans never retreat, we always compete."

To counter the impression that his opponent, Arkansas Gov. Bill Clinton, has a plan for the economy while Mr. Bush doesn't, the Bush campaign printed up a 29-page "Agenda for American Renewal," seven pages longer than Mr. Clinton's comparable document. In a five-minute Bush television advertisement that was to air last night, a toll-free phone number was to appear for viewers who want a copy of the new Bush plan.

Mr. Clinton was quick to dismiss Mr. Bush's speech as "more of the same . . .
Please Turn to Page A12, Column 1

Continued From Page A2

another big tax cut for the wealthy, a small sop to the middle class." He rhetorically asked the president: "Why did it take you over 3½ years to come up with more of the same?"

Even Bush backers concede that the president's speech—with its broad themes and carefully enunciated principles—would have served the president better if it had been made at the conclusion of the Gulf War or at the beginning of this year. "It would have been better to stake out Republican turf much earlier than 60 days" before the election, said Vince Breglio, a GOP pollster.

The central question now is whether Mr. Bush has enough credibility left to sway voters. At the beginning of the year, the president demanded that Congress pass his "economic growth" package; he didn't refer to it yesterday and made only passing references to some of its components.

A senior White House official traveling with the president insisted there was nothing new in Mr. Bush's suggestion that some savings from federal benefit programs go for tax cuts. "The president made clear in the convention speech, and this still holds: that he wants to tax less and he wants to spend less. He also made clear that these tax cuts would be linked to spending cuts," the aide said.

For small businesses, Mr. Bush made one specific new proposal in his speech: cutting the corporate income tax rate on the first \$50,000 of profits to 10% from 15%. That would save small businesses as much as \$2,500 a year and would cost the Treasury about \$5.5 billion over five years. In his campaign pamphlet, Mr. Bush also suggested a modest tax break to encourage small companies to buy more equipment. Currently, businesses can write off as much as \$10,000 of investment in the year in which it is made rather than spreading the deduction over several years; administration officials say Mr. Bush would increase that to \$25,000.

A one-percentage-point reduction in tax rates would cost about \$122 billion over five years, according to Treasury estimates. According to Barry Dennis of Price Waterhouse & Co., a typical family of four with income of \$50,000 before taxes and deductions would save \$325 to \$350 a year under such a tax cut.

Mr. Bush also reiterated his desire to lure businesses to depressed areas by creating tax-advantaged enterprise zones. The prospects for enactment of a pending tax bill that would, among other things, create enterprise zones and extend various expiring tax breaks are fading rapidly as the campaign heats up.

In largely symbolic suggestions yesterday, Mr. Bush offered to cut the White House budget 33% if Congress agreed to do the same with its budget, and he suggested a 5% pay cut for 54,100 executive-branch employees who earn more than \$75,000 a year. He made no mention of his own salary.

Echoing suggestions that his new chief of staff, James Baker, made in his farewell address to the State Department, Mr. Bush said his goal is to follow the new North American free-trade pact with a network of free-trade agreements with the rest of Latin America and with Poland, Hungary, Czechoslovakia and countries across the Pacific.

On the trade front, Mr. Clinton yesterday expressed reservations about the North American Free Trade Agreement that Mr. Bush is pressing. While saying he supported the concept of the free-trade agreement with Mexico, Mr. Clinton complained that the agreement says nothing about worker retraining and "very little" about environmental protection. He previously has said he would support a pact only if it included such provisions.

Mr. Bush's tax-free deficit-reduction strategy has two parts. One is a call to limit growth in spending on federal benefits to save about \$300 billion over five years; if such a spending cap and Mr. Bush's illustrative tax cuts were enacted, it would leave \$170 billion over five years to reduce the deficit. The other prong is to allow taxpayers to allocate up to 10% of their income taxes to pay off federal debt with a dollar-for-dollar reduction in federal spending; congressional estimates say this would yield another \$130 billion for deficit reduction.

Mr. Bush unveiled what he termed "a grand goal to nearly double the size of our economy to \$10 trillion by the early years of the next century." The vague goal isn't terribly ambitious; the economy has roughly doubled since 1980, and the goal could be achieved by inflation as well as by true economic growth. It would require annual increases in the size of the economy, before adjusting for inflation, of about 7%.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Stocks Rally On Bush Bid For Tax Cut

But Bond Traders See
Little New in Plan;
Dollar Advances a Bit

THURSDAY'S MARKETS

By STEVEN E. LEVINGSTON

Staff Reporter of THE WALL STREET JOURNAL

Stocks rallied after President Bush announced what he called an agenda for America's economic renewal. Bond prices also rose as traders found little new in Mr. Bush's speech. The dollar strengthened a bit.

The Dow Jones Industrial Average climbed 33.77 to 3305.16. Standard & Poor's 500-Stock Index jumped 3.59 to 419.95, and the Nasdaq Composite Index rose 6.35 to 581.24.

Despite the stock market's advance, some analysts weren't impressed by Mr. Bush's economic strategy, which focused heavily on tax cuts. Alan R. Ackerman, market strategist at Reich & Co., said: "There are a lot of people who would like to be believers—but seeing is believing."

Stocks also were helped by the dollar's steady course recently, Mr. Ackerman said. "The dollar's stability over the last few days may give the Federal Reserve the opportunity to lower interest rates again," he said.

Program buying accelerated the stock rally late in the day. Some traders said stocks also may have jumped on a report by Cable News Network that U.S. fighter jets had intercepted an Iraqi fighter in the so-called no-fly zone in northern Iraq. The Iraqi jet fled without incident, CNN said.

Yesterday's rally — the strongest gain since July 29 — caught stock traders by surprise after days of sluggish turnover and bleak economic news. But Edward McMahon, senior block trader at Merrill Lynch, said prices may move higher. "As long as rates don't look like they're going up anytime soon and inflation is under control, we'll have a positive bias in the marketplace," he said.

Mr. McMahon added that the market remains difficult to navigate amid the continuing political and economic uncertainty. But for one day, he said, "the market is acting beautifully — it's about time."

In the bond market, many traders found Mr. Bush's speech largely a rehash of his earlier economic-stimulus plans. Some traders initially feared the tax reduction proposals would boost the deficit, but they later discounted the concerns.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

House Backs 'Family Leave' Measure, But Vote Lacks a Veto-Proof Margin

By CATHY TROST

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Forcing a political showdown with President Bush over "family values," the House approved and sent to the White House a bill to require employers to offer workers job-protected, unpaid leave to care for newborns or seriously ill family members.

The legislation was approved 241-161, a margin well short of the two-thirds majority needed to override an expected veto from Mr. Bush. The president, who opposes requiring employers to provide such "family leave," vetoed similar legislation in 1990. The Senate passed the measure by voice vote last month.

Democrats clearly hoped to embarrass

Mr. Bush by sending him the bill this close to the election. Democratic presidential candidate Bill Clinton supports the measure, which would require employers to offer as much as 12 weeks a year of leave.

Campaigning in Lexington, Ky., Democratic vice presidential candidate Al Gore said, "George Bush has a choice," the Associated Press reported. "Either he can change his mind . . . or else he can hold on to the status quo and force Americans to read his lip service to family values."

In their party platform, Republicans reject what they call "the Democrats' one-size-fits-all approach that puts mandates on employers and takes choices away from employees." A White House official dismissed the House vote as a political ploy and confirmed that Mr. Bush would veto this measure. But the official portrayed the administration as willing to negotiate an alternative, such as a tax credit or deduction for businesses that voluntarily provide such leave.

Supporters of the bill, including such Republicans as Reps. Henry Hyde of Illinois and Marge Roukema of New Jersey, have unsuccessfully sought meetings with the White House. "For seven years we've been trying to negotiate with someone at the White House, and no one's been able to get in," said Rep. Patricia Schroeder (D., Colo.).

The bill's backers say voluntary efforts don't cover all the workers who need such leave, and point to a recent Cornell University study that shows that more than 300,000 workers with serious medical conditions have lost their jobs since Mr. Bush's 1990 veto. The bill would require employers to offer unpaid time off for childbirth or adoption, or when an employee or close family member is ill.

The measure would require employers to continue health-insurance coverage for workers who take family leave and to guarantee them their old jobs or equal ones. But it would cover only employers with 50 or more employees, thus exempting 95% of U.S. businesses and half of all workers. In addition, businesses could exclude their highest-paid 10% of employees, as well as employees who work less on average than 25 hours a week.

Supporters said the legislation would increase productivity and loyalty among workers struggling with competing pressures of work and family — particularly in hard times, when workers are apprehensive about losing their jobs if they take time off for a family emergency. But opponents warned that forcing employers to provide such leave would cause massive job losses, a reduction in overall employee benefits, and a disincentive to hire women during their childbearing years.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Slick Traders

Slickness is spreading. On Wednesday, Vice Presidential nominee Al Gore of Tennessee slicked his way onto the campaign trail to avoid casting a vote on the federal judicial nomination of Edward Carnes of Alabama. But if he'd been there, he said, he would have voted against. A very nice political hedge. Now slide over to the free-trade bill.

House Majority Leader Richard Gephardt never comes right out to say he's against liberalizing world trade, but "I call upon the Bush administration to cease further efforts to win Congressional approval of the current North American Free Trade Agreement." He says the administration "should renegotiate it or leave it for the next administration to be written right." You don't "renegotiate" something like this. Mr. Gephardt is saying we should abandon the treaty.

Senator Lloyd Bentsen, a former Vice Presidential nominee, berates the agreement's negotiator, Carla Hills, that President Bush is "politicizing" the process. Senator Bentsen says it's politics to say that Bill Clinton is fudging on NAFTA when the Governor hasn't had a chance to read all 2,000 pages.

OK, we'll wait. But we still want someone to try to get a straight answer from Governor Clinton on NAFTA. Because the impression we've gotten from his statements so far is that he'd support the agreement *after* he's cleared it through various unions, the Sierra Club (which just endorsed him) and the Congressional Democrats.

This concerns us, because off in the corner we've noticed an example of how one influential Democrat views modern trade.

Senator Howard Metzenbaum has proposed a bill called the "International Fair Competition Act." The bill sics the U.S. legal system on competitors. It would allow U.S. firms to take foreign competitors to court if they felt the foreigners were pricing their products too low. Under the bill, the plaintiffs wouldn't have to demonstrate that the foreign firm intended to subvert competition via dumping, or even that there had been any harm inflicted on competition or consumers. Instead the courts would be left to determine the "average total cost" of a product.

If the foreign company was charging a price below that mythical figure, the court could assign treble "damages." One pictures the nation's judges sitting up nights trying to determine the "average total cost" of a microchip or minivan. Rather than compete, firms would use the mere threat of litigation to scare off competitive pricing, or even to pressure foreign firms out of the U.S. market.

We are willing to believe that Bill Clinton in his heart of hearts is a free trader. But if he were to sit in the White House, it is not yet clear whether he would listen to the free trade angel who sits on his right shoulder, or the fallen archangel Gephardt perched on his left.

With apologies to the apolitical Senator Bentsen, the Governor should be pressed to choose.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Potomac Watch

By Paul A. Gigot

Baker Bids To Give Bush Economic Vision

Jude Wanniski, the supply-side theologian, likes to explain the enigma of George Bush with a metaphor of geography.

The Connecticut Bush is the Yankee born to wealth, the establishment man who loves cutting Beltway deals, the Cold War Atlanticist who aspires mainly to "public service." This Bush has dominated the past four years.

The other Bush is the Texas Wildcatter, the risk-taking 18-year-old fighter pilot, the entrepreneur who campaigned in 1988 as Ronald Reagan's heir and won the Gulf War.

With yesterday's speech to the Detroit Economic Club, the Texas Bush bids to get back in the saddle. Or to put it more skeptically, new White House chief of staff Jim Baker has given George Bush a vision transplant for his second term. The question now is whether, so late in his presidency, Mr. Bush can persuade enough voters that the transplant will stick in the next four years instead of being rejected like a baboon liver.

For there is no doubt that the Detroit speech includes an ambitious agenda. Political reporters may write that there is little "new" in it — such reporters always equate "new" with "new federal program" — but even they can't deny it amounts to a "positive" agenda. If it were ever adopted by Congress, his agenda would certainly amount to "change."

Indeed, Mr. Bush's speech is at least a rhetorical victory for the reform agenda that conservatives have long sought from the White House. The legal reform ideas come from Dan Quayle. The speech's

comparison of "choice" against "centralized bureaucracies" in education and health care has long been a theme of Jim Pinkerton, whose ideas were once publicly ridiculed by budget director Richard Darman.

Most significantly, Mr. Bush's talk of "entrepreneurial capitalism that grows from the bottom up, not the top down" is pure Jack Kemp. The speech also explained, in a way Mr. Bush hasn't before, why a scarcity of "capital" has helped cause our scarcity of new jobs.

In an "agenda for renewal" document that accompanied the speech, Mr. Bush even borrowed a Jesse Jackson quote that Mr. Kemp has used: "Subtract capital from capitalism and all that's left is the 'ism.'" This is the sort of Reaganesque, populist economic theme that Mr. Bush has rarely sounded.

In short, the pudding of the Bush campaign is at last slouching toward a theme: American renewal based on a rebirth of entrepreneurial capitalism and reforming government. If this theme had been delivered and fought for 18 months ago, at the end of the Gulf War, Mr. Bush might not be in such perilous straits today.

The speech is also notable because it represents the first major effort by Mr. Baker's new team, especially deputy chief of staff Robert Zoellick. Mr. Baker is a dreaded "pragmatist," but he also learned as Ronald Reagan's chief of staff that you need ideas in politics to win.

Mr. Zoellick must bear the cross of having worked for Mr. Darman. He also tends to favor eye-glazing Chinese-like categories — "five changes" and "six interconnected fronts" made it into Mr. Bush's Detroit speech. But Mr. Zoellick is a fount of ideas, including one of Mr. Bush's best — "a strategic network of free trade agreements across the Atlantic and the Pacific." This is more radical than it seems. It means using America's vast consumer market as a lever to pry open foreign markets.

It also means negotiating deals with many countries — in Eastern Europe and Southeast Asia — as a way to apply leverage against protectionists in Japan and the European Community. In a post-Cold War world in which beggar-thy-neighbor mercantilism will threaten everyone, this really is visionary.



James Baker

Beltway wisdom holds that Mr. Bush can't win if the election turns on the economy. But the Baker team knows that Mr. Bush can't win if he doesn't address the economy's problems. Bill Clinton will have the facts of stagnant growth on his side. So the Baker team hopes to turn the economic debate into a fight over the competing ideas to restore growth. If Mr. Bush can expand on, and stick to, yesterday's themes through Nov. 3 — this would be a first — he might at least have a chance.

Provided, of course, Mr. Bush's own vision is credible. And on this point rhetoric alone isn't enough. The man who broke his tax pledge will have to do more than promise the second time around — especially if he keeps changing his story, as he did again this week, about his tax pledge.

Mr. Bush is all but admitting that his first-term economic policy was mistaken, yet the architects of those mistakes are still in place. An administration that refuses to announce the retirement of Nicholas Brady as treasury secretary isn't credible about any economic policy.

Mr. Darman remains part of the Baker inner circle, and is even now arguing internally that Mr. Bush shouldn't veto the \$2.3 billion legislative appropriation, the money Congress spends on itself. Yet this timidity in fighting Congress is a large part of the reason the public doubts Mr. Bush. After four years of the Connecticut Bush, voters want even the Texas Bush to prove himself.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Industrials Rally 33.77 to 3305.16 On Bush Speech About Tax Cuts

ABREAST OF THE MARKET

By CRAIG S. SMITH

Staff Reporter of THE WALL STREET JOURNAL

NEW YORK — President Bush finally got a rise out of Wall Street by suggesting, if re-elected, he would seek an across-the-board income tax cut of one percentage point. The initiative, introduced in a speech to the Detroit Economic Club, sent the stock market soaring in its biggest move since late July.

The rally carried the Dow Jones Industrial Average up 33.77 points to 3305.16. The move was in stark contrast to the market's reaction to Mr. Bush's previous major economic speech given at the Republican National Convention in August: The industrial average fell 51 points the next day. The market hasn't gained as much in one day since July 29, when the Dow Jones Industrials surged 45 points.

"The president's stock went up today," said David Shulman, equity strategist at Salomon Brothers. Mr. Shulman predicted that many on Wall Street would complain the plan's tax cuts are too small, but would applaud President Bush's alternative to contender Bill Clinton's talk of tax cuts for the middle class but higher taxes for the wealthy. More important, Mr. Shulman said, Mr. Bush's program will make him more electable. Uncertainty over the outcome of the presidential election has unsettled the stock market, which generally prefers the status quo.

Stocks idled with narrow gains for much of the day, but took off in the afternoon as President Bush began his speech. Standard & Poor's 500-Stock Index added 3.59 points to 419.95, the New York Stock Exchange Composite Index rose 1.68 points to 230.78, and the Dow Jones Equity Market Index gained 3.28 points to 395.19.

Big Board volume swelled to 221,790,000 shares, the heaviest trading since July 29; 172,890,000 shares changed hands Wednesday. There were 1,152 advancers and 611 decliners.

While Mr. Bush's speech may have raised hopes he will be re-elected, his economic plan wasn't strong enough to scare the bond market. Treasury prices edged higher, rather than falling as prices would if a strong economic recovery were expected soon.

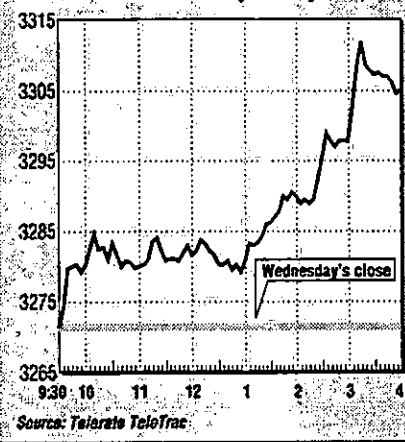
Some traders attributed the afternoon rally to a rise in the dollar, which followed a report that U.S. fighter jets had intercepted an Iraqi jet in northern Iraq. The incident ended when the Iraqi jet fled from the northern "no-fly zone" established by the U.S. and its allies to protect Iraqi Kurds. No shots were fired.

That the mild speech by the president or the Iraqi incident could move stocks at all is evidence that the market is poised for gains, market bulls say.

Don Hays, investment strategist at Wheat First Butcher & Singer, said a combination of factors has fallen into place to make a rally likely. He cites improving economic data, including a smaller-than-expected rise in weekly unemployment

The Dow's Performance

DJIA at 5-minute intervals yesterday



claims reported yesterday. The Labor Department said initial claims rose 8,000 in the week ended Aug. 29, less than the 10,000 widely expected. Mr. Hays noted consumer confidence is also on the rise.

Meanwhile, pessimism toward the stock market has been building, according to several measures. Heightened pessimism often precedes a rally.

Another "enormously bullish sign," according to Mr. Hays, is the recent drop in three-month Treasury bill rates below the Federal Reserve's discount rate of 3%.

"This rally will carry us up through 3500" on the Dow Jones Industrial Average, he predicted. After a November-December pause, he expects the market to make an even bigger move up early next year.

Investors will have their eyes on the producer price index for August, due early today. The inflation index is expected to be up a slim 0.1% in August, causing little stir in the stock or bond markets.

Several of the Dow Jones industrial stocks posted big moves yesterday, including several big cyclical stocks. International Paper jumped 2½ to 64¾; Aluminum Co. of America rose 2½ to 69¼; Goodyear Tire & Rubber gained 2 to 65½; and Caterpillar added 1½ to 49¾.

Du Pont fell 1¼ to 47¾. Smith Barney, Harris Upham downgraded its rating on the stock. Du Pont said results from its petroleum operations must improve if the company is to meet widespread expectations for earnings of \$3.10 a share in 1992. Last year, the company earned \$2.08 a share, after a 49-cent-a-share charge.

Rhone-Poulenc's ADRs lost 4½ to 24¼ after the French chemicals and pharmaceuticals group scaled back its 1992 profit outlook because of the falling dollar and weak markets for its products. The company now expects operating profits to be up 10% to 15%, instead of the 20% increase earlier expected.

Environmental Elements dropped 1½ to 7½. It expects to lose money from continuing operations in the current fiscal year.

The American Stock Exchange Market Value Index gained 1.99 to 384.81. Volume totaled 11,487,145 shares compared with 10,887,380 Wednesday. There were 284 issues advancing, 223 declining.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

After the Hurricane

George Bush and Congress are pulling out all the stops to rush aid to Hurricane Andrew's victims in Florida and Louisiana. Mr. Bush wants Washington to pay 100% of the cost of repairing roads and buildings. Congress is set to appropriate \$8 billion to clean up the area. Money will help, but maybe this is an opportunity to try some truly innovative approaches to rebuilding devastated areas.

Southern Dade County is a ruin, and one of the points driven home by the news coverage is that it's probably going to take years for the area's economy to recover. Some of it will never come back. But if this is true, and considering the human suffering, wouldn't it make sense to clear away almost any past policy or practice that gets in the way of economic rebirth? Start with that assumption and it's not hard to identify roadblocks to recovery.

One of the most perverse such policies is the Davis-Bacon Act. It was passed in 1931 to prevent competition by black workers from Southern states on Northern construction jobs, then the preserve of white unionists. The act more or less mandates that local union-scale wages be paid on any federally subsidized construction or rehabilitation project. That of course drives up the cost of such projects. This means that Davis-Bacon will delay many rebuilding efforts and thwart lower-skilled workers, primarily black or Hispanic, from working on those projects.

After the Los Angeles riots, few blacks got hired to work on rebuilding projects because construction unions tend to have relatively few minority members. Last month, some 100 black protesters occupied a work site at a new shopping center and demanded that they be hired. They were victims, in part, of Davis-Bacon. Says Elzie Higginbottom, a low-income housing builder from Chicago's South Side ghetto, "People can't see the jobs and buildings that aren't created because of Davis-Bacon, but it is a major factor in the low-income housing crisis."

Don't ask the Democrats to help. After the L.A. riots, a move in the Senate to waive Davis-Bacon rules in Los Angeles County was defeated 63 to 36. But President Bush has the power to suspend Davis-Bacon on his own. Why not do it for Los Angeles, Florida and Louisiana? With costs lowered, more building projects would begin. And it would likely create hundreds of jobs

for people willing to work. That job creation won't happen, even if tax dollars subsidize top-scale Davis-Bacon rates to clean up after a hurricane.

Schools are another opportunity. Some 150,000 children weren't able to start classes on time. Thirty schools remain severely damaged, leaving 10,000 children with no school to return to. They will have to make long commutes on buses to overcrowded facilities that will have to operate on double sessions. That isn't necessary. Some students could go to undamaged private and church schools that have extra places.

President Bush, a strong supporter of school vouchers, should ask Congress for the authority to issue federal scholarships, which could be accepted at nonpublic schools that have room for new students. The scholarships could expire at the end of the school year or whenever local public schools were rebuilt.

Declaring any disaster area a giant enterprise zone would also help. After a 1980 riot devastated the Liberty City area of Miami, local officials established an enterprise zone there. The tax incentives and regulatory relief it offered have opened once-vacant stores, attracted a new supermarket and helped build several low-income housing projects. "I walk down the street, and people say, 'You're bringing the neighborhood back, man,'" says Dewey Knight, the leader of a local grass-roots business group.

Reduced to rubble, southern Dade County needs the economic energy of a frontier. Congress should follow Liberty City's example and declare all of the county the first federal enterprise zone.

Needless to say, it isn't likely that this Congress will pass a package of empowerment reforms for South Florida or anywhere else for that matter. Ask the people of burned-out south-central L.A. But it's still worthwhile for President Bush to propose them, even if only to force a debate on the status quo. If Congress balked it would also give him another way to contrast his positions with those of Governor Clinton and Democratic Congressional leaders. If Congress consented, Floridians would benefit.

Something can be salvaged from this natural disaster if it is seen as a political opportunity to revamp old and tired out governmental procedures and bureaucracies. It sounds to us as if many in Dade County and coastal Louisiana would welcome the change.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Sen. Kerrey Appeals For End of Attacks Over Clinton Draft

Vietnam Veteran Reminds Bush
Of His 'Correct Intention'
To Let War Memories Die

By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Sen. Bob Kerrey, who won the Medal of Honor in the Vietnam War, appealed to President Bush to "call off the dogs" and end Republican attacks on Democratic nominee Bill Clinton regarding his avoidance of the draft in the late-1960s.

"When you began your presidency you said you wanted to put the Vietnam memory behind us," said the Nebraska Democrat, whose right leg was shattered in the war. "Now, when the hunger for re-election has gotten the better of you, and the smell of political blood is in the air, you abandon your earlier and correct intention."

Speaking from the Senate floor, Mr. Kerrey's remarks were both an appeal for healing and an implicit warning to Mr. Bush that the attacks invite a review of his own record in government during Vietnam and the immediate aftermath. The senator talked of his reconciliation with his own service and the Cold War leaders who sent him to the war. But beneath the surface was also anger and hurt at how both Republicans and Mr. Clinton have dealt with the issue.

"What were you doing in 1975 when Saigon fell and the killing fields of Cambodia began?" Mr. Kerrey asked in a rhetorical thrust at the president. He described the system of draft deferments in the Vietnam era as a political creation to "minimize the inconvenience" of the war and reminded Mr. Bush that he himself was in Congress during this period.

"The condition of having a special draft status was not created by Bill Clinton," Mr. Kerrey said. "It was created and later allowed by politicians like George Bush and his mentor, Richard Nixon . . . God help us if, in 1992, the people who brought us the tragedy of Vietnam use it in a deceptive way to hold onto power."

Mr. Kerrey's statement is significant because of his standing among Vietnam veterans and because he warned in his own unsuccessful presidential campaign that Republicans would use the draft issue against Mr. Clinton. At the Democratic convention in New York, he was surprised that Mr. Clinton's camp went to great lengths to avoid the issue, and Mr. Kerrey subsequently wrote the governor urging him to be more direct in confronting the matter.

The two men spoke before Mr. Kerrey's speech. But the senator remains frustrated by what he sees as Mr. Clinton's failure to confront the fact that his extended deferments separated him from often less educated and poorer men who were caught in the war. "The whole system was institutionalized privilege," he said. "And Clinton's reaching out now to the very people who were hurt."

Afterward, Mr. Kerrey admitted his own hurt at having to probe his past again. "Sometimes when I speak, I can't push it too deep or I can't go on," he said.

In his own campaign, Mr. Kerrey sought to use his war experience as a metaphor for healing by emphasizing his recovery from his crippling wound. He returned to the same theme yesterday, and seemed to speak of himself as he appealed to Mr. Bush not to risk the healing the president had pledged to seek at his own inaugural.

"You seem to understand the way these war wounds have incapacitated individual combatants as well as the nation," he said. "The healing allows veterans to lead normal lives and America to once again develop a confident, bipartisan foreign policy."

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Baker Set Aside Worries on Iraq In Aid Decision

By PETER TRUETT

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — As secretary of state, James Baker in late 1989 brushed aside concerns about Iraqi involvement in the Banca Nazionale del Lavoro scandal, and sought instead to ensure that Baghdad received \$1 billion in farm credit guarantees.

Mr. Baker, now White House chief of staff, approved an Oct. 26, 1989, memo reversing an Agriculture Department decision to limit the Iraqis to \$400 million in Commodity Credit Corp. guarantees. The Agriculture Department had withdrawn a billion-dollar offer for the year ended Sept. 30, 1990, because of "concern over possible Iraqi involvement in the scandal in the Atlanta branch of Italy's Banca Nazionale del Lavoro."

The memo endorsed by Mr. Baker was from Assistant Secretary of State for Near Eastern Affairs John Kelly and State Department Counsel Abraham Sofaer. First reported by columnist William Safire in the New York Times, it argues that the department's "ability to influence Iraqi policies in areas important to us, from Lebanon to the Middle East peace process, will be heavily influenced by the outcome of the Commodity Credit Corp. negotiations."

Banca Nazionale del Lavoro's Atlanta branch lent as much as \$4 billion to Iraq, in the process violating a number of U.S. laws. Some of that money was guaranteed by the U.S. government. The U.S. attorney's office in Atlanta has been investigating BNL since the late summer of 1989. Iraq used foreign credits to build up considerable military power, which it used to fight its war against Iran and then to occupy Kuwait in 1990.

Mr. Baker's State Department seems to have been well informed about the intentions of the U.S. attorney's office in Atlanta with regard to BNL. "Our information about the investigation indicates that the prosecutor does not now intend to indict Iraqi officials," according to a list of talking points for Mr. Baker that are attached to the Oct. 26 memo. The talking points carry a note to Agriculture Secretary Clayton Yeutter signed by Mr. Baker that reads, "I think we're seeing it the same way you guys are. I'll get into it."

Mr. Baker didn't return calls, but a State Department official strongly defended the then-secretary's approval of the October 1989 memo. This official noted that "in late 1989, and even as late as May 1990, there was still widespread support in the Congress for supplying agricultural credit to Iraq" to help U.S. farmers.

Moreover, the State Department official said, the administration proceeded cautiously with the credits. Of the proposed \$1 billion annual program, only \$500 million in credit guarantees were approved in November 1989, of which only about \$390

Please Turn to Page A11, Column 6

Baker Brushed Aside Worries About Iraq In Decision on Aid

Continued From Page A3

million actually were extended. A second installment of \$500 million was due for approval in May 1990, but it never was cleared. Meanwhile, during late 1989 and early 1990, Iraq repaid \$855 million on its U.S. agricultural credits, the State Department official said.

Congressional Democrats are concerned that there may have been administration interference into the Atlanta U.S. attorney's investigation. On July 7, Rep. Henry Gonzalez (D., Texas), chairman of the House Banking Committee, quoted notes showing that Gail McKenzie, the assistant U.S. attorney handling the BNL case in Atlanta, had been called by the White House. The U.S. attorney's office in Atlanta has acknowledged that call but has insisted that it didn't represent an attempt to interfere with the BNL probe.

The State Department official said the call to the Atlanta U.S. attorney was made to assure there would be no legal problems with extending the credit guarantees. "They wanted to make sure they were doing everything legally appropriate," he said. "These were calls for reasons of due diligence and nothing more."

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Panel Approves \$7.45 Billion For Storm Aid

Senate Committee Rejects Bush Request to Rebuild Air Force Base in Florida

By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON—The Senate Appropriations Committee approved more than \$7.45 billion in federal aid and loans to help Southern states and Guam begin to recover from recent devastating storms.

The great bulk of the money is intended to address the damage in Florida and Louisiana from Hurricane Andrew. But the panel rejected the Bush administration's request to rebuild Homestead Air Force Base in South Florida.

Prominent Republicans were among those opposing the request for \$480 million in military construction funds. And even as he supported the White House, Senate Budget Committee Chairman James Sasser (D., Tenn.) said the administration had deliberately understated the true cost of the work by an estimated \$300 million.

A larger \$8.8 billion disaster-aid package has been crafted by the House Appropriations Committee leadership. But despite the setback on Homestead, Budget Director Richard Darman appears likely to cast his lot with his frequent ally, Senate Appropriations Committee Chairman Robert Byrd. In most sections, the Senate bill is faithful to the administration's requests. And Mr. Byrd used his position to temper efforts by his former Senate colleague and rival, Florida Gov. Lawton Chiles, to further expand the president's requests.

In this election-year environment, the maneuvering is rich in political theater for all the genuine tragedy of the events. Mr. Bush has been criticized for using the federal aid as a means to win support for himself in November's election, and the decision to rebuild Homestead came despite the fact that the facility only narrowly escaped being closed as a result of defense cutbacks. Though Mr. Chiles was widely respected in the Senate, he is remembered within the appropriations panel as a nettlesome former Budget Committee chairman, and as someone who launched an ill-fated campaign once to unseat Mr. Byrd as Democratic leader. At one juncture, when the governor spoke from the audience, Mr. Byrd gaveled him down.

And given the administration's more generous aid formulas for Florida, Sen. Ernest Hollings (D., S.C.) inserted a provision that would permit his state to recover \$35.3 million more for damage done to public facilities and roads by Hurricane Hugo. "What about the California earthquake?" asked Sen. Mark Hatfield (R., Ore.) in opposition. "They'd better get some California senators on the

committee," countered Mr. Hollings, who is up for re-election this year.

"Homestead clearly has a problem," said Gov. Chiles later. But he was unchanged in his hopes for at least \$1 billion more in assistance. Sen. Bennett Johnston (D., La.) gives him a close ally within the appropriations panel, and apart from \$50 million added yesterday for the Economic Development Administration, the two men are pursuing agriculture amendments worth an estimated \$200 million.

As approved yesterday, the disaster aid was attached to an underlying supplemental spending bill that has already cleared the House. By using this vehicle, senators were able to jump ahead of their colleagues in the other chamber. But the same legislation comes encumbered with an abortion-rights provision that is certain to provoke a confrontation with the president.

The action yesterday came as the Appropriations committee approved a \$245 billion bill for the Departments of Labor, Health and Human Services, and Education for the fiscal year beginning Oct. 1. The measure promises \$7.4 billion, or an 8% increase, in student financial aid. Funding for Head Start would be increased to \$2.8 billion, or \$600 million over the current year. More than \$2.1 billion is allocated for public-health-service activities related to AIDS.

Yesterday's jockeying also illustrated how the senators, faced with female challengers, are anxious to prove their credentials on women's health issues. Although dwarfed by some of the other expenditures, the bill promises a nearly two-thirds increase in funding for breast-cancer research. Sen. Arlen Specter (R., Pa.), who faces a Democratic woman challenger, was given special credit for the \$220 million allocation. Not to be outdone, Sen. Alfonse D'Amato (R., N.Y.), who himself could

Please Turn to Page A4, Column 1

Senate Committee Votes \$7.45 Billion To Cover Storm Aid

Continued From Page A3

draw a woman opponent this fall, served notice that he was prepared to raid the Pentagon budget to ensure that the number goes even higher.

Separately, the Senate late Thursday approved a \$22.7 billion measure extending and fine-tuning federal programs for low-income housing, the Associated Press reported.

In a voice vote, lawmakers sent the bill to negotiations with the House, which approved a competing version on Aug. 5.

The House and Senate conferees will have to resolve conflicts in spending levels — the House version authorizes \$28.8 billion — and in philosophy over how to channel housing subsidies.

The Senate version, favored by the Bush administration, would promote a program backed by HUD Secretary Jack Kemp that allows tenants in public housing to buy their units and become homeowners, at the same time diminishing the government role in subsidized housing.

The House provided less money for that program, and more for the Democratic-backed project HOME, which provides federal matching grants to state and local governments to meet low-income housing needs, mostly through rehabilitation of existing buildings.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

VIRGINIA'S WAR over the Christian Right is about to escalate. Bush, visiting Pat Robertson today, will be greeted by an "open letter" from state Democratic chairman Paul Goldman calling Robertson and the Christian Right "America's new extremism" and warning that Bush is turning the Oval Office into a "bully pulpit" for them.

ECONOMIC MODERATES likely would dominate any Clinton administration.

The early favorites for Treasury secretary would be Goldman Sachs co-chairman Bob Rubin and former Fed chairman Paul Volcker, who would be a big favorite of the markets. Leading OMB candidates: House Budget chairman Leon Panetta and former Rep. Bill Gray. Top Council of Economic Advisers possibilities would be liberal Paul Krugman of MIT or moderate World Bank economist Lawrence Summers.

Clinton confidants likely would play key backup roles—economists Bob Reich and Ira Magaziner in domestic policy roles, campaign adviser Rob Shapiro as No. 2 at OMB and investment banker Roger Altman as deputy Treasury secretary.

The leading woman candidate: Paula Stern, former chief of the International Trade Commission, to be U.S. trade representative.

MORE ALLEGATIONS about Clinton and the draft are in the offing. Cliff Jackson, a Republican attorney in Little Rock and avowed Clinton enemy, pushes reports that aides to former GOP Gov. Winthrop Rockefeller made calls to help Clinton avoid being called up. Jackson says he isn't receiving covert aid from Bush-Quayle operatives, but others are skeptical.

CLINTON STEPS UP efforts to woo corporate chieftains to prove he isn't too liberal. New business supporters include William Stiritz of Ralston Purina, Reuben Mark of Colgate-Palmolive, James Glasser of GATX, Robert Haas of Levi Strauss and former CEOs Thomas Watson of IBM and David Maxwell of Fannie Mae.

MINOR MEMOS: Major help? Two top officials of Britain's Conservative Party brief the Bush-Quayle high command on Major's come-from-behind victory. . . . The University of Arkansas wasn't Clinton's first flirtation with ROTC; he also took an ROTC military science course as a freshman at Georgetown. . . . Clouded crystal ball? By a ratio of more than two to one, 50 economists surveyed by the Blue Chip Economic Indicators expect Clinton to win; five months ago, not one of them picked him.

—RICH JAROSLOVSKY

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Bush Expected to Unveil Plan to Sell Saudis F-15s

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — President Bush is expected to announce during a campaign stop in Missouri today that the U.S. plans to sell F-15 fighter aircraft to Saudi Arabia.

The administration is expected to place some restrictions on the technology that would be included in the aircraft. Israel and its U.S. supporters are concerned that selling the Saudis the state-of-the-art aircraft they have been requesting would jeopardize Israel's security. The Saudis wanted 72 of the F-15s, but the package may be for fewer aircraft.

In another effort to appease U.S. Jewish voters, Mr. Bush also is expected to announce today that he is sending Congress legislation that will provide Israel \$10 billion in loan guarantees. Mr. Bush said last month that the U.S. would provide the guarantees, which Israel says it needs to absorb hundreds of thousands of Jewish immigrants from the former Soviet Union. U.S. and Israeli officials have been hammering out the details of the loan guarantee package over the past month.

The F-15 sale will have particular political resonance in Missouri, corporate home of McDonnell Douglas Corp., the plane's manufacturer. The company has warned that without the sale it will have to close its F-15 production line in 1994 because of the shrunken U.S. defense budget. The company claims that a shutdown would mean the loss of 40,000 jobs, but others who oppose the sale say the figure would be substantially lower. Missouri is expected to be a hotly contested state in this year's presidential election.

THE WALL STREET JOURNAL.

© 1992 Dow Jones & Company, Inc. All Rights Reserved.

FRIDAY, SEPTEMBER 11, 1992

Washington Wire

A Special Weekly Report From
The Wall Street Journal's
Capital Bureau

ON TARGET? Bush officials feel their post-convention moves are clicking.

They say they have cut Clinton's lead to single digits, which is where they wanted to be by now. They predict another boost when late deciders begin returning to the Bush fold. Bush is expected to start targeted ads imminently in Midwestern battlegrounds such as Michigan. Baker's moves haven't yet solved Bush's message problems; the Labor Day emphasis on legal reform was off-key, as was this week's "no new taxes" flip-flopping.

But campaign officials aren't counting on winning with a positive message anyway. Instead, Bush will emphasize issues like Clinton's tax plans and draft record to argue that "you can't afford Bill Clinton and you can't trust Bill Clinton." Aides predict that, for the first time, Bush himself will explicitly raise the issue of Clinton's draft status next week.

Says a top Republican: "The one thing we don't want this election to be about is the economy."

FRIDAY, SEPTEMBER 11, 1992

A4 FRIDAY, SEPTEMBER 11, 1992 ...

THE WAS

EPA Officials Criticize Justice Dept.

6 Tell House Panel Polluters Unpunished

By Sharon LaFraniere
Washington Post Staff Writer

Six agents and supervisors from the Environmental Protection Agency yesterday complained that the Justice Department refused to punish certain corporate polluters, despite strong evidence of criminal wrongdoing.

The EPA employees, together with a Washington state prosecutor and investigator, told a congressional subcommittee that Justice Department prosecutors thwarted their efforts to penalize polluters by declining to prosecute or negotiating lenient plea bargains. "I do not understand their logic or their motivation," said Kevin Fitzpatrick, a Washington state investigator of environmental crimes.

It is somewhat rare for federal employees of one agency to publicly criticize another federal department before Congress. Justice Department officials said they asked for the opportunity to give their side to the energy and commerce oversight subcommittee, but were turned down. Rep. John D. Dingell (D-Mich.), subcommittee chairman, said Justice Department officials will get their chance soon.

In a written statement, the department said the hearing focused "on only a few cases, and we hope the subcommittee will not lose sight of the forest for the trees. . . . The sheer numbers of environmental cases that have been prosecuted by the Department of Justice. . . . decisively refute any allegations that the [criminal enforcement] program



Witnesses Veda Downs, left, and her son, Danny Downs, testify before House Energy and Commerce Committee's oversight and investigations subcommittee.

has been ineffective or timidly executed."

In the six cases that were the focus of the hearing, prosecutors at the Justice Department's environmental crimes section in Washington were deeply at odds with EPA investigators, state prosecutors and federal prosecutors from the local U.S. attorney offices, witnesses said. The environmental crimes section approves all federal environmental prosecutions.

Investigators and one state prosecutor complained the Justice Department excluded them from critical meetings, including discussions with defense attorneys about possible plea bargains. Two EPA supervisors said the roadblocks they encountered convinced them local U.S. attorneys should be in charge of environmental prosecutions and the environmental crimes section should take a back seat.

The outcome of a Washington state case against PureGro Co. Inc. was a major disappointment, three investigators and a state prosecutor told the subcommittee. Justice Department prosecutors allowed the company to plead guilty to a misdemeanor and pay a \$15,000 fine, although the company at one point offered to plead guilty to a felony offense.

"It was like someone had kicked us in the face," said Danny Downs, whose parents suffered health problems after PureGro sprayed a nearby field with a mixture including

hazardous waste. "We really feel betrayed by the Justice Department."

John West, an EPA supervisor of criminal enforcement, said evidence showed Thermex Energy Corp.'s president refused to spend the money to correct blatant hazardous waste violations and suggested employees dump the hazardous material into a stream in the middle of the night.

Before the Justice Department decided not to prosecute, West said, the company offered to plead guilty to four felonies and pay a \$200,000 fine—an assertion the Justice Department denies.

David Wilma, an EPA regional supervisor, told the subcommittee that Neil Cartusciello, who heads the Justice Department's environmental crimes section, seemed to minimize hazardous waste violations by Hawaiian Western Steel, Ltd. No charges were ultimately filed.

Cartusciello also overrode the objections of a prosecutor in his own division, an EPA attorney and an assistant U.S. attorney about whether to prosecute a hazardous waste case against Chem Waste Management, witnesses said. While the U.S. attorney agreed with Cartusciello, the "whole trial team" believed the case could be won, an EPA lawyer said. In a highly unusual action, Cartusciello himself appeared before the grand jury, apparently to persuade the panel not to indict.

TODAY IN CONGRESS

SENATE

Not in session.
Committees: none.

HOUSE

Not in session.
Committees:
Science, Space & Technology—10 a.m. Investigations and oversight subcommittee. Environmental crimes at Rocky Flats nuclear weapons facility. 2325 Rayburn House Office Bldg.

FRIDAY, SEPTEMBER 11, 1992

Family-Leave Bill Passes; Veto Likely

By Kenneth J. Cooper
Washington Post Staff Writer

Congress tried yesterday to put President Bush on the defensive on a "family values" issue, daring him to carry out a veto threat against a bill that requires large employers to let workers take time off without pay in medical emergencies.

The House gave final approval to the family-leave bill, 241 to 161, after a debate largely shaped by the discussion about family values in the presidential campaign. Supporters fell far short of achieving a veto-proof margin, which they believe can be mustered in the Senate.

A White House official told reporters that Bush plans to veto the bill, as he did similar legislation in June 1990, because the president believes the cost of such a federally mandated benefit would cause employers to trim their work forces. "We think the societal cost of this bill is great," the official said.

Advocates minimized the potential cost to employers, citing a General Accounting Office estimate of \$5.30 a year per covered employee. The federal mandate is favored by labor unions but opposed by the U.S. Chamber of Commerce and other business groups.

The legislation would require employers with more than 50 workers to permit each to take 12 weeks of unpaid leave annually in medical emergencies. The time could be spent receiving medical treatment, caring for a new or sick child or tending to an ill parent or spouse. The benefits would be available to federal civil servants as well as congressional employees.

Thirty-seven Republicans joined 203 Democrats and one independent in backing the bill. Three Republicans and two Democrats, opponents during a roll call last November, switched their vote on the conference report. The Republicans were Reps. Jim Saxton (N.J.), Don Young (Alaska) and C.W. "Bill" Young (Fla.); the Democrats were Reps. Jamie L. Whitten (Miss.) and Butler C. Derrick Jr. (S.C.).

Among Republican supporters was Rep. Henry J. Hyde (Ill.), a prominent conservative and abortion foe who described the bill as pro-family.

"Certainly one of the family values is caring about your spouse, caring about your children, caring about your parents," Hyde said. "To assert that you're for family values, it seems to me, requires you to support this bill."

"We all know that the president has embraced voodoo economics," said Rep. Nita M. Lowey (D-N.Y.), "but can it be that he is now embracing voodoo family values?"

But Minority Leader Robert H. Michel (R-Ill.) said the bill is an economic setback for families, asking, "How does fewer jobs help families?" He added that the bill was "only about one thing: election-year politics, pure and simple, or at least simple."

Several Republicans charged partisan politics were responsible for the timing of the House vote, less than two months before the election. A Senate voice vote approving the conference report came a week before the Republican National Convention in August, eight months after both the House and Senate had approved their versions of the bill.

Democratic vice presidential nominee Albert Gore Jr. met yesterday with families who have struggled with extended illnesses and said in Lexington, Ky., that the family-leave bill is a chance for Republicans—who, he pointed out, used the phrase "family values" repeatedly at their convention—to put their actions where their values are.

Sen. Christopher J. Dodd (D-Conn.), the chief Senate sponsor, said "the window was left open" in hopes of a compromise with the White House, but officials there had proposed no specific alternatives.

A White House official said yesterday that Bush was willing to give tax incentives to businesses that provide family leave. Dodd said it was not a comprehensive solution.

Staff writer Kent Jenkins Jr., traveling with Gore, contributed to this report.

UNCLAIMED & CONFISCATED SEIZED PROPERTY AUCTION

Property from abandoned safe deposit boxes, Federal agencies, bankruptcies, lending institutions & several business liquidations will be sold at public auction.

Friday, Sept. 11, at 8:30 p.m.
Shorston Hotel
8500 Annapolis Rd.
New Carrollton, MD
Exhibition starts 5 p.m.

Includes Rolls Royce, Mercedes & other autos, signed oils, prints & etchings by Rembrandt, Renoir, Picasso. Rolex watches & 350 pcs. of fine jewelry, European & Oriental porcelain, Remington & Air Nouveau bronzes, sterling silver, 1000's of baseball cards, 80 new line (saddle, mark, lynx), 90 Far Eastern handmade rugs, rare gold & silver coins, stamps, 35 mm & video cameras, VCR's, TV's, computers, stereos, music instruments, tools & valuables & collectibles of all types & much more.

TERMS: Cash, Visa, MasterCard, 10% buyers premium subject to add-ons & discounts. Five-dollar

NATIONAL TRADE CENTER (301) 279-5522

Hess Shoes presents . . .

COLE · HAAN® Trunk Shows

• FRIDAY, SEPT. 11th ~ Georgetown Park
1:00 PM until 7:00 PM

• SAT., SEPT. 12th ~ White Flint
10:00 AM until 4:00 PM

COLE · HAAN Sales Representative,
Mr. Richard Cormier, will be on
hand to assist with style and size
selection and explain all the
quality features of the collection.

FREE
\$25.

GIFT
CERTIFICATE
And Free Gift
with every
COLE · HAAN

Regular Price Purchase



Hess
SHOES

White Flint • 881-1611
Georgetown Park • 333-7043

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Differences With Rival Highlighted

*President Seeks
To Refocus Debate*

By David S. Broder
and E. J. Dionne Jr.
Washington Post Staff Writers

After months of trying unsuccessfully to glamorize or alibi or apologize for his economic record, President Bush yesterday finally attempted to contest Bill Clinton's claim to having the best plan for recovery.

His speech to the Economic Club of Detroit contained Bush's clearest acknowledgment of the legitimacy of the current public pessimism and the most coherent statement of his strategy for improving America's lagging economic performance.

White House officials acknowledged that shifting the political debate from the past to the future will be difficult. Some Republicans on Capitol Hill complained privately the speech was months too late to be credible and represented mainly a repackaging of old ideas. Clinton aides argued that many of its specific themes were lifted wholesale from the Democratic nominee's stump speeches.

But with Bush defining his sharp differences with Clinton on economics, taxes, health

See ANALYSIS, A11, Col. 1

NEWS
ANALYSIS

7

President Seeks to Define Differences With Clinton, Refocus Debate

ANALYSIS, From A1

care, education and the role of government, the framework of a serious policy debate may now be in place.

"I would hope we can keep the focus on this subject for at least a week," said one White House official. But the Clinton forces were quick to remind voters that the president who offered his prescription for "an era of great opportunity" was the same man who presided over what Clinton likes to call "the worst economic performance since Herbert Hoover."

Historically, election campaigns for incumbent presidents have usually turned into referenda on their records. By repackaging many of his earlier proposals in a broad analysis of worldwide economic forces and an "agenda for American renewal" Bush is belatedly trying to refocus voters' attention elsewhere.

The speech—prepared by new White House Chief of Staff James A. Baker III—represented a sharp break from the rhetoric Bush used in his Republican National Convention acceptance speech and in the early weeks of the campaign.

He did not pretend that the economic worries people feel are an exaggerated, media-fed response to a recession that has already ended. He did not blame the Democratic Congress for balking at his "recovery plan," and he did not say he had made a "mistake" in signing a budget deficit agreement with Congress.

Rather than rehash the past, Bush sought to argue that he, not Clinton, had the approach that could transform an unpleasant present into a future of prosperity. In doing so, he borrowed heavily from the "empowerment" proposals put forward by Housing and Urban Development Secretary Jack Kemp, Vice President Quayle and others, mixing them with anti-tax and free-trade rhetoric that had been a staple of his speeches.

Obviously on the basis of their own polls, White House officials said that they know Bush's call for cutting top government salaries, reducing the White House and congressional bureaucracies and curbing the glut of lawsuits will be popular with voters.

But the political challenge for Bush is immense: to strip from Clinton the advantage the Arkansas

governor now enjoys among the large majority of voters who list the economy and governmental change as major concerns. In the most recent Washington Post-ABC News Poll, the Arkansas governor led Bush 69 percent to 20 percent among voters who listed the economy as an important issue, and by 60 to 24 percent among those who said "bringing needed change in government" is a central goal.

In trying to reduce those Clinton margins, Bush could be hampered by the fact that his rhetoric and ideas often sounded like themes that Clinton has long been using. For example, Bush's assertion that the average worker will change jobs "10 times over the course of his or her lifetime" is a variation on a line that was a Clinton favorite even before he ran for president.

Bush's emphasis on education and job training as the key to improving American competitiveness is another longtime Clinton staple. Even Bush's calls for cuts in White House and congressional staffing appeared to be a reaction to Clinton's attack on the size of the White House staff under Bush.

The Clinton camp immediately accused Bush of larceny. "George

Bush, who has spent four years in the White House without a program, has woken up, discovered that it hasn't worked, and accepted many of the premises of Bill Clinton's program," said Robert Shapiro, a Clinton economic adviser.

But Clinton and Bush lieutenants agreed that the president's speech highlighted major differences between the candidates.

Bush has clearly staked his political future on a full-scale embrace of free trade—not only with Mexico but also with Latin America, Central Europe and "with countries across the Pacific."

Bush argued that the new global economy, a cause of present dislocations, could be the source of future prosperity. This may prove a hard sell in pivotal states such as Michigan, Illinois and Pennsylvania.

On the other hand, it is a challenge to Clinton, who has historically been a free-trader but has hedged on supporting the just-negotiated North American Free Trade Agreement (NAFTA), which is bitterly opposed by organized labor.

"What Bush is trying to do is to bait Clinton into making a mistake,"

said Jeff Faux, president of the Economic Policy Institute and a treaty critic, "either by embracing his North American Free Trade [Agreement], which would alienate a large share of his constituency, or by rejecting it, which would contradict what Clinton has already said."

If Bush was trying to force the trade issue, he simply dramatized other differences—notably on taxes. Although the two candidates agree on the specifics of many new business tax incentives, Bush's renewed call for a broad capital gains tax cut contrasts sharply with Clinton's call to limit such a reduction to investment in new businesses.

Bush's support for a cut in income tax rates contrasts with Clinton's call for higher taxes on the wealthy and cuts for the middle class. Bush will argue that broad tax cuts help the economy as a whole. But within two hours of Bush's address, Clinton was arguing that such tax cuts would help only the wealthy.

This debate, in turn, will spur an argument over how Bush will pay for his tax cuts—and whether they are consistent with deficit reduction. Bush spoke in technical terms of "a cap on mandatory spending,"

Clinton will argue that this translates into real cuts in popular programs such as Medicare and veterans benefits.

More broadly, Bush insisted repeatedly that government in general is really the problem. "We know that the clumsy hand of government is no match for the uplifting hand of the marketplace," he said. Clinton, on the other hand, maintains that government can help "organize" the economy to be more competitive.

This translates into different approaches to education, where Bush favors private school vouchers and Clinton does not, and health care, where Bush is pushing for tax credits to help people buy health insurance and Clinton favors a government-led program.

George Stephanopoulos, Clinton's communications director, said that Bush's plan was, in the end, "more of the same," and lacked specifics.

A senior Bush aide admitted that the speech fell short of the specificity of a budget document. But for a president who has tried repeatedly to jump-start a faltering campaign, it was at least a step toward coherence.

9/11/92

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Assaying What Government Can Do, Brookings Resumes Policy Manifestoes

By William Claiborne
Washington Post Staff Writer

After an eight-year hiatus, the Brookings Institution today resumes publishing its once-influential series of policy manifestoes, "Setting Domestic Priorities."

The book-length blueprint for social action is billed by its editors as a "pragmatic blend of conservative and liberal answers" to the paramount question facing Americans today: What can the government do?

The editors, Henry J. Aaron, an assistant secretary of Health, Education and Welfare in the Carter administration, and Charles L. Schultze, Budget Bureau director for President Lyndon B. Johnson, say they have no delusions that government can fix everything, but they believe that it can take specific action to make improvements.

Brookings began publishing the series of policy manuals in 1968 with the highly acclaimed "Agenda for a Nation," but stopped in the 1980s, when many of the institution's senior fellows felt their efforts would have little impact on Reagan administration policies.

The reentry of the increasingly centrist think tank into domestic policy agenda-writing reflects a belief within Brookings that while there was little point in offering advice that could not cross the ideological gulf of the Reagan administration, the end of the Cold War and deteriorating social conditions now make it imperative to redirect national attention to domestic policies.

Brookings insiders say there was spirited debate within the group of eight prominent policy analysts over the relatively cautious recommendations that emerged in the final document. The prevailing view held that since the book was to be published before the upcoming presidential election, there would be little point in advocating a stridently interventionist position before it was known whether President Bush would be reelected.

For example, the authors examined three major approaches to extending health care coverage to all Americans: national health insurance funded by increased taxes; refundable tax credits that would

cover all medical care costs for the poor; and extended employer-sponsored health insurance with a publicly financed backup plan for people not covered through their job or that of a family member.

The Brookings manual supports the last option, with Aaron arguing that health care reform should not be held hostage to protracted and divisive debates about income redistribution. Instead, he recommends that Congress seek universal coverage by extending and building on the current system of employer-sponsored health insurance.

The philosophy behind the book is that the United States should pay now—through tax increases and

want to cut to the chase, which comes in the last chapter, entitled "Paying the Bills." There, the editors present a budget program that not only pays for proposed domestic policy reforms but also outlines how to achieve a balanced budget in 10 years.

When fully phased in by 1997, the programs recommended by the editors would cost about \$90 billion, two-thirds of which would be spent for expanding health insurance coverage. But cost control could gradually pare 3 percent from the annual growth of the expense of health care and reduce total projected federal outlays by \$40 billion in 1997 and \$135 billion in 2002, according to the plan.

However, if health care cost growth is not reduced, payroll and value-added taxes would have to be levied and premiums raised to generate \$90 billion by 2002. Even then, the deficit would be considerable—\$60 billion.

The editors also recommend a special value-added tax on virtually all goods and services, with revenues earmarked for costs of medical care not already covered by payroll taxes and premiums, and for the cost of extending health care insurance to those not now covered.

They also call for large cuts in overall government spending: \$50 billion in 1997 defense spending and \$20 billion in civilian spending. An additional \$17 billion would be raised by taxing Social Security benefits much in the way private pension income is now taxed, giving the government an additional \$17 billion by 1997.

Ripe targets for civilian spending cuts, Schultze says, include agricultural subsidies estimated to be \$10 billion in 1997 and veterans' benefits for low-rated disabilities, estimated to reach \$2.4 billion.

A recurring theme throughout the book is the concept of mutual responsibility: on the part of citizen-taxpayers to help those in need and the responsibility of those in need to help themselves. For example, Schultze and Aaron contend that society should provide more services and treatment for homeless drug abusers, but should also make it more difficult for them to refuse help for their addiction.



spending cuts—for any new programs and not try to push costs off through more deficit financing.

Among its proposals:

- Mandatory employer-sponsored health insurance for all full-time workers, with health care costs controlled through managed competition, backed up by caps on total spending.

- Federal subsidies for 600,000 housing units for the homeless, who must agree to strict rules of residence and participate in treatment programs.

- Mandatory drug treatment for all federal and state prisoners who need it. Also, provision of federal funds to double community police patrolling in high-crime urban areas to get away from a "911" police response mentality.

- An increase in earned income tax credits to shield the working poor from poverty, and day-long Head Start programs for all preschool children three years or older.

Budget-minded readers may

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Drug Officials Barred From Politics by Senate

Amendment Vote Follows Outcry Over Martinez

By Michael Isikoff
Washington Post Staff Writer

Responding to charges that the White House drug policy office has become a "propaganda machine" for Republican campaign attacks, the Senate yesterday approved an amendment that would ban top anti-drug officials from taking part in political campaigns.

Proposed by Sen. Paul Simon (D-Ill.), the amendment followed a chorus of election year criticism from Democrats over the role that national drug control policy director Bob Martinez has played in President Bush's reelection effort. Martinez quickly responded in kind, accusing Democratic senators of "political grandstanding."

In recent months, the normally low-profile Martinez has stepped up his out-of-town travel, in some cases mixing official business with appearances at Republican fundraisers and campaign events. Martinez also participated in a GOP "truth squad" during the Democratic National Convention in New York City in July and harshly attacked Ross Perot's record on drugs when the White House was concerned about the Texas businessman's independent presidential campaign.

"Perhaps the single most disturbing event in the [Bush] administration's approach to fighting drug trafficking and abuse has been the politicization of [the White House drug office] under Director Martinez," said a Senate Judiciary Committee Democratic staff report released yesterday.

Martinez's aides had argued against Simon's amendment, saying

that no such anti-political restrictions apply to other Cabinet-level officials. But at a Judiciary Committee hearing yesterday Simon said "we have a tradition" that officials in certain positions, such as the FBI director or the secretary of state, forswear politics. "I think this is one that should be part of that tradition," he said.

Simon and Sen. Dennis DeConcini (D-Ariz.) fought for the restriction during Senate consideration of an appropriations bill covering the Treasury Department, Postal Service and Executive Office of the President, which includes the drug office. After Simon agreed to delay the effective date until next year to defuse potential Republican opposition, the amendment was approved by voice vote without apparent dissent.

"This is nothing more than politics masquerading as principle," Martinez shot back in a statement released after the Senate action. "Drug use is down, our national drug strategy is working and Senators DeConcini and Simon can't stand it."

Election year fireworks aside, debate over the future of Martinez's Office of National Drug Control Policy appears likely to continue. Created by Congress four years ago, the White House office was charged with charting federal anti-drug strategy and coordinating actions of more than 30 federal agencies and departments responsible for implementing it. But critics have contended that under Martinez the drug office has had little



BOB MARTINEZ

... Democrats are "grandstanding"

credibility and has become a "dumping ground" for political appointees.

Describing what it called "shocking evidence of political patronage" at the drug office, the Judiciary Committee report cited results of a study by the Orlando (Fla.) Sentinel that found more than 40 percent of the 109 employees at the drug office were political appointees. "This is a higher percentage of political patronage jobs than in any other agency in the federal government," the committee report states.

The report was released at a committee hearing where Martinez cited statistics suggesting that the number of cocaine and other drug users, particularly among young people, had dropped since Bush took office. But in an introduction to his committee's staff report, Chairman Joseph R. Biden Jr. (D) cited other figures indicating that the number of hard-core cocaine and heroin users, drug overdoses and drug-related murders were all on the rise.

"Regrettably, America's drug epidemic is worse today than three years ago," Biden wrote.

s,
ei,
ove
mer
final

FRIDAY, SEPTEMBER 11, 1992

Bush Offers Agenda To Revive Economy

Proposals Repackaged in 'Renewal' Plan

By Ann Devroy
Washington Post Staff Writer

DETROIT, Sept. 10—President Bush today drew together a disparate package of his administration's past proposals to revive the nation's economy and reintroduced them under a new umbrella that he said will be the basis for a second-term "agenda for American renewal."

In a speech to the Economic Club of Detroit, a five-minute campaign commercial broadcast tonight on four television networks and a 29-page document sent to Republicans nationwide, Bush sought to convince American voters that he has a coherent plan to achieve a goal of almost doubling the size of the U.S. economy. The plan, he argued, is based on principles of limited government and reliance on the marketplace that differ significantly from those of his Democratic opponent, Bill Clinton.

Bush's presentation, the first substantive effort of the new White House team installed last month by Chief of Staff James A. Baker III when he arrived from the State Department, provides a unifying rationale for many of the administration's previous initiatives. It offered two major proposals that were new—to "right-size" the executive branch of the federal government by reducing and eliminating agencies and cutting salaries and personnel, and to launch a "strategic network" of free trade agreements across the globe.

"I want America to seize this moment," the president said, "I want to stimulate entrepreneurial capitalism, not punish it; I want to empower people to make their own choices, not yoke them to new bureaucracies. I want a government that spends less, regulates less and taxes less. And I will fight without hesitation ... because Americans never retreat, we always compete."

The political rationale for the repackaging was clear in Bush's introduction by Michigan's Republican Gov. John Engler, who called the president "the man with the

See BUSH, A10, Col. 1

President Outlines Second-Term 'Agenda for American Renewal'

BUSH, From A1

plan." Bush has been widely criticized for going from one election-year economic plan to another in order to convince voters he understands and will work on reviving the stagnant economy.

"Perhaps the point that we haven't conveyed effectively," a senior aide said, "is how [prior Bush proposals] all fit together. So that's what this is trying to do today, to show the comprehensive approach."

In a statement issued from his Little Rock headquarters, Clinton rejected the package as "more of the same: more tax cuts for upper-income people and more deficits and less growth. We've tried this for 12 years. Now, just two months before the election, the president repackages it."

At the same time, a statement put out by Clinton's campaign said that many ideas included in the speech—such as cutting the White House staff and preparing the American people "for a lifetime of learning"—echoed Clinton's own proposals.

Among the guiding principles in Bush's speech was his pledge to cut taxes and reduce spending. As "just an example" of how \$132 billion in spending reductions could be used, he cited a 1 percent cut in income tax rates and a 5 percent reduction in the small business tax rate. As in other specifics of his budget proposals, Bush would not commit himself to such a 1 percent reduction.

The agenda distributed to Republicans lists a Baker's dozen—13 legislative items—that Bush said will be his top priorities the first year of his second term if he is re-elected. The purpose of the list is to gain a voter mandate for a specific legislative package, something Bush did not do in his first presidential campaign.

"Many people have said in the past that candidates don't go out and ask for a mandate, they don't talk about the ideas they want to try and accomplish as soon as they get elected," said a senior official. "These are the 13 things he wants to get done."

Among the familiar items on the list are Bush's education package, which includes a proposal to allow the use of federal vouchers for private schools; his health care proposals outlined this year; revision of the legal system, limits on congressional terms and a ban on contributions by political action committees, all of which the Democratic Congress has rejected in whole or part the past two years.

In the economic realm, the list of top priorities includes such Bush favorites as giving the president the power to veto individual budget items and a constitutional amendment requiring a balanced budget, plus "a package to cut spending" that includes the cap on the growth of mandatory spending and the taxpayer's "checkoff" unveiled at the Republican National Convention last month.

The directly economic priorities also include a job training program Bush unveiled last month, approval of the North American Free Trade Agreement and new trade negotiating authority for completion of trade pacts in Latin America, eastern Europe and the Pacific.

The overall goal is economic growth and the specific pledge from Bush was to almost double the U.S. economy to a gross domestic product of \$10 trillion by early in the next century. An aide said that is achievable assuming a growth rate of 3 to 4 percent, and a similar inflation rate, an ambitious outline for an economy growing at less than 1 percent during his administration.

An official called the goal "useful" in telling voters that Bush's major effort will be promoting growth, although a pledge Bush made in his 1988 acceptance speech to create 30 million jobs over eight years has been ridiculed by Clinton because there has been an overall loss of private-sector jobs since Bush became president.

In the pledge to "right-size" the executive branch, Bush promised to cut the budget of the White House operation by 33 percent if Congress agrees to cut its operation the same amount, and said he would cut the salaries of all federal employees earning more than \$75,000 a year by 5 percent. The Office of Personnel Management said 54,102 federal workers would be affected by the pay cut, which would exclude postal workers, uniformed-military and judicial workers.

The president named only one agency, the Arms Control and Disarmament Agency, in arguing that government had proliferated into too many agencies, bureaus, offices and departments.

Bush's 40-minute address and the "Agenda for American Renewal" document borrowed a concept from Baker's farewell speech as secretary of state last month in asserting that after focusing in his first term on the end of the Cold War and its global implications he is now poised to "target America."

"For America to be safe and strong, we must meet the defining

challenge of the 1990s," Bush said, "to win the economic competition, to win the peace. We must be a military superpower, an economic superpower and an export superpower."

Elaborating on his philosophy of government, Bush outlined a list of his beliefs he said would guide his agenda. Among them were his belief that "we are a nation of special individuals not special interests," and his belief in the entrepreneurial power of business to renew the economy and the goal of government to avoid overregulating and overtaxing business.

Bush listed as well the theme that government can help people not with handouts but with giving them "the means and confidence to make the decisions that matter," such as educational choice for their children and job training as a component of welfare.

Bush listed the preparation of America's children for the workplace of the future and helping American businesses sharpen their competitive edge to provide jobs for the next generation as other major fronts for his efforts.

Promoting economic security for Americans, another of Bush's major goals, will be accomplished by "developing individual capability, not dependency. And that independence comes through the private sector, not the government."

Government's role, he said, would be to help individuals adjust to a changing global marketplace with job training, better health care and pension programs. And for those now left behind, Bush said his programs, from welfare reform to urban homeownership, are aimed at "making individual discipline and self-reliance the goal of all of our programs."

With less than two months to go in the election campaign, Bush aides acknowledged it is late to offer voters a coherent national agenda which the president seeks a second term. "Better late than never," said one aide.

One of the first questions to Bush after his speech was why he had waited so long to give an economic agenda. Noting he had addressed himself to many of the issues before, Bush said, "What I've tried to do here is bring all the elements together ... in a comprehensive way."

A senior aide briefing reporters was asked what was new. Listing the effort to "integrate" various Bush proposals, the aide added, "Everything doesn't have to be new to be good or to work."

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

13 PROPOSALS ON BUSH'S AGENDA

Some of the items on President Bush's agenda for a possible second term are new, but most of the 13 separate proposals he outlined yesterday in a speech to the Economic Club of Detroit were among the issues over which he has often battled Congress:

- **Education:** Bush's "America 2000" plan includes tuition vouchers for private and religious schools. House and Senate Democrats have passed education plans that do not include this "school choice" proposal, but the legislation has not gone to a conference committee. Congressional Republicans are expected to block the measure to avoid a Bush veto.
- **Health care:** The president's health care plan, announced in February without a funding mechanism, would offer tax incentives and deductions to make insurance premiums affordable for low- and middle-income people. He opposes counterproposals from congressional Democrats, ranging from a comprehensive nationalized system to a "pay or play" plan that would tax businesses that do not insure employees.
- **Federal budget:** Bush has repeatedly asked for a "line-item veto" and supports a balanced-budget amendment, including proposals defeated in Congress this summer. The amendments considered by Congress would not have required the president to submit a balanced budget before the end of the next four-year term. In his speech at last month's Republican National Convention, Bush called for a "checkoff" box on federal income tax forms that would allow taxpayers to earmark 10 percent of their taxes for deficit reduction.
- **North American trade:** The North American Free Trade Agreement supported by the Bush administration will be debated after the election by the next Congress. Bush won fast-track authority from Congress to negotiate the agreement over the objections of some Democrats, who said the treaty would hurt American workers and damage the environment. Bush says the treaty will create jobs and raise labor and environmental standards throughout North America.
- **Trade elsewhere:** Bush's call for authority to seek similar free trade agreements with Europe and in the Pacific is new.
- **Big government:** Bush said he wants to consolidate federal agencies and bureaus but did not provide spe-

cifics. He also said he wants to cut the salaries of federal employees earning more than \$75,000 a year by 5 percent. Sen. Bob Kerrey (D-Neb.), a presidential candidate in this year's primaries, and House Budget Committee Chairman Leon E. Panetta (D-Calif.) also have proposed reducing the number of Cabinet-level departments and congressional committees.

- **Campaigns:** Bush has called for a ban on campaign contributions from political action committees (PACs). In May, however, he vetoed a bill that would have restricted PAC money because the measure also would have allowed congressional candidates to use taxpayer funds for their campaigns.

- **Term limits:** Bush supports congressional term limits. Many congressional incumbents, including such Democratic leaders as House Speaker Thomas S. Foley (D-Wash.), oppose and have campaigned against term limits.

- **Job training:** Last month, Bush proposed spending \$10 billion over five years for training programs. The president said his plan could be funded without raising taxes or increasing federal spending, but said he would not explain how until after the election.

- **Civil justice:** Bush and Vice President Quayle have called for sweeping revisions in the legal system to reduce the number of "frivolous" lawsuits. Among their priority items is a product liability bill that would put uniform national caps on damages. The Senate failed to end debate on such a bill yesterday, effectively killing the legislation this year.

- **Taxes:** Since he took office, Bush has called for a reduction in capital gains tax rates, which many Democrats oppose as a tax cut for the rich.

- **Research and development:** Bush has said he wants to make tax credits for research and development permanent. But in March he vetoed legislation containing such a measure because it raised taxes on upper-income taxpayers to finance a middle-class tax cut.

- **Urban assistance:** The Bush administration has proposed using tax credits to attract businesses and jobs to inner cities by designating certain neighborhoods "enterprise zones." Congress was cool to the idea until this year's riots in Los Angeles called new attention to urban problems.

—Mark Stencel

FRIDAY, SEPTEMBER 11, 1992

FRIDAY, SEPTEMBER 11, 1992 A23

THE WASHINGTON POST

David S. Broder

Clinton's Popgun Offensive

JACKSONVILLE—Even before President Bush raised the ante with his speech yesterday to the Detroit Economic Club, a grain of doubt was beginning to form in my mind about front-running presidential challenger Bill Clinton.

The crowds on the first swing of his fall campaign were big and enthusiastic. Clinton was in good form, especially when ad libbing a stump speech to a throng that had waited almost until midnight outside his Connecticut hotel, or rattling off concise, specific answers to 25 viewer questions at a statewide televised Florida town meeting here. A supple mind, a quick tongue and 12 months of nonstop campaigning have made Clinton a polished pro on the stump.

Still, the campaign that Bill Clinton unleashed in his post-Labor Day run for the White House was a popgun offensive, hardly the kind of assault that would usually cause an incumbent president to quake in his boots. Clinton has so many other things going his way that he may need to do no more than demonstrate his own competence. Big things—such as a weak-looking economy, a scared electorate and an accumulation of nicks and scrapes to Bush's reputation—are propelling this year's Democratic nominee forward.

There's nothing discreditable about winning on the other fellow's weakness; Bush himself came into the Oval Office that way. But according to senior aides and to Clinton's own comments in a revealing Rolling Stone magazine interview, he will not be satisfied to back into the presidency. He wants a mandate for major policy change, the kind of win that Ronald Reagan got in 1980, one that would enable him to overcome the status quo forces in Washington.

Campaign strategists say Clinton is pushing them to expand the battlefield against Bush. He wants to put time and money into places like Florida, where his long-range chances are marginal, rather than focus entirely on the states where he has the best chance to get the 270 electoral votes needed for victory.

But Clinton's hunger for a big win is hard to reconcile with the slow pace and soft content of these opening days of the fall campaign.

Clinton began his Labor Day weekend in South Carolina, one of the states he is least likely to carry, visiting with his pal, former Gov. Dick Riley, and riding the pace car at the Darlington 500 stock car race, where he was—like most visiting politicians—booed.

He then treated himself to a "homecoming" in Hot Springs, a nostalgia trip with high school classmates that again left him out of the news.

On Labor Day itself, he made a politically necessary pilgrimage to Harry Truman's home town of Independence, Mo., where he sounded plausibly indignant about Bush's recent efforts to swipe the Truman persona. Clinton argued that Bush's policies have hurt the very working people Truman sought to help, but the Bush campaign short-circuited the Clinton message by having the president assert, that same morning, that Clinton lacks the decisiveness for which Truman was famous, and certainly can lay no claim to emulating Truman's valorous military record.

Clinton played into Bush's hands by getting into yet another angry exchange with reporters over inconsistencies in his accounts of the steps that kept him out of the Army during the Vietnam War.

After the press contretemps and the rain-shortened speech, Clinton dawdled in Independence for more than two hours, then flew to heavily Republican Cincinnati for a labor picnic with running mate Albert Gore Jr. By the time he got to his final stop, in Connecticut, he had missed the planned 11 p.m. news shows. It was far from the high-energy campaign most Democrats schedule on a day that is traditionally a great showcase for their campaign themes.

Charles Krauthammer

The Issue-Thin Campaign

Issues. Whatever happened to the issues? The quadrennial complaint that presidential elections ignore the real issues is quadrennially valid. A presidential system—every four years electing a king and his court—is, in effect, monarchy with term limits. In such a system elections do not turn on the issues. They turn on personality.

This year is no exception. Bush is trying to make the election a referendum on Clinton's character (as exemplified by his draft problems and subsequent verbal dodges). Clinton is trying to make the election a referendum on Bush. Trust vs. change. In the meantime the real issues—and there are real issues—go undebated. I count three.

es (Bush's secret plan to "gut" Medicare and Social Security) and phony figures (Clinton's 128 tax increases).

The second major issue, foreign policy, does not even merit a phony debate. It gets none at all. Both candidates claim to be Harry Truman, but Truman's major achievement was understanding the new postwar world and creating the institutional structures (the Truman Doctrine, the Marshall Plan, NATO) that 40 years later won the Cold War.

Truman, or perhaps, more accurately, the men he surrounded himself with (Marshall, Acheson, Kennan), had the vision thing. Winston Churchill was not exaggerating when in 1952 he said that "more than any other man, [Truman] saved Western civilization." No one expects either of today's candidates to save Western civilization. Largely because of Truman, it no longer needs saving. But it does need preserving against the new threats of the new post-Soviet world.

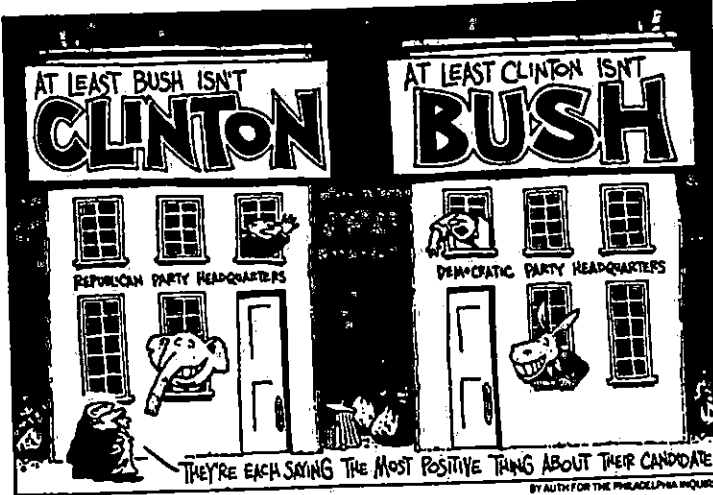
But rather than debate what, if anything, America should be doing in this radically new world, both candidates have been running away from foreign policy. Bush runs away, as he did when he hastily postponed his Japan trip after a major Democratic senatorial victory last November, for fear that he will be seen as more interested in the Kuwaiti royal family than in the American worker. Clinton runs away because he is unfamiliar with foreign policy and afraid his inexperience will show and count against him. Richard Nixon is right that since the end of World War II "there has never been a campaign in which foreign policy was less discussed."

Finally, there once was an issue called family values. It was a real issue. Democracy and capitalism are uneasy bedmates. The republican virtues—discipline, civic-mindedness, the capacity for delayed gratification, respect for legitimate authority—are undermined by the very dynamism and social change engendered by capitalism. These traditional virtues (now called "values") are today most particularly challenged by capitalism's mass commercial culture.

If good art can elevate, bad art can corrupt. And our culture mass-produces bad art by the truckload. Every parent knows what a constant struggle it is to fend off the corrupting influences of such a culture. There is a real debate to be waged about how society can best protect itself from the culture's most corrosive influences.

We are not having that debate. People like Bill Bennett have tried to get it started. Unfortunately, the Republicans have driven it into the ground. Pat Buchanan kicked off the Republican convention by making "family values" code for intolerance. Convention night three, wife night, reduced the issue to an absurd contest of "Whose First (and Second) Family do you like better?" And then the president, who comes late and clumsy to the whole culture issue, was told to express alarm that G-O-D does not approve. Democrats plan to keep on stepping all over the related and quite legitimate issue of the proper role of religion in public life.

Real debate? Not this year. The argument this year, as in any year divisible by four, is about various qualities of the king-and-the-pretender. Whom do you trust? Had enough of this dynasty?



On Tuesday, Clinton delivered a morning address on industrial policy that evoked no applause from his factory-worker audience and provided only modest substance for the next day's newspapers. The rest of the day he was out of sight, raising money and wooing big-business support, an odd follow-up to his temporary dip into Trumanesque populism on Labor Day.

Wednesday was a day of mixed messages, with narrowly targeted appeals to black and Jewish audiences sandwiched around a rehash of his welfare reform plan—a tie-in to the new campaign ad released that day—and then the Florida call-in show.

Yesterday he was back in Little Rock, with nothing on his public schedule for the following four days but a speech at Notre Dame and a fund-raiser at Pamela Harriman's Virginia estate.

It's an oddly lackadaisical and unfocused effort for a challenger. But none of this may matter in the outcome. The voter interviewing that four of us from The Post did just before Labor Day showed so much personal and political disaffection from Bush—mainly on the economy but also on such varied questions as the survival of Saddam Hussein and the spread of AIDS—that the incumbent's problems look all but insoluble.

Clinton doesn't want to win a negative victory, as Not-Bush. But with people feeling as they do, and Clinton campaigning as he is, that may be the most he can get—if he gets that.

First is the federal debt, \$4 trillion and rising. In the last seven years, the American dollar has lost more than half its value against the yen and nearly two-thirds of its value against the mark. Currency devaluation is what Third World countries do when they cannot compete. We have an additional consideration: Devaluation allows us to pay off our staggering debt in cheaper currency.

We can get away with that—Third World countries cannot—because we print the money with which our debt is repaid. If we did not, if our foreign creditors ever demanded repayment in more reliable currencies (marks and yen), we would need billions more dollars every year to service our debt.

The problem is that our Japanese creditors are no dummies. They know that what they lend us is coming back to them in devalued paper. One day they will stop playing by our rules. And when they do, it will be official. We will have destroyed the dollar as the world's major reserve currency. We will have forfeited our position as the world's preeminent economic power. And we will have compounded a crushing debt burden that already consumes half of all federal income taxes.

Everyone knows that if we keep this up, we will wreck our currency and beggar our children. Yet neither candidate will deal even half seriously with the debt problem. Each knows what Ross Perot learned: If you deal honestly with the deficit, you have so little chance of being elected that you might as well quit. Accordingly, the economic debate has become a battle of phony charg-

9/11/92

Bush's Economic Message Clearer Than Administration's Actions

By Steven Mufson
Washington Post Staff Writer

President Bush tried to send a cogent economic message to voters yesterday: "I want a government that spends less, regulates less and taxes less," he declared.

Yet, over the past three and a half years, Bush has presided over a government that has spent more, regulated more and taxed more.

Bush campaign officials believe that they beat Democratic nominee Bill Clinton by painting him as a big-government tax-and-spender while portraying the president as a proponent of small, low-tax government.

But even if smaller government is the right message, does the Bush record square with it?

Bush yesterday complained that federal spending has climbed to 24 percent of economic output. When he took office the percentage was only 22.1 percent.

Bush complained that government regulates too much. But his administration has

worked for the passage of new regulations, including the Americans With Disabilities Act, the Clean Air Act and two tough bank regulation bills, while bolstering agencies such as the Federal Trade Commission.

Bush said he wants lower taxes, but in 1990 he signed a budget agreement that included \$137 billion of tax increases.

Bush said he wanted to squeeze government spending down from 24 percent of economic output to 20 percent, but budget experts suggested yesterday that would take about \$240 billion in cuts, more than the government's entire domestic discretionary budget.

If implemented in next year's budget, that would leave a government that did little more than pay for the military, retirement programs, Medicare and Medicaid programs and interest on the debt.

As before, Bush clouded the issue of spending cuts by touting his idea for a cap on spending for Medicare, Medicaid and entitlement programs such as agriculture subsidies and student loans. The rapid growth of those programs is at the heart of the budget prob-

lem. But his spending cap idea—limiting entitlements' growth to the rate of inflation plus population increase—is a target, not a policy, and Bush has said little about the specific deep cuts that would be needed.

Yesterday, he said Congress could have adopted \$130 billion in cuts in these areas. Yet that total includes a \$38 billion accounting change, and \$62 billion of proposed cuts from his 1991 and 1992 budgets that were not included in this year's budget proposal.

In his speech, despite the goal of trying to refocus voters' attention, Bush also showed that, with less than two months to go before the election, he is still trying to resolve an identity problem that has plagued his administration.

Does the president stand with tax-cutting Republicans or Republicans anxious over record deficits? Does the president stand with Republicans who support environmental regulation, or does he stand with the vice president and other conservatives who would like to gut portions of the Clean Air Act? Is this the president who wants to cut salaries for government employees earning more than

\$75,000 a year, or is this the president who just two years ago supported increasing salaries for government professionals to levels comparable with the private sector?

In a sense, there have been two Bush administrations on economic policy. During the first two years, the more moderate elements in the Republican coalition united to win passage of the Clean Air Act, the Americans With Disabilities Act and the budget compromise.

But one administration member argues that during the third and fourth years a "Thermidorian reaction" set in, as right-wing Republicans attacked many of the administration's own achievements. That has made it difficult for the administration to take credit for some of its early achievements.

For example, Bush has said he regrets signing the 1990 budget agreement. Lost in the uproar over the taxes included in the package was the administration's success in winning expanded tax credits for families with children.

Still, there were times in yesterday's speech when the "other" president showed

through. Even while calling for draconian spending cuts, he boasted of increases in spending on civilian research and development, Head Start and job training, while proposing a "GI Bill for Children."

And he continued to insist that he can balance the budget while making new tax cuts.

But the president's biggest problem could come from his effort to paint an upbeat future in an era of slow growth and intractable budget limitations.

Bush said the nation's gross domestic product is twice as big as it was 12 years ago, when the Republicans took the White House. But without inflation, it is only one-third bigger.

Bush said the economy could grow to \$10 trillion "by the early years of the next century." But a senior administration official conceded that to achieve that goal, the economy would have to grow by 3.5 percent to 4 percent a year over the next decade. That is five or six times the average growth rate during the Bush administration. The Congressional Budget Office says that growth potential is less than 3 percent.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Panel Rejects Rebuilding of Air Force Base

*\$7.2 Billion Approved
For Hurricane Relief*

By William Claiborne
Washington Post Staff Writer

HOMESTEAD, Fla., Sept. 10—This storm-ravaged community sustained another blow today when the Senate Appropriations Committee voted to withhold \$480.6 million in disaster-relief funds for reconstruction of Homestead Air Force Base, a major contributor to the local economy before Hurricane Andrew flattened it.

The committee unanimously approved \$7.2 billion to aid storm victims in Florida, Louisiana and Guam, which was struck by a typhoon last month. But it deleted funds that President Bush had promised Homestead residents for rebuilding the severely damaged F-16 fighter base.

After unusually long debate of more than an hour, nine Democrats and three Republicans on the panel decided that the reconstruction money should be withdrawn from the relief bill until a commission on military base closures determines next year whether Homestead is needed for national defense, a committee source said by telephone from Washington. Three Democrats and five Republicans voted in favor of providing the funds.

The relief bill is to go to the full Senate next week, where efforts to restore reconstruction funds are expected. The committee, chaired by Robert C. Byrd (D-W.Va.), did approve \$26 million for debris removal and demolition at the base.

Bush's pledge to rebuild the base, made during one of two visits here after Andrew struck Aug. 24, was seen as part of an attempt to boost his reelection bid in a state that he needs to carry in the Nov. 3 election.

The base, consistently ranked in the bottom third of all Air Force bases in cost-benefit studies, was put on a tentative shutdown list by the Base Closure and Realignment Commission in May 1991. But it was removed after Air Force officials contended that its proximity to Cuba makes it strategically important in protecting Caribbean sea-trade lanes.

In a visit here Wednesday, Army Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, said, "It is one thing to close a base over a period of years and another thing to shut it down overnight because of a hurricane. The correct decision has been made to rebuild it."



GEN. COLIN L. POWELL
... "correct decision" is to rebuild

How to Help Hurricane Victims

For a list of agencies accepting donations for victims of Hurricane Andrew, phone Post-Haste at 202-334-9000 and enter Category Code 1200.

To residents of this south Dade County community, which sustained some of the heaviest damage, the more important issue is the base's place in the local economy.

The base and its 4,400 military personnel contributed an estimated \$480 million a year to the economy, directly and indirectly, according to city officials. Moreover, it employs hundreds of civilians who live in and around this community of 30,000.

Gov. Lawton Chiles (D), in Washington to try to persuade members of Congress to keep the base and increase disaster-relief funding to \$9 billion, said, "It's a long way from over," the Associated Press reported.

In the House, which also must vote on the relief measure, an \$8.8 billion bill has been introduced.

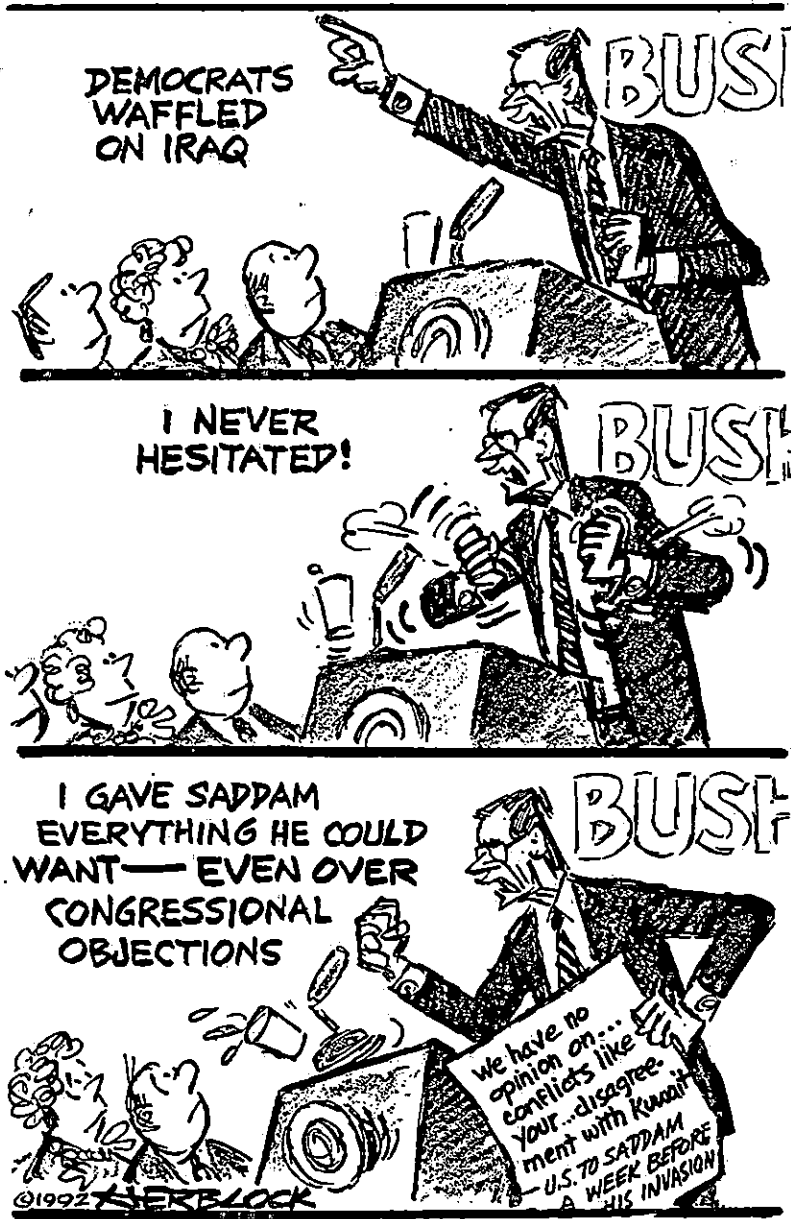
The Appropriations Committee action also appeared to doom a Customs Service aircraft drug-interdiction facility at the base. Treasury Secretary Nicholas F. Brady had announced Wednesday that it would be rebuilt in two years at a cost of \$46 million.

The interdiction center, wrecked in the storm, was used to intercept narcotics traffickers between South America and the southeastern United States.

Meanwhile, meteorologists reported that Andrew's gusts, originally estimated at 140 mph to 175 mph, may have approached 200 mph across a block-long path in Naranja Lakes just north of here, according to officials at the National Hurricane Center in Coral Gables.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992



For the Record

From comments by U.S. Trade Representative Carla Hills at a House Ways and Means Committee hearing Sept. 9.

Just as the North American Free Trade Agreement has focused constructive attention on labor issues, so, too, has it focused constructive attention on the environment. At first some saw this agreement as a threat to the environment, the possible creation of a pollution haven in Mexico. But as our environmental review concluded, that is simply not true. Mexico's 1988 environmental law is patterned after our own, and its regulations in some respects are stricter than our own. President Salinas has made enforcement of the environment a priority. He has shut down more than a thousand polluting firms in the past few years, and the agreement will decrease congestion at the border, generate new resources to protect the environment and allow environmental technology and services to flow across the border.

Indeed the North American Free Trade Agreement goes further than any previous trade agreement in addressing environmental concerns and actively promoting environmental protection. Specifically, it embraces the notion of sustainable development and expressly maintains our right to enforce our tough health, safety and environmental standards. It allows the parties, including states and cities, to enact even tougher standards, and it preserves our right to enforce our international treaty obligations to limit trade and endangered species and other environmental protecting measures.

The scope of this agreement will extend beyond the border region covering our entire nations and will strengthen our collaborative efforts to combat pollution and to improve enforcement of environmental regulation.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Mr. Bush's Action List

IN HIS LATEST attempt to draft an economic strategy for a second term, President Bush is haunted by the ghosts of his first term's stalemates and failures. Too many of the ideas and proposals in his Detroit speech yesterday only repeated similar ideas and proposals of the past months and years that haven't worked or haven't been pushed or haven't (including yesterday) been spelled out as to their defining details.

More surprising, Mr. Bush offered very little to improve the economy's performance in the short run—the next couple of years. He spoke entirely of medium- and long-term solutions. His action list began with trade agreements to widen markets for exports and with school reform. Both are admirable goals, but even if he had good working programs to push in such fields as education, it would be some time before you could see results.

The great omission of the speech, not to say of the Bush administration's whole approach to economic growth, is any effort to address the dramatically low level of investment in this country—particularly compared with competitors abroad. It is investment that creates jobs, productivity and a rising standard of living. But capital urgently needed for investment in private industry is being preempted to finance the federal budget deficit. The federal deficit last year was more than twice all private net investment.

Mr. Bush called for more cuts in taxes on capital. That, he argued, will mean more of it will be left in private hands to be invested. The huge Reagan tax cuts of 1981 were based on precisely that logic—but the result was a drop in investment and an enormous increase in consumer spending. Mr. Bush is pretending that the investment record of the past 11 years never happened, a sort of reverse Tinkerbell thing: Close your eyes and say you don't believe.

This "agenda for renewal" does call for a permanent tax credit for research and development to stimulate technological development. A reasonable

idea, but there's already such a credit. It isn't "permanent," but temporary, and it is in no real danger of being dropped from the tax code. This proposal was in his State of the Union address last January and has gone nowhere. The action plan also urges enterprise zones, of which the same is true. But no one seriously thinks either an R&D credit or enterprise zones are going to transform the economy, the more so because they add to dissaving by raising the deficit even as they encourage saving on the other side. There is a succession of familiar gimmicks that won't change things much one way or the other. Mr. Bush also wants to see basic improvements in the education system, but he, along with everyone else, has said he wanted to see them for the past four years, and not much is visible. He is now picking up some of Gov. Clinton's suggestions about retraining for the global economy.

Mr. Bush's explanation for this lack of progress is that he is being blocked at every turn by hostile and adamant Democrats who control Congress. In fact he has gotten much of the relative little he asked for through Congress—but it's certainly true that he is a party to a deadlock on economic policy, mostly over a few highly symbolic issues like tax rates for the wealthy and taxation of capital gains. Of all the ghosts that stalked through the Detroit speech, capital gains has by far the longest beard.

In the question period after the speech, someone asked the inevitable question: If Mr. Bush hasn't been able to move his economic program in his first term, why should anyone expect better in a second? Mr. Bush replied that there will be a lot of new faces in the next Congress, and he will meet with them and talk to them.

In other words, this was just the same old stuff, better phrased than in the past, but no more persuasive or plausible as a prescription for economic revitalization.

FRIDAY, SEPTEMBER 11, 1992

Michael Kinsley Snow Jobs

"Clinton's strategy would cause 2.6 million jobs to be lost."

This assertion, which originated in a Bush-Quayle press release Aug. 10, has become a campaign trail bromide. It has the grand size and gleaming specificity we've come to expect in Bush statistics. Also the flagrant dishonesty.

Clinton's economic plan is far from perfect, though it is preferable to Bush's plans, or lack thereof. But the issue here is not jobs. The issue, as with other Bush statistical claims, is the one he himself has chosen to emphasize: trust. The Aug. 10 press release accompanied a "Fact Sheet," allegedly documenting the "2.6 million jobs lost" claim. Let's go through it.

■ **Clinton's defense cuts—1 million jobs.** The Bush "Fact Sheet" cites a study by a professor at the University of New Mexico. The study concludes that Bush's own defense cuts will cost a million jobs—a point the president does not emphasize—and that deeper cuts could double that number.

But this study measures the effect of defense cuts far deeper than anything Clinton has proposed. According to Gordon Adams of the Defense Budget Project, the New Mexico study assumes cuts beyond Bush's proposals of at least \$220 billion through 1997. According to Bush's own "Fact Sheet," Clinton proposes cuts of only \$86 billion.

More important, the 1 million figure as-

sumes that money not spent on defense simply disappears. Clinton proposes to spend it, and more—a point Bush likes to emphasize in other contexts. That will create jobs. Clinton's plans for investment in public infrastructure etc. may be wise or otherwise, but it is flatly dishonest to count the jobs lost in defense and not the jobs gained in Clinton's alternatives. If Bush thinks that government spending is a bad way to create jobs, he should stop bouncing around the country bragging about all the defense jobs he has saved.

■ **Clinton's "play-or-pay" health care proposal—700,000 jobs.** The "Fact Sheet" cites a report by the White House Office of Management and Budget. The OMB report actually says "350,000 to 700,000" jobs. In the "Fact Sheet," this becomes "as many as 700,000," and in the press release a flat "700,000."

Clinton proposes to require companies above a certain size to either provide health insurance to employees or pay the government to supply it instead. OMB estimates this will require a payroll tax on non-providers of 7 percent to 9 percent. Total cost: up to \$37 billion a year. Some employers will reduce jobs rather than pay the tax. The OMB report fails to consider how many jobs might be created in health care by the infusion of \$37 billion of new spending. This might be more or less than "350,000 to 700,000," but it is surely greater than zero.

The "Fact Sheet" also leaves out another interesting number from this same OMB report: \$35 billion. That's the Bush administration's estimate of the added annual cost to the federal government of Bush's own health reform plan. But Bush, unlike Clinton, has never said where he plans to get the money. If he knows how to skim \$35 billion off the economy without costing jobs, he's keeping it a secret.

■ **Higher CAFE standards—300,000 jobs.** Federal "corporate average fuel economy" rules require auto manufacturers to average 27.5 miles per gallon. Clinton has semi-endorsed a proposal to increase this, over a decade, to 40 mpg. The job loss estimate comes from the Motor Vehicle Manufacturers Association. The MVMA actually says "between 150,000 and 300,000," which naturally mutates into a hard "300,000" by the time it hits the Bush-Quayle press release.

But the computation is absurd in any event. The auto lobby simply assumes that anyone now involved in making cars that get less than 40 mpg will be unemployed 10 years from now. That is, it assumes that neither customers nor domestic manufacturers will make the slightest effort to buy or manufacture more domestic cars meeting the higher standard. A sad comment on the MVMA's members, if true. But it ain't.

■ **"1.5% payroll tax mandate"—300,000 jobs.** The "Fact Sheet" is a little vague on

this. Clinton proposes a 1.5 percent payroll tax to finance worker retraining, but only on companies that don't spend that much on retraining anyway, as many do. The "Fact Sheet" seems to assume that all companies will have to pay a new 1.5 percent tax, which they won't. As usual it assumes the revenue just disappears, ignoring any new jobs created by the spending on worker retraining (not to mention any career benefit to the retrained workers themselves). Bush himself proposes to spend \$2 billion a year on worker retraining. But he doesn't say where the \$2 billion will come from. As usual.

■ **Unspecified "business tax increases"—300,000 jobs.** I could find no direct substantiation of this figure in the "Fact Sheet."

Clinton brags that his program will produce 8 million new jobs over four years. This claim is also fishy, though not because it's false. Eight million, it turns out, is simply an estimate of how many new jobs would occur in a moderate economic recovery. This would barely reduce unemployment from its current level. Clinton is presenting an extremely modest goal as if it were something more.

Thus Clinton vs. Bush on Clinton's economic program is a good illustration of the difference between being slick and being a flat-out liar. Clinton is slick.

© 1992, UPS/The New Republic Inc.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Media Alter Approach To Campaign Coverage

ABC to Play Down Staged Events, Sound Bites

By Howard Kurtz
Washington Post Staff Writer

ABC anchorman Peter Jennings issued a sort of declaration of independence Wednesday night, trying to liberate his network from the rhetoric of the presidential campaign trail.

"We're aware that a lot of you are turned off by the political process and that many of you put at least some of the blame on us," Jennings told viewers. As a result, he said, "We'll only devote time to a candidate's daily routine if it is more than routine. There will be less attention to staged appearances and sound bites designed exclusively for television."

Now that the election has moved from a year-long marathon to an eight-week sprint, there is a daily struggle among the candidates and the news media for control of the campaign agenda. The networks, which have their front-line correspondents traveling with President Bush and Democratic nominee Bill Clinton, often find that the daily exchange of one-liners makes for irresistible footage.

The result is frequently what CBS's Richard Threlkeld derides as "tennis-ball coverage," or charges batted back and forth in a way that leaves viewers wondering where the truth lies.

"There's nothing wrong with being on the bus," said Erik Sorenson, executive producer of the "CBS Evening News." "A campaign is about how the message changes in subtle ways from day to day and about the mistakes the candidates make." At the same time, Sorenson said, he plans to do "more above-the-fray pieces."

But no network has gone as far as ABC in changing its campaign focus. The new effort began Wednesday with a four-minute segment of Jennings conducting a focus group

of 12 undecided New York voters, one of a half-dozen such gatherings that he will moderate around the country. One telling moment came when Jennings mentioned "family values"—and everyone at the table laughed dismissively.

Jennings said in an interview he was "quite shaken" to learn that no one in the focus group knew where Bush and Clinton stood on the issues. He said he felt "a little bit of embarrassment" over past coverage and was determined to be "less manipulated" by the candidates.

ABC has assigned four reporters (Jim Wooten, Jeff Greenfield, Cokie Roberts and Jack McWethy) to do analytical pieces, and its 10-member "American Agenda" unit will produce daily feature stories on campaign issues for seven weeks. Jennings said Clinton had answered issue questions from the unit for 90 minutes but that Bush declined to be interviewed.

"None of this is brain surgery or utterly original," Jennings said. "We must resist the pressure from senior correspondents to do the Clinton piece today or the Bush piece today, and not to be seduced by pictures as we've been so easily seduced in the past. I don't think any of us ever wants to be in the flag factory situation again," referring to a 1988 Bush campaign event.

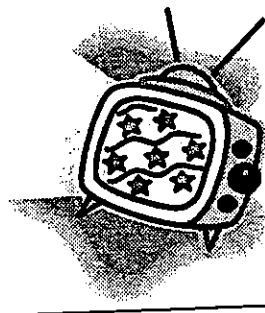
Paul Friedman, executive producer of the Jennings newscast, sees one potential pitfall. "There are some who believe we run the risk of boring the audience," he said.

NBC has steered a middle course, mixing interpretive stories on welfare or the budget deficit with a more skeptical approach to the campaign trail. Last night, John Cochran covered Bush's Detroit economic speech from the White House while Lisa Myers reported that some economists consider Clinton's budget plan "fantasy."

ON TV

VICE PRESIDENT QUAYLE

■ C-SPAN, 10:30-11:30 a.m.
Live viewer call-in program.



"We're trying to use the campaign photo ops as ways into more serious pieces without losing the texture of the campaign," said Timothy Russert, NBC's Washington bureau chief. "It shouldn't just be the food fight."

News organizations have long spent large sums following the candidates around the country on the theory that whatever they do is news. But after the 1988 campaign, news executives vowed to take a more substantive approach, and during the primaries the networks often relegated campaign-plane duties to young producers.

In a two-man race, however, the right pictures—a Clinton bus trip through Texas, or a Bush visit to hurricane-ravaged Florida—are almost guaranteed to produce television coverage. Journalists' traditional appetite for "hard" news yields a spate of stories such as "Bush, Clinton Trade Barbs Over Economy," as a Baltimore Sun headline put it this week.

Newspapers also are trying to wean themselves from the daily attack. The Washington Post this year began running a brief digest of campaign events instead of longer stories. USA Today has begun a weekly "People's Press Conference" in which the campaigns respond to readers' questions. The Los Angeles Times has film critic Kenneth Turan writing about "Campaign as Theater." And major papers regularly run "ad watch" features that review campaign commercials for accuracy.

FRIDAY, SEPTEMBER 11, 1992

Kerrey Tags President On the Draft

Senator: Bush Helped Create Deferments

By Guy Gugliotta
Washington Post Staff Writer

Sen. Bob Kerrey (D-Neb.) yesterday rebuked President Bush for questioning Bill Clinton's Vietnam-era draft record, contending Bush helped create a system of deferments that helped the privileged and penalized the poor.

"You [Bush] know and understand the Vietnam War was not a war as far as the politicians of that era were concerned," Kerrey said in a speech on the Senate floor. "The whole idea of deferments and short rotations and special treatment was born of the political desire to minimize the inconvenience to the American people."

Clinton, who opposed the Vietnam War and avoided military service, has fielded a constant stream of criticism about his draft record, an issue reinvigorated recently by a Los Angeles Times report that an uncle of Clinton's in 1968 lobbied the draft board and others to keep his nephew out of the service.

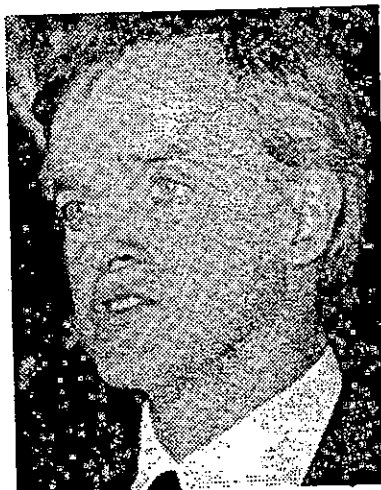
Republicans have also repeatedly highlighted Clinton's draft woes as the general election campaign reaches a climax. Bush, a World War II Navy pilot, on Labor Day compared himself to President Harry S. Truman, who "wanted to join the military and fight for his country. So do I, and I did."

Senate Minority Leader Robert J. Dole (R-Kan.), in a floor speech Tuesday, said Clinton's ambiguous statements about the draft had caused him to sink "deeper and deeper" into a "campaign tar pit."

"The real issues now are trust, confidence and credibility," said Dole, partially crippled while serving in the Army in Europe during World War II. "On these critical standards Bill Clinton is flunking the test."

As a presidential hopeful early this year, Kerrey warned that the Bush campaign would use the draft question to "open" Clinton "like a soft-shelled peanut." On Labor Day, Kerrey said yesterday, Bush "decided to crack the shell."

In his remarks, Kerrey, who lost part of one leg in Vietnam and was awarded a Medal of Honor, sought to give context to the Clinton contro-



SEN. BOB KERREY
... sees agony of Clinton's '60s decision

versy by laying blame on the draft regulations set up by Vietnam-era politicians, among them Bush, who served in the House in 1967-71.

The system at that time offered an array of deferments and alternatives that enabled many young American men to avoid Vietnam service. Clinton obtained a student deferment at the University of Arkansas, even though he planned to wait a year before enrolling at law school there. He gave up the deferment a month before the first draft lottery, in which he received a high number. As a result, he never had to serve.

"It's got to be stated directly that the system of the draft intentionally provided deferments for people who went to college," Kerrey said in an interview. "It intentionally regarded people who went to college as 'more important' than plumbers or carpenters."

Kerrey acknowledged in his speech that "the agony of the decision faced by Bill Clinton and other young men" was "not a pretty thing to examine 25 years later," but he also accused Bush of protecting "prominent Republican leaders" who also escaped Vietnam service.

"There's a whole group of people," Kerrey said in the interview. He named Defense Secretary Richard B. Cheney and House Minority Whip Newt Gingrich (R-Ga.), neither of whom served in the armed forces, and Vice President Quayle, who enlisted in the Indiana National Guard—a minimal obligation by 1960s standards that entailed almost no risk of going to Vietnam.

Kerrey, in his speech, recalled earlier Bush statements about his desire to "put the Vietnam memory behind us," and urged the president to "call off the dogs."

"Consider that you jeopardize the healing you have sought," he said, "if now ... you attempt to make Bill Clinton's choices less honorable than yours."

FRIDAY, SEPTEMBER 11, 1992

White House Clarifies

By Eric Pianin
Washington Post Staff Writer

Position on Tax Increases

The White House said yesterday that President Bush really didn't mean it when he told a New Jersey campaign rally Wednesday that he would not "ever" again raise taxes.

The president appeared to have renewed his 1988 campaign vow, since broken, to oppose tax increases at all costs; a posture that would effectively preclude an agreement on a tax bill this year. But White House spokesman Marlin Fitzwater insisted that "it wasn't a pledge, no," and that Bush had merely meant to underscore that he had made a mistake by signing the 1990 budget agreement that included a substantial tax increase.

"He was saying, as he's said before, that he wouldn't make that mistake again," Fitzwater told reporters. "... It was within the context of the mistake we made before on the budget agreement."

Democratic congressional leaders seized on the apparent flip-flop as further evidence that the president has pursued an erratic fiscal policy that has hampered efforts in Congress this year to deal with the troubled economy and widespread unemployment.

"At least the first no-tax pledge lasted longer than 24 hours," said Senate Majority Leader George J. Mitchell (D-Maine). "This one I understand was repudiated today by the president's spokesman."

"It's obvious the president's policy on taxes is a day-to-day matter," he added.

Fitzwater's clarification of the president's stand was offered several hours before Bush delivered a speech to the Detroit Economic Club on his economic, tax and trade philosophy.

House and Senate Republican leaders hailed the president's speech as a "coherent and comprehensive" statement of his policies and challenged Democratic presidential candidate Bill Clinton to come up with an "equally clear agenda."

"I think people were asking George Bush, 'Tell us you know the economy is in trouble, tell us what you plan to do about it,' and today in Detroit he said, 'Yes, we have problems, yes we have an economy in transition, here's how we create new jobs,'" House Minority Whip Newt Gingrich (R-Ga.) told reporters. "Then he produced a pretty comprehensive document."

Gingrich and House Minority Leader Robert H. Michel (R-Ill.) said that while much of what Bush talked about has appeared piecemeal in legislation previously presented to Congress, Bush provided what Michel called a "coherent and comprehensive statement" of economic policy goals that will likely have a positive effect on the Bush campaign.

"Sometimes it's amazing what one good presentation can do as everything else falls into place," Michel said.

House Speaker Thomas S. Foley (D-Wash.) and Majority Leader Richard A. Gephardt (D-Mo.) dismissed the speech as a "retread" devoid of new concepts and "woefully lacking in specifics."

"His economic speech is not so much a plan to revitalize the American economy," Foley said. "It's an attempt to revitalize the failed Bush presidential campaign."

Sen. Albert Gore Jr. (D-Tenn.), the Democratic vice presidential nominee, criticized Bush for his mixed signals on taxes.

"We know that even when he bangs his fist on the table and sets his jaw and says with a very determined look that he will never, ever, ever do something, he doesn't re-

ally mean it," Gore said in Durham, N.C.

In his speech Wednesday in Middletown, N.J., Bush said, "We do not need to raise taxes in this country. I found out the hard way. ... I'm not going to do it again. ..." A Washington Post reporter heard the president conclude the sentence with "never, ever." Other publications and a transcript of the president's speech reported him saying "ever, ever."

Bush, who vetoed a tax and economic stimulus bill in March, said nothing in his speech yesterday about prospects for enactment this

year of a tax bill that contains variations of six of the seven tax incentives that he first proposed in January, as well as administration-sought enterprise zones.

The administration has threatened to veto the \$31 billion tax package, pending in the Senate. Senate Minority Leader Robert J. Dole (R-Kan.) said that unless Congress drops several provisions that would raise income taxes for wealthy taxpayers, "There's no way we could sign it."

Staff writers Guy Gugliotta and Kent Jenkins Jr. contributed to this report.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

In Reversal, Bush Pledges 5% Cut in Top Federal Pay

By Bill McAllister
and Howard Schneider
Washington Post Staff Writers

President Bush yesterday pledged to cut the pay of federal workers making more than \$75,000 a year by 5 percent, directly reversing the position his administration took in 1990 when it boosted federal employee pay.

At the time, White House press secretary Marlin Fitzwater said Bush believed the changes, which also increased pay for federal workers in cities where the cost of living is higher, addressed "the most serious recruitment and retention problems" facing the bureaucracy and would enable the administration "to continue our nation's tradition of excellence in civil service." The Bush administration, represented by then-Director of the Office of

Personnel Management Constance B. Newman, subsequently negotiated a pay law with Congress that was widely heralded by the administration and praised by federal workers.

In remarks yesterday to the Economic Club of Detroit, Bush said, "Taxpayers have tightened their belts. The better-paid federal workers should do the same."

His message sent a shock wave through the federal work force and echoed loudly in the Washington area, where 24,910 of the 54,102 government workers who would be affected live. "We think it's a major blow to the health and vitality of the civil service," said Bruce Moyers, executive director of the Federal Managers Association, which represents federal supervisors. "... It has implications for the rest of the

See WORKERS, A10, Col. 4

FRIDAY, SEPTEMBER 11, 1992

Bush Pledges to Cut Top Salaries by 5%

WORKERS, From A1

civil service ranks. It establishes a dangerous momentum that could reach down into the ranks."

R. Scott Fosler, president of the National Academy of Public Administration, voiced fears that, "To the really good people, it sends a signal. . . . 'I'll start looking elsewhere.'"

Workers and academicians said that Bush's proposal not only chills what had been a generally friendly relationship between the federal work force and the White House but also will undercut years of consensus-building over the need to maintain parity between the pay of federal workers and the private sector in order to recruit and retain the most talented scientists, engineers, lawyers, managers and other professionals.

In 1990, the Office of Personnel Management placed the gap between public and private wages at 28 percent and Bush, who spent decades on the federal payroll, was seen as a supporter of efforts to close the gap. That year he supported an overhaul of the federal pay system, making government pay more competitive, a step many experts viewed as essential to lure senior officials to federal jobs in high-cost cities such as Washington, New York, Los Angeles and San Francisco.

Many experts in public administration viewed Bush's move yesterday as political. "That kind of position may play in Peoria, but it's bad management," said Paul C. Light, a professor at the Hubert H. Humphrey School of Public Affairs at the University of Minnesota. "Pay is really not the issue. It's the number of overseers" in the bureaucracy.

Bush also proposed a reduction in the size of the executive branch by consolidating agencies and bureaus, but he was not specific on what offices he might eliminate. He would implement the pay cut. He did offer to trim the operating budget of the Executive Office of the President by 33 percent, but only if Congress agrees to a similar reduction in the size of its budget.

Congress has been at odds with the president over the size of the White House staff, which long has been inflated by the practice of "borrowing" or "detailing" workers from other departments who are paid by their agencies, not by the Office of the President. Earlier this summer the General Accounting Office noted that Bush had named more political appointees to positions in the government, 2,435, than any president since 1979, the year GAO began tracking the number of appointees.

Rep. Steny H. Hoyer (D-Md.), who was party to the pay reform negotiations, said Bush's proposal was made in the middle of the presidential election campaign and called it "obviously demagogic." He noted that the last time a president cut the pay of federal workers was in 1933 when Franklin D. Roosevelt

"He has sliced out a very small portion of people to subject to a new tax."

—G. Jerry Shaw,
Senior Executives Association

trimmed the federal payroll first by 8.3 percent and then by 15 percent because of the Depression. "If the president believes we are at this point, it is an admission of abject failure," Hoyer said.

James P. Pfiffner, a professor of government and politics at George Mason University, saw the president's proposal as a response to the efforts of Democratic presidential nominee Bill Clinton to "soak the rich" with higher taxes. "No one likes federal workers, especially the top ones," Pfiffner said. "Unfortunately, this creates the impression they are not worth it."

John Klineberg, director of the Goddard Space Flight Center in Greenbelt and a 22-year employee of the National Aeronautics and

Space Administration, would lose \$5,600 of his \$112,000 annual salary under the 5 percent cut.

But Klineberg said what concerns him more is the possibility that dozens of senior managers and scientists at NASA will become disenchanted.

"The demoralizing effect is an intangible that bothers me very much," Klineberg said. About \$6 workers at the space center would be affected, he said. "They work because they love the job, but they must believe they are fairly treated. Government always underpays the senior people," he said. "I enjoy what I'm doing and I don't think that I would alter my work habits, but I would not think it warranted."

G. Jerry Shaw, counsel to the Senior Executives Association, whose members form the upper levels of federal management, said they had been singled out in a "desperation move" to make Bush appear tough on the budget. Shaw said he believed Bush might try to unilaterally impose the cuts on the Senior Executive Service, whose members have fewer job protections than other civil servants.

Bush's proposal would not affect the military, postal or judicial workers. The salaries of political appointees and all general schedule workers (GS 1-15), which range from a low of \$11,444 to \$143,000 for the top political pay, are set or protected by law and could not be cut unilaterally by Bush, Shaw said. That leaves members of the 7,000-member Senior Executive Service, a group of managers, scientists and professionals who are paid an average of \$100,000 a year, as those most vulnerable to the Bush proposal. "He has sliced out a very small portion of people to subject to a new tax," Shaw said. "We are not at all pleased."

Shaw estimated the move would save \$32 million and he said his group likely would go to court if Bush tries unilaterally to impose the cuts.

Staff writer Dana Priest contributed to this report.

The TV Column

By John Carmody
Washington Post Staff Writer

Michel McQueen, for the past four years White House correspondent for the Wall Street Journal, has signed with ABC News to be a correspondent with the network's upcoming Sunday night magazine show.

The still-untilled hour is slated to air at 7 p.m. sometime after the first of the year. Forrest Sawyer has been named an anchor for the program.

McQueen, 33, has been seriously courted by both CBS News and CNN in the past. The Harvard Crimson alum joined The Washington Post as a summer intern in 1980. Her assignments included Prince George's County and Annapolis and night police. In 1987 she joined the Wall Street Journal.

She will join ABC at the end of the month and will be based in Washington. McQueen, who was in Detroit yesterday to cover President Bush, said the opportunity at the network was "too good to pass up, it's a chance to be on a program as it's being built from the ground floor." Her assignment on the new program is uncertain, she said, since "they're still experimenting with the format."

"I feel terrible about leaving before the election but I think the Journal will survive. But I'm very sad; we're a very tight bureau." WSJ bureau chief Al Hunt yesterday called McQueen's departure "a big loss. She is a terrific talent and ABC is lucky to get her."

C-SPAN will air a live viewer call-in with Vice President Dan Quayle this morning starting at 10:30. And at noon today on C-SPAN Ross Perot will sit for a live viewer call-in.

The Quayle call-in, followed by the Perot call-in, will be repeated starting at 5 this afternoon on the cable public affairs network.

The vice president is also due to be the sole guest this Sunday on ABC's "This Week With David Brinkley."

ABC News' "World News Tonight With Peter Jennings" is going to try to "make better sense" of the political process and the campaigns in the last seven weeks before the Nov. 3 election.

Jennings told viewers Wednesday of several changes in the nightly broadcast designed to respond to complaints "that many of you put at least some of the blame on us for the way we cover political campaigns—or do not cover them."

He announced a daily "Campaign Watch," in which "we'll give you the day's headlines and we'll only devote more time to a candidate's daily routine if it is more than routine. There'll be less attention to staged appearances, and sound bites assigned exclusively for it."

He promised that "we will focus our coverage more on how the battle for your vote is being fought." Jennings yesterday told a reporter that "what we're trying to do is get away from the traditional, automatic, one daily spot from each road show and deal with the daily road show as it merits."

Executive producer Paul Friedman said that been in the works for the past six weeks. He said yesterday the nightly "Campaign Watch"—which will vary in length from 30 seconds up, depending on the value of the story, will be followed regularly by "Campaign Focus," taking a look at a particular theme, and daily notes from Jennings about campaigns.

"Beyond that," said Friedman, "for the next seven weeks our 'American Agenda' reporters will be following their specialties as they're being dealt with by the candidates."

Gov. Clinton recently spent a couple of hours at the ABC News bureau here talking to the "American Agenda" staffers separately about education, health care, etc. Those discussions will air over 21 broadcasts before Election Day. A similar offer to President Bush was declined.

ABC News has also assembled a focus group from the New York area whose attitudes toward issues and the candidates will be tracked over four broadcasts before Nov. 3, the first of which aired Wednesday.

As it did in 1988, "World News Tonight" will visit the South, West and Midwest as the campaign heats up, starting next week, mostly in the South. N.C., for three days. Regional focus groups will be assembled by a polling agency to give viewers a perspective on regional concerns.

"It's like whittling," Jennings said yesterday. "We whittle down all the information every day and if we're lucky we get a recognizable object." Tom Brokaw, anchor of "NBC Nightly News," said yesterday that "we've been doing a lot more issue analysis this time around; it's pretty much a daily thing now."

"We've been taking Andrea [Mitchell], Lisa [Myers] and John [Cochran] away from the motorcade and making sure they're covering not just that day's photo op but what is relevant."

"We won't do a focus group every day, but we want to hear from voters, not the Beltway types." As for the tyranny of the nine-second news bite, Brokaw makes the point that if one times a candidate's quote in a newspaper story, "they usually run about nine seconds or less. When the quote is newsworthy enough to run long, we run it long."

"CBS Evening News With Dan Rather," which has been wrestling with the relevancy issue too this political year, recently cut back its experiment decreeing that any clip of a presidential candidate speaking had to run for at least 30 seconds, a valiant attempt to evade the "sound bite" accusation.

The clip limit has been cut back to 20 seconds, and that's turned out to be pretty flexible, too. Although CBS has postponed its debut until sometime after the World Series, the network has ordered five more episodes of "Dr. Quinn, Medicine Woman," for a total of 13 hours. The series stars Jane Seymour and was headed for a Saturday night time slot in the fall until "Raven" did well this summer.

Also at CBS, Ed Asner has joined the cast of the new John Ritter-Marjorie Post sitcom, "Hearts Afire," in which John plays a Senate aide. Ed will play Marjorie's dad, George, who "has just been released from prison." What do you want to bet George will be grumpy? If you want our opinion, Jane's the one who ought to be grumpy.

ABC got some good news Tuesday when the second edition of "Going to Extremes," the network's fall 10 p.m. entry, averaged a 13.6 share. That same night a two-hour special on CBS, "Education First," averaged a 6.0/10 from 8 to 10 p.m., while NBC's "DateLine NBC," which featured an interview with Hillary Clinton, averaged a 9.3/17.

The Washington Post

FRIDAY, SEPTEMBER 11, 1992

Wednesday night, the (maybe) final edition of "2000 Malibu Road," a two-hour special on CBS, averaged a 9.8/15. "Beverly Hills, 90210" returned for another season on FOX to an 11.4/19...

Each national ratings point represents 931,000 TV homes...

CBS News has announced the list of speakers at next Wednesday's memorial service for Eric Sevareid, to be held at 2 p.m. at the National Press Club here...

They include CBS News anchor Dan Rather; Howard Stringer, a former News president and now president, CBS/Broadcast Group; Richard Salant, twice president of the News division; and Bill Leonard, president of the division from 1979-82...

Other speakers will be Robert W. Craig, president of the Keystone Center, Keystone, Colo.; Erike Bye, one of Norway's most prominent journalists, and Mr. Sevareid's son, Michael...

The service is open to family, friends and colleagues of Mr. Sevareid, who died July 9 of cancer at the age of 79...

News Emmys

ABC was the big winner of the annual news and documentary Emmy Awards, which were presented in New York Wednesday night by the National Academy of Television Arts & Sciences...

ABC won 15 awards; the Public Broadcasting Service was next with 11, followed by CBS with 10, TBS 5, NBC 4 and CNN, The Discovery Channel and HBO, two each...

Bethesda-based TDC won its two for its "People of the Forest: the Chimps of Gombe"...

The Washington-based National Geographic Society won six for its "Explorer" series, seen on PBS and Turner...

Among the ABC News winners: "Gorbachev: The Final Hours" on "PrimeTime Live"...

NBC News's "Today" won for anchor Bryant Gumbel's interview with Sen. Edward Kennedy...

"The MacNeil/Lehrer NewsHour" won an Emmy for PBS for its "Pearl Harbor Anniversary Essays" (we'll try to get a complete list for Monday)...

After Ted Koppel had bid adieu to David Letterman on "Late Night" Wednesday following a couple of lame jokes about David's rumored move to ABC to replace Ted, David told the studio audience that "the show I'd like to be on at ABC would be 'This Week With David Brinkley'... with Cokie Roberts, George Will, Sam Donaldson and David..."

"I could teach those boys a thing or two, don't you think? Oh, George, you're a whinin' baby. Let me put a pair of pliers on your nose. [Sound from band of nose being twisted by pliers.] That would pep that show up!"...

HIGHLIGHTS

- U.S. Open Tennis on WUSA.
- The pilot of "Likely Suspects" and the return of "America's Most Wanted" and "Sightings" on WTTG.
- Plus a "Firing Line" special on WETA.

Sports

U.S. Open Tennis (CC) (Channel 9 at 11 a.m. and 12:30 p.m.; highlights at 11:30).

Major League Baseball. Milwaukee Brewers at Baltimore Orioles (Channel 20, 7:30).

Public Broadcasting

Firing Line Special Debate: Resolved: Industry Does Not Need Protection or Tariffs. Michael Kinsley moderates this debate on free trade vs. protectionism; panelists include William F. Buckley Jr., Henry Kissinger, Rep. Richard Gephardt and former California governor Jerry Brown. Two hours (Channel 26 at 9).

Special

Desi Entertainment Awards. Paul Rodriguez hosts this salute to Hispanics in the entertainment industry. Two hours (Channel 50 at 8).

Little Mermaid: Whale of a Tale (CC). A special primetime presentation of the new Saturday morning series. 30 minutes (Channel 9 at 8).

ABC's Saturday Morning Preview Special (CC). "Step by Step's" Lambert-Foster family hosts. 30 minutes (Channel 7, 8:30).

Series Pilot

Likely Suspects (CC) (Channel 5, 9:30) is previewed by Tom Shales on Page B2.

Series

America's Most Wanted (CC). Cases include the hunt for the assassins of a Hispanic journalist (Channel 5 at 8).

Sightings (CC). Reports on mass UFO appearances in Mexico City and hauntings at Alcatraz (Channel 5 at 9).

20/20 (CC). A report on American POWs held in the former Soviet Union and a profile of Billy Crystal (Channel 7 at 10).

Late Night

The Tonight Show With Jay Leno (CC). With Matthew Modine and the Robert Cray Band (Channel 4, 11:35).

The Arsenio Hall Show. With Markie Post, Nicolas Cage and Boyz II Men (Channel 9 at midnight).

Late Night With David Letterman. With Billy Crystal, actress Christina Applegate and singer Mary-Chapin Carpenter (Channel 4, 12:35 a.m.).

FRIDAY, SEPTEMBER 11, 1992 *

Bush promises he'll tax less and spend less

Cuts in salary and staff cited

By Frank J. Murray
THE WASHINGTON TIMES

DETROIT — President Bush yesterday presented a 13-part agenda of ideas he had already proposed to rescue America's economy and said his re-election would be a mandate to enact it in the "first 100 days" of his second term.

"Together, the components of this new agenda should renew America [and propel it] toward a grand goal to nearly double the size of our economy to \$10 trillion by the early years of the next century," he told the Detroit Economic Club.

He predicted he will cut government's overall annual bite into the gross domestic product from 24 percent to 20 percent; an impact far greater than he has previously discussed. Unless the GDP rocketed, it would trim more than \$300 billion a year.

"That's the direction that I want to go: Tax less, spend less, cut the deficit and redirect our current spending to serve the interests of all Americans," Mr. Bush said.

From the governor's mansion in



'Tax less, spend less': President Bush outlines his "Agenda for American Renewal" in Detroit.

Little Rock, Ark., Democratic presidential nominee Bill Clinton dismissed Mr. Bush's proposals as "really just more of the same."

Most of the ideas in Mr. Bush's "Agenda for American Renewal" have in fact been defeated or filed in the dead-letter office by Congress,

see BUSH, page A8

SECOND-TERM PLAN

President Bush yesterday outlined 13 proposals he intends to achieve in the first 100 days of his second term, should he win re-election in November.

- An overhaul of the American education system, including the G.I. Bill for Kids.
- Tax cuts up to \$300 billion, paid for through spending reductions and growth.
- Implementation of the North American Free Trade Agreement.
- New trade negotiating authority to conclude new free-trade agreements.
- Ban on most political action committee (PAC) contributions.
- Push for enterprise zones in inner cities and rural areas.
- Make the research and development tax credit permanent.
- Limits on congressional terms.
- Reform the legal system through the Product Liability Reform and Access to Justice Act.
- Provide wider and more flexible range of job-training and placement services for both the young and old, the blue- and white-collar worker.
- Cut health care costs by \$394 billion over five years.
- Streamline the government, consolidating agencies, tightening budgets and cutting salaries of highly paid federal employees.
- Cap the growth of mandatory spending without touching Social Security.

The Washington Times

BUSH

From page A1

as the president conceded. But he suggested a few new items, including:

- Cutting by 5 percent his own \$200,000 salary and the pay of all federal employees making more than \$75,000 a year, whose pay has increased 25 percent or more at Mr. Bush's urging.

- Cutting by one-third his own staff and all agencies under the Executive Office of the President — about 2,000 people from White House butlers to budget analysts — if Congress will do the same with its staff, estimated at 15,000 to 20,000.

"With fewer congressional staff badgering us for endless reports and endless visits to Capitol Hill, I know we can cut costs by that amount," Mr. Bush said to applause.

- Seeking new free-trade agreements in Asia and Eastern Europe even as the Senate began dissecting the controversial North American Free Trade Agreement with Mexico and Canada.

A senior Bush adviser who helped draw up the plan, which quoted Jesse Jackson in support of capitalism, said re-election would vest the proposals with great moral power he lacked in 1988 when he didn't set out such a program.

"He can say, 'This is the agenda I'm running on,' and then when we win he can go to the Congress and say, 'We have a mandate to do this,'" the official said.

Mr. Bush did not repeat Wednesday's new read-my-lips pledge in which he promised not to acquiesce to a tax increase "ever, ever." Despite the fact that he'd said it twice, aides told reporters he hadn't actually said it at all or maybe hadn't meant it.

Mr. Bush also did not include specific tax cuts among his 100-day agenda. But he cited a well-publicized example of how he could cut taxes if Congress actually passed a \$130 billion freeze he'd proposed on spending increases — reducing personal income taxes 1 percent across the board, cutting

small-business taxes to 10 percent and cutting capital gains tax rates.

In the midsession review this summer, that proposed saving was earmarked for deficit reduction.

Mr. Clinton said the president's example would give a \$14,000 tax break to people earning more than \$200,000 a year, a group he's targeted for higher taxes, while those with incomes of \$20,000 would get \$50 in relief. Medicare and student aid recipients would pay more while 1.2 million disabled veterans would be removed from the disability rolls under the plan, Mr. Clinton said, without explaining how a freeze that accommodates inflation and population growth would do that.

"Why did it take you over 3½ years to come up with more of the same?" he asked the president rhetorically. "It hasn't worked. It's given us the lowest growth in 50 years, the loss of manufacturing jobs, declining incomes."

Mr. Bush's sharpest partisan barb in a city dominated by automakers was aimed at the environmental book "Earth in the Balance" by Mr. Clinton's running mate, Sen. Al Gore, whom the president erroneously promoted.

"Vice President Gore," Mr. Bush said, "has been talking about the [internal] combustion engine as being the worst threat to society.... It is scary. It is bad. And Governor Clinton ought to repudiate him."

Mr. Bush said he used the hypothetical tax-cut example so he could limit it to \$130 billion of spending cuts he'd already specified but said again that total savings from his plan would reach almost \$300 billion, a figure he said Wednesday would be used to cut taxes.

It was unclear where the money to cut taxes might come from, however. Revenue above that now being collected would be needed to pay for them if the increases took effect, or the deficit would rise.

Mr. Bush said the \$10 trillion economy would be achieved by a combined growth and inflation at 7 percent a year, a rate that would hit the milestone by 2000.

• J. Jennings Moss in Little Rock, Ark., contributed to this report.

FRIDAY, SEPTEMBER 11, 1992 *

House sends Bush family-leave bill; veto is expected

ASSOCIATED PRESS

House Democrats yesterday appropriated President Bush's "family values" theme and sent the White House a bill requiring many employers to offer workers unpaid emergency leave to care for family members.

The House approved the measure 241-161, far short of the two-thirds majority needed to override a certain veto by President Bush, who vetoed a similar bill two years ago.

Some House Republicans said the timing of the measure was a "cynical election-year ploy" to embarrass Mr. Bush, who has made family values a major theme of his re-election campaign.

A top White House aide, asking not to be named, said the president will veto the bill.

It would guarantee many American workers up to 12 weeks of unpaid family leave per year to care for babies and sick children, spouses and parents.

As the vote neared, White House aides suggested to Capitol Hill that Mr. Bush might entertain the idea of using several hundred million dollars in tax incentives to encourage small employers to provide family leave.

A senior official, speaking on the condition of anonymity, said the president would like to provide the tax break to companies with up to 500 employees. Such a program would cost less than \$500 million, the official said.

He said this was the first time the plan had been presented to congressional Democrats.

Democratic vice presidential candidate Al Gore said the bill will test Mr. Bush's commitment to family values.

"George Bush has a choice," Mr. Gore said in Lexington, Ky.

"Either he can change his mind and enact the first measure that Bill Clinton and I are advocating and make it law even before the election takes place, or else he can hold on to the status quo and force Americans to read his lip service to family values," Mr. Gore said.

Debate over the meaning of family values and which presidential ticket is more supportive of them has become a central issue in the presidential campaign.

"Vote yes if you value families," said Rep. Barbara Boxer, California Democrat. "Surely the president can change his mind and vote for this family-friendly bill."

But many Republicans called the timing of the bill politically suspect.

"It is election-year politics, pure and simple," said House Republican leader Robert Michel of Illinois.

Mr. Michel and many other opponents of the measure said small businesses could not afford the new requirement.

"They will have to cut other benefits. They will have to cut jobs, and how will fewer jobs help the American family?" Mr. Michel said.

Rep. David Dreier, California Republican, said Mr. Bush wants the private sector to create such family-leave policies voluntarily. He said requiring them would "saddle small business with a costly and onerous federal mandate, which may lead to higher unemployment."

But many Republicans and Democrats noted that businesses with 50 or fewer employees are exempt from the bill. They said small businesses therefore will not be hurt.

House Speaker Thomas S. Foley, Washington Democrat, said the legislation had been modified to satisfy many concerns about the burdens on small businesses.

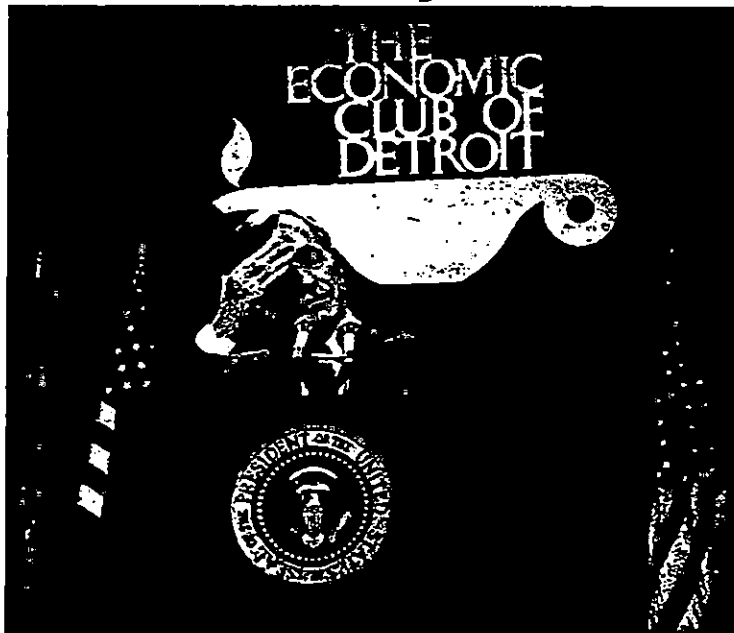
"The bill is much more responsive to the concerns of small business organizations in the country," he said. "It is not a generous bill; it doesn't give a single day of paid leave to anyone."

The Bush administration has said family- and medical-leave policies should be set after discussions between employers and their workers and should not be imposed by the government.

The bill would protect the jobs of employees while they are on leave and would require employers to continue health benefits during the leave.

Washington Times

FRIDAY, SEPTEMBER 11, 1992 *



President Bush wipes his brow as he addresses the Economic Club of Detroit, where he re-embraced the supply-side agenda of cutting taxes in contrast to the Democrats' position.

Bush hugs supply side, sharpens tax position

By Donald Lambro
THE WASHINGTON TIMES

By returning to his party's supply-side economic policies, President Bush drew a sharp new contrast between his tax-cutting agenda and Bill Clinton's proposals to raise taxes on a recession-weakened economy.

That is the key policy change that has Mr. Bush's conservative allies in Congress and in the party's supply-side circles cheering the economic agenda he outlined in yesterday's address to the Economic Club of Detroit.

"He has embraced the entire supply-side agenda. Nothing is missing," said Cesar Conda, a chief economic adviser to Wisconsin Sen. Bob Kasten. "This is a significant change in his policies. We're in much better shape politically now that the president wants to cut taxes."

Last month, Mr. Conda's boss joined with six other Republican lawmakers and Housing Secretary Jack Kemp to draft a memorandum to the Bush campaign that contained many of the ideas the president included in his address.

Not only did Mr. Bush embrace many of the memo's major proposals, including an across-the-board tax cut, he used much of its rhetoric about "entrepreneurial capitalism," "economic empowerment" for the poor, "restructuring and downsizing" the government, and expanding U.S. trade globally.

Among other things, for example, Mr. Bush called for doubling the size of the economy from \$5 trillion to \$10 trillion in this decade, which was one of the key proposals in the Kemp memo.

The president also proposed a more expansionist trade policy than his party has ever proposed, embracing the idea of a new trade-zone compact with Latin America and Eastern Europe. That idea had been promoted by Mr. Kemp and conservative theoretician Donald Devine.

The address, billed as a major speech to detail where Mr. Bush wants to take the country in a second term, drew what may be the sharpest contrast on tax policy since the 1984 presidential election. Then, Democrat Walter Mondale proposed raising taxes and President Reagan called for lower tax rates. Mr. Reagan won in a landslide.

Mr. Bush's strategists said the ideas packaged anew in the address set the stage for a new phase in the election in which the president

will contrast his tax-cutting proposals with Mr. Clinton's plan for more taxes and higher spending on more than two dozen domestic initiatives.

"The important thing is that he put it all together thematically to say these are things that I want to do in my first 100 days of my second term compared to what Clinton wants to do in his first 100 days," Mr. Kemp said yesterday.

Mr. Clinton has called for enactment of \$150 billion in new taxes on businesses and people, including the creation of a new, higher 37 percent top rate on upper-income earners.

He has said in his speeches that he will tax only the top 2 percent in the country making more than \$200,000 a year. But according to Internal Revenue Service data, the top 2 percent of income earners begins with those making \$122,000 a year.

And, according to his own economic advisers, Mr. Clinton's new tax rate will actually begin with single taxpayers earning \$90,000 in taxable income.

The Arkansas governor is also proposing a 1.5 percent payroll tax to pay for a job training program, and a national health care program that would require a new payroll tax to pay for it.

The Bush campaign believes these tax proposals represent Mr. Clinton's Achilles' heel and plans to concentrate its heaviest firepower on what they would do to an economy struggling to recover from the 1990-91 recession.

"We owe a lot to [White House Chief of Staff] James Baker in crafting this speech by following the principles he outlined in his farewell address at the State Department," Mr. Kemp said.

In that speech, Mr. Baker outlined an economic agenda that focused on deregulation of the economy and expanding trade, all of which Mr. Bush dealt with yesterday.

"It's a more populist, entrepreneurial message that proposes a bottom-up economic growth agenda that identifies capitalism with Main Street, not with Wall Street," Mr. Kemp said. "That's what I was thrilled about."

FRIDAY, SEPTEMBER 11, 1992 *

Dim the lights

What happened to those two brand-new chandeliers that sparkled so brightly for returning members and staff when they broke for lunch at the House restaurant Tuesday? Installed over the week end by special crews — working for some big overtime bucks — the chandeliers were quickly ordered taken down and put into storage until after the November elections.

The orders came from none other than Heather Foley, unpaid chief of staff to Speaker Thomas S. Foley. According to our sources, Mrs. Foley was furious when she saw the gaudy new light fixtures and said: "Who ordered these things to be put up? I want them down now." She mentioned concerns about snoop reporters who might file embarrassing reports before election time.

The crystal chandeliers, which cost tens of thousands of dollars, were taken down after hours by yet another crew — paid yet more overtime bucks. The twin sparkler set is designed to complement a larger chandelier donated earlier this year to the House by retiring Democratic Rep. Charles Bennett of Florida.

Like a sleve

Senate officials are quietly probing the apparent disappearance of \$20,000 from the Senate restaurant system. The money was supposed to be used to buy pots and pans. Close inspection of the alleged voucher — which was issued on a Saturday, when staffing is negligible or nil — revealed that the order and payment never made it to the distributor named on the document.

So officials are looking for the missing money. But wait, there's more: As a result of that investigation, folks are also beginning to ask questions about rumors that top managers have been giving themselves substantial bonuses with money left over in their annual

INSIDE THE BELTWAY

budgets. Problem with such a practice, should it exist, is that these leftovers are taxpayer funds, not some private company's profits.

No Rush

Well, there we go again. It seemed certain we'd have some news for Rush Limbaugh fans in the Washington area, but it just didn't pan out. The premiere of his television show is Monday on 186 stations — excluding Washington — translating into "95 percent of the country," according to an associate of Mr. Limbaugh's.

"We've had offers, but we want to get into the right time period," the source said. "It'll be there when they see we have a hit."

One problem, we were told, is that some people in Washington are afraid of Mr. Limbaugh because he caters to conservatives and so-called "ditto heads," who agree with anything he says. "They're afraid of repercussions" from those who disagree with the controversial talk-show host, according to our source.

Mr. Limbaugh's show will be aired on WMAR in Baltimore, and we hear that cable subscribers may be able to pick it up on WWOR in New York.

Oh you kid

Al Gore has got his family values straight. At least he turned down a date proposed by a talk-show caller who called him "handsome." He blushed, stammered and ultimately refused before learning that the caller was his wife, Tipper.

"Hi, Senator Gore. I know I probably shouldn't say this, but I think you're a very handsome man," said the mystery caller on CNN's "Larry

King Live." "Are you available for a date sometime?"

After a few uncomfortable moments and with prompting from Mr. King, he said, "I'm not available."

"Not even for your wife?" the woman said.

Mr. Gore stared blankly into the television camera as the voice apparently became familiar. It was Tipper Gore, live from the campaign trail in North Carolina. She said she thought up the idea for the prank herself.

No-fun diet

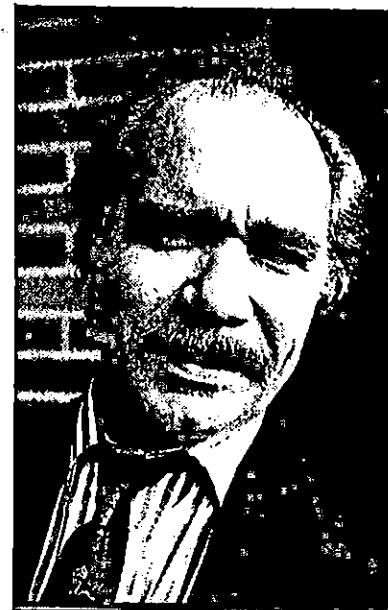
Sen. Jesse Helms, North Carolina Republican, has returned to work after being out since he underwent open-heart surgery in June. On doctors' orders, the 70-year conservative has given up cigarettes, barbecue and country ham.

Fond farewell

Hunter S. Thompson declares that if President Bush is re-elected, he's heading south. A bottle of scotch and a garbage can filled with ice at his side, the gonzo journalist told the audience at a literacy fund-raiser in Louisville, Ky., that if Bill Clinton loses, "we're going to move Rolling Stone [magazine] to Paraguay and have a colony down there. It's got the worst points of both [Brazil and Argentina] and none of the best. There's no place like it in the United States except maybe West Texas."

Assessing the Reagan and Bush years, Mr. Thompson allowed that it's been "12 years of the most oppressive, redneck, stupid... greed-head politicians in this country."

Course, if Mr. Clinton wins, Mr.



Beltway Irregulars won't have John Elvin to counsel them anymore.

Thompson won't have to move, because they can change the name of United States to Paraguay North.

Moving right along

This will be the final column filed by the undersigned correspondent. After 10 years with The Washington Times, most of it as resident polecat in the Beltway bunker, I'm off to try my hand editing a magazine. I'll certainly miss the fun and games with the Beltway Irregulars — those on the staff of this newspaper and the gang out there in readerland. We've done some good.

So, I strongly urge the Irregulars to get behind my successor, as yet to be chosen. I'd also like to keep in touch with the friends I've made and would welcome a note c/o CPG, 65 Conduit St., Annapolis, Md. 21401. If you have items for Beltway, please contact Ken Hanner, deputy national editor, 202/636-3291. He will direct your call. Adios.

— John Elvin

Washington Times

FRIDAY, SEPTEMBER 11, 1992 *



Jay Bongiva, an employee of J and B Imports, a bicycle-parts warehouse, yesterday examines the rubble left in the Miami building by Hurricane Andrew. A Senate bill would offer more than \$8 billion in aid to Andrew's victims.

Senate's hurricane-aid bill drops money to rebuild base

ASSOCIATED PRESS

A Senate committee approved \$7.2 billion worth of relief for hurricane-pummeled Florida and Louisiana yesterday after removing money to rebuild Homestead Air Force Base.

President Bush pledged to reconstruct the South Florida air base shortly after Hurricane Andrew demolished it last month. The base was a major employer for local communities, and Mr. Bush's pledge was seen as aiding his re-election bid in a state he will need in November.

The panel approved the overall bill on a 28-0 vote and sent it to the full Senate, which could vote on it next week.

Like an \$8.8 billion House bill introduced Wednesday and a proposal by Mr. Bush, the Senate measure contains grants and loans to help individuals, businesses and governments rebuild after the most expensive natural disaster in the nation's

history.

But the Senate committee voted 12-8 to remove from the measure \$480 million that Mr. Bush sought to rebuild Homestead. The senators provided \$26 million to remove rubble from the base and begin planning its reconstruction.

"I don't think we should consider money for defense as a jobs program," said Sen. Harry Reid, Nevada Democrat, who introduced the amendment deleting the Homestead funds.

Nine Democrats and three Republicans voted to remove the Homestead money; three Democrats and five Republicans voted to protect it.

Andrew caused an estimated \$20 billion of destruction in Florida and \$1.5 billion in damage in Louisiana and is linked to at least 52 deaths. Mr. Bush and lawmakers have said the government would rush funds to the states as quickly as possible.

Like Mr. Bush's \$7.6 billion plan, the House measure introduced Wednesday would add to the budget deficit, already expected to hit a record \$333 billion this year.

It is unclear whether the House measure will be voted on because the Senate bill may become the focus of attention in Congress.

But the House measure reveals differences between the ways lawmakers and Mr. Bush want to address Andrew's destruction.

The House measure would give victims of the storm \$400 million worth of food stamps. Mr. Bush's proposal contained no money for food stamps.

Like Mr. Bush, the House would provide \$480 million to rebuild the Homestead base. But the House bill would require that the Pentagon first produce a master plan for the base's reconstruction, a mandate that could delay the work for months and allow time for second thoughts.

FRIDAY, SEPTEMBER 11, 1992 *

Russia stonewalls on allied arms inspections

By Bill Gertz and Warren Strobel
THE WASHINGTON TIMES

Russia is blocking allied efforts to monitor conventional-arms reductions in a development that could hamper Bush administration efforts to win congressional aid to the former Soviet republic.

According to a classified State Department cable, U.S. and allied governments are debating how to deal with Russian government restrictions on arms inspections. The inspections are required under the 1990 Conventional Forces in Europe (CFE) treaty.

"Russia has denied CFE on-site inspection teams access to substantial amounts of territory — within ... garrisons that are known and de-

clared to house treaty-limited equipment," acting Secretary of State Lawrence Eagleburger stated in the Sept. 4 cable.

The cable was sent to all U.S. embassies in NATO countries as a so-called "action message" seeking an allied consensus on how to deal with the problem.

Full access to Russian sites is needed to ensure that equipment limited by CFE is not hidden in areas off-limits to inspectors, Mr. Eagleburger said.

The CFE treaty was signed by 22 nations in November 1990. It reduces tanks, armored vehicles, artillery and combat aircraft in the area from the Atlantic Ocean to the Ural Mountains.

Although overtaken by events, the pact is regarded by U.S. and allied

officials as an important arms-reduction instrument.

A trial inspection in February was the first time Russian officials did not permit full access to a site. The restrictions were then put in writing as part of an Aug. 14 statement by Russia disclosing information required by CFE.

Other former Soviet republics have not adopted the restrictions and the Russians' "intent is to codify this restrictive practice," the cable stated.

A senior NATO official said the verification dispute was discussed yesterday by allied representatives at NATO headquarters in Brussels.

"There's general concern on this," the official said after the meeting of NATO's High-Level Task Force. "We and the allies will be both taking this

up with the Russians."

The NATO official said it is too soon to call the Russian move a violation, but called the dispute "a very serious issue. ... These kinds of questions can't be deferred."

The failure of the Russians to permit full on-site inspections could upset Bush administration plans to supply U.S. aid to the former Soviet Union, according to congressional officials.

House and Senate leaders will meet next week in conference to work out differences on a bill that would provide up to \$1.2 billion in financial assistance to the former Soviet republics and \$12 billion to the International Monetary Fund as part of the aid package.

Both House and Senate versions of the aid bill contain language link-

ing full compliance with arms treaties signed by the former Soviet Union.

Russian military officials built fences around sections of some military bases where CFE inspections will take place. The fenced areas were then declared off-limits to inspectors.

The treaty calls for unobstructed access to the entire area of a CFE site.

U.S. officials, while calling the dispute serious, said there is disagreement within the administration over just how important it is and whether to make a major issue of it with Russia, now an ally.

"CFE is an irrelevant treaty," one official said. "Is this the time to go after the Russians? Is this the treaty to go after them with?"

The former Soviet Union, before its collapse in December, first began restricting inspections but subsequently backed off. In recent months, the Russians reimposed the curbs.

The administration official said the Russian rationale for limiting inspections is based on an interpretation of the treaty that is "not the interpretation we told Congress."

This could cause problems for the administration, the official said.

Much of the missing data can be obtained by spy satellites and aircraft, although the U.S. intelligence community is concerned about the restricted access.

The cable states that intelligence satellites can identify the presence of treaty-limited hardware but not the numbers.

Washington Times

FRIDAY, SEPTEMBER 11, 1992 *

MARTIN SCHRAM

Eager to blame wrong culprits

We interrupt the flurry of fall campaign news to tell you what's really happening:

There is under way a rip-roaring Presidential Campaign — and also a rip-ranting campaign-within-The-Campaign. The side most damaged by bad news has mounted a subsidiary campaign to make you believe the problem isn't bad news, but biased news reporters. It's a familiar smoke screen, loosed new by Bush-Quayle '92.

To help you sort the bombfog from the balderdash, here's a Reader's Guide to the campaign-within-The-Campaign:

(1) How to evaluate Republican complaints that news coverage of their convention was biased.

Start by recalling those lapel buttons we saw throughout the Astrodome as the convention opened: "Don't Believe the Liberal Media." They didn't sprout like dandelions from the Astroturf; they were manufactured by GOP strategists to create disbelief about convention news coverage — before it even began. GOP Chairman Rich Bond admitted his strategy was akin to a basketball coach "working the refs" — complaining early, hoping for a few favorable calls later.

(2) How to evaluate Republican complaints that reporters use pejorative labels to denigrate Republicans, but not Democrats.

Observe that journalists describe Republicans (reading left to right) as "moderates," "conservatives," "right-wingers" and "far-right-wingers." But Democrats (reading right to left) are "mainstream," "moderate," and "liberal" — rarely "left-wingers," never "far-left-wingers." This Republican complaint is valid.

(3) How to evaluate Republicans' favorite studies of TV news, showing President Bush as the subject of more "negative" than "positive" sound bites.

Remember what is really being measured by these studies — and what isn't. The oft-cited studies by the conservative Center for Media and Public Affairs really show that when news events are bad (recession, health-care crisis, staff disarray) presidents get blamed in negative sound bites.

Example: Among nonpartisan sources quoted on TV news since June, sound bites about Bill Clinton were slightly more positive than negative; for Mr. Bush, only 29 percent were positive, 71 percent negative. But in this bad news period, it was hard to find any economist or analyst uncritical of Mr. Bush's performance. (Good news contrast: When the Berlin Wall fell, Mr. Bush's favorable sound bites soared.) Center Director Robert Lichter con-

cedes his studies don't indicate the media seeks sources who'll criticize Mr. Bush — contrary to GOP complaints.

(4) How to evaluate Republican complaints that most reporters are Democrats — liberals — who slant the news.

Surveys show journalists vote more for Democrats, but not overwhelmingly. Also, most are union members. But the key question is: Are their stories balanced? Don't be misled — even The Washington Post was, in a silly analysis that adopted a GOP refrain, deriding CBS' Susan Spencer for calling Mr. Bush's move

Remember what is really being measured by these studies — and what isn't. The oft-cited studies by the conservative Center for Media and Public Affairs really show that when news events are bad presidents get blamed in negative sound bites.

of James Baker from State to the White House "a desperate attempt" to get re-elected. But even Mr. Bush and Mr. Baker know that's just what it was; neither wanted the shift, but concluded defeat loomed without it.

Republicans complained of media bias — even after the Los Angeles Times rekindled Mr. Clinton's draft woes (revealing his uncle lobbied the Navy reserve); even after The Washington Post bent over backward, explaining Mr. Bush's claim of 128 Clinton tax increases could be true — if you lump all "fees" in with "taxes" and ignore Mr. Clinton's tax cuts. (Remember: "Working the refs.")

This fall, as Bush-Quaylers wail about liberal media bias, remember this classic quote: "I think the media was extraordinarily fair and balanced in this election campaign."

That's what Pat Buchanan told me in 1972, after his man, Richard Nixon, trounced anti-war liberal George McGovern. It was the year the investigative zeal of Mr. Nixon's devils, those media "radiclibs," forced Mr. McGovern's running mate Thomas Eagleton off the Democratic ticket — but gave short shrift to a third-rate burglary at the Watergate.

Martin Schram is a nationally syndicated columnist.

Washington Times

FRIDAY, SEPTEMBER 11, 1992 ★

Mr. Clinton, Mr. Quayle and the missiles

Head the one about Bill Clinton's latest gaffe? The one about the Patriot missiles? No? That is probably because most of the press has chosen to keep a polite silence on the subject. Marveling at the wonders of modern technology, Mr. Clinton told an audience in Portland, Conn., "We do all this research and people come up with great ideas, and then they turn them into things like Patriot missiles, which will go through doors or down chimneys." If his audience was puzzled or perhaps a little disturbed, they had good reason to be. Patriot missiles do not go down chimneys. They are used to shoot down other missiles, like the Scuds that Iraq sent against Saudi Arabia and Israel during the Gulf war.

Disturbing visions of Michael Dukakis in the tank present themselves. Does one conclude from this incident that Mr. Clinton is unfit to be commander in chief? That he may accidentally order the armed services to launch the wrong weapon? Or, given Mr. Clinton's eagerness to cut the Pentagon budget, that he might cut the wrong items out of sheer ignorance?

The answer to that one is probably no, even if, as reported in *Inside the Beltway* on Sept. 1, the Clinton campaign does seem to have problems with military terminology. ("Their bombers are strafing us at every opportunity," Bruce Reed, issues director for Clinton-Gore, complained about the Republicans.) But to be charitable, campaigning is a stressful job, and gaffes will inevitably be made, by Democratic and Republican candidates alike. The point is that only when they

issue from the president or the vice president do they become newsworthy. Just imagine the ruckus that would have ensued had Dan Quayle made this mistake. "Not fit to run the country, not fit to take charge of the nation's defense," etc.

In fact, not only has Mr. Clinton's gaffe been politely ignored by most of the media, the knee-jerk reaction of the Associated Press was to look for a way to turn it against the vice president. Mr. Quayle — who can in fact claim expertise on the subject of weapons systems from his years in the Senate — rushed to explain to Mr. Clinton the difference between Patriot missiles and cruise missiles, which are much more like what must have been on Mr. Clinton's somewhat unfocused mind.

And what should happen but that before anyone could say "missile guidance system," out came the AP on Thursday with a report that now Mr. Quayle is making mistakes and that he doesn't know what a cruise missile is and is mistaking it for the "laser-guided" bombs made famous on television. Had this been true, the beauty of this report would have been that not only would Mr. Quayle been branded as an ignoramus, Mr. Clinton would simultaneously have been exonerated for his mistake.

Well, of course, Mr. Quayle knows what a cruise missile is. They are the nifty things that could turn corners down the streets of Baghdad with incredible precision. CNN, which picked up the AP report, later had the decency to apologize. Mr. Quayle's office says it has had no similar word from the AP.

Bill Clinton played the politics of class warfare during a recent campaign swing, a divisive, fear-mongering strategy that has proved disastrous for Democratic presidential contenders in the past.

Fearing, perhaps, that he was losing his edge among independent, middle-class voters, Mr. Clinton returned to his party's shopworn class-envy rhetoric — renewing his calls for higher taxes on upper-income Americans.

"Four more years of George Bush means more millionaires with vacation homes," Mr. Clinton told a gathering of senior citizens in Macol, Ga.

"Before he asks the wealthy to pay a penny more in taxes ... and before he gives up his dream of yet another tax cut on millionaires," he said of the president, "he's going to make life a lot less kind and a lot less gentle for the rest of us."

Mr. Clinton continued to hammer away at class themes at a retirement community in Greensboro, N.C., saying that "while the wealthiest Americans have been winners, the rest of Americans have lost."

At one point, his rhetoric became even more strident, accusing Mr. Bush of being willing to sacrifice older people who were ill in order "to put more money in the hands of the wealthy, even if it means less opportunity in the lives of the middle class."

What is the governor of Arkansas, one of the poorest states in the country, really saying with his attacks on upper-income Americans?

Clinton strategist Paul Begala explains the governor's class politics this way: "They [the Bush administration] want to help the rich by

Playing politics of class warfare

putting a burden on the middle class. We want to help the middle class by putting a small burden on the rich."

But raising taxes on small businesses and upper-income Americans with a nearly 40 percent top tax rate would not "burden the rich," as he and Mr. Begala suggest. It would only end up hurting the middle class with fewer jobs, lower incomes, less economic growth and, eventually, higher taxes.

Higher tax rates would merely drive upper-income people into tax shelters. Private capital investment for economic expansion and new job

creation would be lost. In the end, higher taxes on the wealthy and business would be a tax on middle- and lower-income people.

Mr. Clinton's soak-the-rich, class warfare rhetoric isn't very new. George McGovern, Walter Mondale and Michael Dukakis were among its most enthusiastic practitioners over the past two decades.

Mr. Mondale believed that the rich and big business were at the heart of every problem that plagued America, and he never missed a chance to attack the wealthy in every speech he gave during his failed

1984 presidential campaign.

There are a lot of similarities between Mr. Mondale's rhetoric and Mr. Clinton's wealth-bashing rhetoric now.

"What we have today is a government of the rich, by the rich, and for the rich," Mr. Mondale said in 1984. "[President Reagan] gave each of his rich friends enough tax relief to buy a Rolls Royce — and he asked your family to pay for the hubcaps."

Mr. Reagan, on the other hand, spoke of creating an entrepreneurial, upwardly mobile society in

which everyone has a chance to claim a piece of the American dream. "An opportunity society awaits us," Mr. Reagan said in 1984. "We need only believe in ourselves, and give men and women of faith, courage and vision the freedom to build it."

You couldn't invent two more sharply contrasting visions of America: one narrowly based on division and class warfare and disincentives to success, and the other rooted in expanding opportunity, entrepreneurial capitalism and the creation of new enterprises and wealth.

These are the real choices that are now before the American people in this presidential election.

If George Bush's agenda for the next four years is based, as he says, on lower tax rates, deregulation to encourage growth, and increased trade in the global economy, that is an agenda to move this country forward into a new era of expanding markets.

But a policy that seeks, as Mr. Begala says, to impose new burdens on people who save and invest most would take this country backward. It is ultimately an anti-wealth, no-growth policy that can only lead to economic stagnation.

Mr. Clinton's political retreat to the ideology of class warfare gives Mr. Bush a new opportunity to more sharply define the fundamental economic differences that divide them: the politics of reduced taxes, economic growth and optimism vs. the politics of higher taxes, economic redistribution and pessimism.

The first leads to a healthier economy and wider opportunity for everyone. The second leads to an economy far worse than we have now.



Donald Lambro, chief political correspondent of The Washington Times, is a nationally syndicated columnist.

Trade Pact Could Cost Up to 150,000 U.S. Jobs

Democrats Call Plan For Help Insufficient

By KEITH BRADSHAW

Special to The New York Times

WASHINGTON, Sept. 10 — Labor Secretary Lynn Martin conceded that the North American Free Trade Agreement could put up to 150,000 Americans out of work, while Democrats asserted that the President's plan to help them was inadequate.

Under persistent questioning by members of the Senate Finance Committee, Ms. Martin became the first Administration official to provide an estimate of American jobs that would be lost with the elimination of trade barriers among Canada, Mexico and the United States.

Carla A. Hills, the United States trade representative, has been asked repeatedly for an official figure in various Congressional hearings and briefings but has stressed only the many economic studies showing that job gains would exceed job losses over all.

Some economists suggest that if the agreement changes the mood of American executives toward Mexico, making them more inclined to invest there, then job losses could be heavy and blue-collar wages in the United States could be hurt.

Partly because investment psychology is difficult to quantify, most studies have focused on the tiny size

of the Mexican economy, the shortage of educated workers there and the existing low level of United States tariffs on imports from Mexico. These studies have concluded that the elimination of trade barriers will not make a big difference in persuading companies to build factories there to supply the United States market.

Ms. Martin said the Administration would set aside \$330 million a year for five years to help workers who lose their jobs because of the agreement, and was prepared to spend up to \$750 million a year if necessary.

But Democratic senators criticized the plan because it would require Congress to triple spending on job-training programs next year and because the Administration has not suggested any specific spending cuts or new taxes to pay for this, planning instead to include the programs in next January's budget and pay for them out general revenues.

Senator Max S. Baucus, Democrat of Montana, asked Ms. Martin several questions about how the Labor Department calculated the need for the extra money. She eventually responded that the program was based on a loss of up to 150,000 jobs over 10 years, and said this was the highest job-loss figure among 20 studies her department had reviewed, including a University of Maryland study commissioned by the department.

Under further questioning by Senator Bill Bradley, Democrat of New Jersey, Ms. Martin said that the A.F.L.-C.I.O. had predicted the loss of 500,000 jobs but that her department had not included this estimate in its review. The A.F.L.-C.I.O. opposes the



Associated Press

Labor Secretary Lynn Martin testified yesterday before the Senate Finance Committee, saying that the North American Free Trade Agreement could cost up to 150,000 Americans their jobs.

free trade accord even if it is coupled with a retraining package, because union leaders contend that there will be few jobs for the retrained workers.

Representative Richard A. Gephardt of Missouri, the House majority leader, on Wednesday called for the renegotiation of the pact, saying its

labor and environmental provisions were inadequate. Mrs. Hills said at a seminar on Latin American issues at the State Department today that it was not feasible to reopen the negoti-

Continued on Page D4

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

Free Trade Pact Could Cost Up to 150,000 American Jobs

Continued From First Business Page

ations.

Mrs. Hills told Congress this week that if companies sought low wages alone with their foreign investments then many poor countries would be economic powerhouses. She has also asserted many times that nothing prevents American companies from moving to Mexico now.

But the companies themselves have been wary of Mexico's political situation and of the security of new investments there. The pact, the text of which was released on Tuesday, will not only guarantee duty-free access to the American market for factories in Mexico but also provide extraordinary legal protections.

Eager to Attract Capital

For example, several provisions buried in Chapter 11 of the agreement would allow American companies to appeal to a special bilateral panel if the Mexican Government expropriates their investments or takes other legal actions to reduce their value.

Only nine other countries, all of them developing nations eager to attract foreign investment, allow similar legal recourse for American companies. Most countries only accept such complaints from governments, which forces American companies to embark on the arduous task of enlisting the Government's support.

American companies have already built many factories in northern Mexico because of a rule allowing them to assemble products there from American parts and then ship them duty-free back to the United States. Employment in these factories climbed to 500,000 last year from 120,000 in 1980.

The effects of this shift have been little analyzed. A Stanford University study estimated last year that the average low-wage American worker's annual earnings in the year 2000 would be \$50 lower with a free trade agreement than without one. But if heavy investment in Mexico accompanies the agreement then the average annual earnings would be \$200 lower, the study found.

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

Why They Died in Ciskei

talks about why there are no talks. Officially, the A.N.C. and the Government are not speaking.

That is the situation now. The A.N.C. says it cannot talk to the "regime" because it holds Pretoria responsible for the Monday killings, carried out by the security forces of Ciskei, one of the black homeland governments which survive only through South African support. The Government says it is "reassessing" talks with the A.N.C. because the organization seeks to impose its will by violence, through the kind of provocative mass action which left 23 dead in Ciskei.

There is fault to be found on both sides, and each is now busy finding it. But independent politicians believe the real fault lies in the fact that neither side is serious about negotiation — not serious enough to face real political compromises over power sharing; not serious enough to agree on an interim government which alone can restore stability; and not serious enough to settle the future of the homelands. Put simply, neither side yet feels enough pain to make compromises aimed at stopping it.

Monday's march in Ciskei, organized by the A.N.C. with the aim of overthrowing the government of the military dictator, Brig. Oupa Gqozo, was meant to step up the government's pain. A.N.C. officials disagreed over whether such a strategy was worth the risk, but the strategic gain for the congress is now obvious.

For Ciskei is rightly seen as South Africa's responsibility. Pretoria created the homelands and Pretoria sustains them with financial security and political support. With Monday's deaths the Government of F. W. de

Klerk can no longer delay dealing with the homeland problem.

In reality, of course, the homelands are not one problem but many. For the 10 "homelands" created as segregated tribal states under apartheid each have their own political identity and their own aspirations to power in the new South Africa.

Transkei, the second-largest homeland with 3.5 million inhabitants, has proved fertile ground for A.N.C. mobilization. Its residents are Xhosas — the tribe of Mr. Mandela and other top congress leaders — and its leader, Gen. Bantu Holomisa, is the staunchest A.N.C. supporter among homeland leaders. General Holomisa seems to have chosen his ally wisely, for he has escaped the congress's campaign against the repressive practices of homeland leaders.

Instead, the African National Congress has chosen to target Ciskei, the much smaller Xhosa homeland with a population of 800,000. Ciskei has suffered increasing repression since Brigadier Gqozo took power in a March 1990 coup. Undoubtedly, the A.N.C. has been hampered in its attempts to organize politically in Ciskei, so it is hardly surprising that the

the A.N.C. But as site of the second largest platinum mine in the world and with the strongest economy among the homelands, any move to overthrow him would be resisted by business and government leaders in South Africa.

The risks of taking on Chief Buthelezi are even greater. His KwaZulu homeland is five million strong, with the most powerful security forces of any homeland. Furthermore, Pretoria is counting on Chief Buthelezi as a crucial ally in the first multi-racial elections (officials of the ruling National party believe he could deliver one million votes to a moderate alliance). The Government cannot afford to do without him.

So the risk is great that the congress's plan to overthrow the governments of Ciskei, Bophuthatswana and KwaZulu could lead to violence. A.N.C. leaders know this and are using it to pressure Pretoria for a solution which would bring the homelands back into a multi-racial South Africa, and destroy them as ethnically based centers of power.

The outline of such a solution was agreed on four months ago at the Convention for a Democratic South Africa. There, the 10 homeland governments (except Bophuthatswana, which reserved its position) agreed to separate referendums on the issue of reincorporation into South Africa. Church leaders are trying to persuade Brigadier Gqozo to agree to such a referendum for Ciskei but he has rejected their proposal. Still, Pretoria could regain strategic ground by persuading homeland leaders to agree to such a test of popular will.

By so doing, the Government would risk losing some important allies for its planned electoral coalition of whites, coloreds, Indians and moderate homeland blacks. But after Monday's events, Pretoria will find it more difficult to resist calls to determine the homelands' future democratically, through referendums.

But if negotiations cannot resume without an act of statesmanship of this sort from Prime Minister de Klerk, the same demand must be made of Mr. Mandela. For whatever the successes of the African National Congress's recent campaign of mass action against the Government, it remains very unlikely that Pretoria can be overthrown. The congress can raise the temperature of negotiations, but not to a level which would force substantial concessions on the central issue of distributing power in the post-apartheid South Africa.

Both men will be called upon to rise above the fray and act as statesmen rather than political street fighters. The risk is that if they fail to do so soon there will be nothing of value left to inherit. □

By Patti Waldmeir

SOUTH AFRICAN politicians spend a remarkable amount of time vowing not to speak to one another, and Monday's massacre in the Ciskei black homeland has prompted yet another round of dark threats from both sides about the future of constitutional negotiations.

Indeed, for most of the two and a half years since Nelson Mandela was released from prison, the official position has been that the African National Congress and the Government are not negotiating. Meanwhile, there has been almost continuous contact between officials from both sides, discussing everything from political prisoners to constitutions. But those contacts are described as talks, or

Patti Waldmeir is Johannesburg correspondent for The Financial Times of London, where this article previously appeared.

The A.N.C. wants to dismantle the homelands.

organization should target him. But as the Johannesburg newspaper Business Day pointed out: "Gqozo's sin... is not that he heads an unrepresentative homeland region spawned by apartheid, but that he does not agree with the A.N.C."

The problem for the congress is that the two other most powerful homeland leaders — Lucas Mangope of Bophuthatswana and Chief Buthelezi of KwaZulu — also disagree with the congress. Official A.N.C. strategy is to seek their overthrow by force.

Neither is a negligible foe. President Mangope's government has been accused of widespread corruption and repression against members of

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

On My Mind

A. M. ROSENTHAL

Movies, Drugs, Elections

The movie stuck in my throat. It was not just that I and everybody else in the movie theater were being treated as political morons — captive to left-wing paranoia about America and putting out \$7.50 a head for the privilege.

"Bob Roberts" — big Labor Day lines in New York — is about how a slick guitar-playing millionaire right-wing candidate for Senate, next stop White House, fakes an assassination attempt and gets away with it.

That would have involved the total cooperation of the New York City police force, the District Attorney's office, the courts and the staff of a major New York hospital.

But it was not the worst of its kind. After all, we sat through "J.F.K." and survived even that intellectually insulting conspiratorial claptrap.

What bothered me about "Bob Roberts" was that it kept snickering at the attempt to fight drugs, making it all part of right-wing propaganda, just something to con the polyester crowd.

Coming out into the pollution of New York, which seemed like mountain air, I thought that Hollywood was right — we really are political morons.

Neither Presidential candidate considers the American Age of Addiction important enough to make it a major part of his campaign. The suckers who march from ticket booth to voting booth don't even protest as they shell out their admission money or their votes.

Of course sometimes Americans do rouse themselves enough to open a brain cell to the addictions sickening our national bloodstream. That happens when one of our kids becomes a junkie, or a father dies of tobacco cancer, or a baby is beaten to death by an alcoholic mother — or when a convicted drug peddler is shot by a cop in the worst drug building on the worst drug street in the worst drug neighborhood in New York and other drug crooks help the neighborhood go up in flames.

Mostly, Americans shake their heads about national addictions; that's all. So why should politicians give a damn?

But God was on my side, even though I do not belong to either party. The day after I saw the movie He helped me out of my depression by scheduling a lunch for me with Joe Califano.

Mr. Califano, a former Secretary of Health, Education and Welfare, is convinced of this: The national disease of addiction has the U.S. stuck hard on gluey flypaper.

One reason the country cannot provide decent medical care is that the addicted clog hospitals and suck up their budgets. It cannot deal effectively with the AIDS spread by addicted needle users, or with homelessness. He says the large majority of homeless are on the streets because of the helplessness that comes out of bottle

Bob Roberts, meet Joe Califano.

and needle. Productivity is stamped down because so much time and money is sacrificed to illness and death from smokes, booze and junk.

Mr. Califano is putting his working life where his mouth is. He has become president of the new Center on Addiction and Substance Abuse, allied with Columbia University. With an endowment from the Robert Wood Johnson Foundation he is putting together what should be a top staff.

The goal is to get America to see addiction whole, and in all its parts, to understand that 95 million of us are hooked on tobacco, alcohol, pot, heroin, barbiturates or crack, a loss to the country of \$300 billion a year. The center will look at causes, treatments and programs, and spread word of what works best among teachers, coaches, parents, kids, businessmen, police, doctors.

The center can be a sophisticated and important operation against drugs and other addictions. But the rest of us must not make it our escape hole from responsibility.

Other foundations and companies that could contribute to existing efforts against drugs must not hold back waiting for some more White Papers, which we need like holes in the head. The heat must not come off government and politicians: more heat, more. Therapy centers dealing with drug addicts should not find that funds and attention are dwindling or channeled away.

With a little luck and a lot of work, the center will turn into a good sharp spur in the flanks of government, politicians and the nation. It could help stanch some of the blood that addiction is draining out of the country.

That strikes me as a good way to spend a working lifetime, Mr. Roberts. □

Workers, Wives and Mothers

By Marilyn Quayle

HAVE you ever wondered why most politicians speak in safe clichés? I've recently learned the answer. The great hazard in stating one's views publicly, in one's own words, is that they will be misunderstood or, for political reasons, deliberately misconstrued.

Since my speech to the Republican convention, I have had an experience similar to looking in a fun-house mirror, watching my words come back at me in grotesque, often unrecognizable forms. It's time to set the record straight.

The accusation that astonished me most is that I implied that women who work are somehow less admirable than women who stay home with their children. This is nonsense. I never said that, and I never implied it. We all know that many women work because they have to, and two decades of social progress and a decade of economic growth have created more, higher-paying options for women than ever before.

Some women work by choice. Many

Marilyn Tucker Quayle, wife of Vice President Dan Quayle, works to improve disaster preparedness and response and is active in the fight against breast cancer.

take less demanding jobs at lower pay in order to have more time at home. Still others, often at great financial sacrifice, choose not to work outside the home at all.

I worked for several years as a lawyer; but 15 years ago, when we moved to Washington with young children, I was fortunate to be able to choose to stay at home. My full-time job became our three children and volunteer work — coaching soccer, directing school plays, assisting with school fund-raisers. And, yes, I helped with my husband's career.

As the wife of the Vice President for the last four years, I have had the unique opportunity to highlight issues important to me — disaster relief and the fight against breast cancer. I've tried to be there for my children, too. These were the choices I made. They were right for me. I do not hold them up as right for every woman. It never crossed my mind to do so.

Making choices concerning work and family has become a constant in women's lives. My generation has been privileged to have had many more opportunities than women before us. With this, however, have come conflicts — conflicting ambitions, desires, responsibilities — that women handle differently according to individual circumstances.

Many women, particularly those with young children, have experienced conflicting emotions as they have made their choices — whether to work full time or not, to take the more

demanding job or the less, to stay at home. Most of us try to shape our lives in ways that make sense for us, our mates and children. Women deserve credit for their professional work and for their successful juggling of responsibilities. And women also deserve credit for staying home and raising children in a society that often gives little status to stay-at-home mothers.

My words were
willfully
distorted.

One statement of mine has been subject to particularly wild and hostile misinterpretation. I said that I sometimes think liberals are angry, because it turns out that most women do not wish to be liberated from their essential natures as women.

The people who have objected most vehemently to this sought to construe this phrase as an argument for keeping women tied to the home. This is puzzling because central tenets of feminist thought spring from writings by Carol Gilligan and Betty Friedan. They have made the case that women and men are different, especially in their approach to relations with others, and that liberation

wouldn't be worthwhile if it simply turned women into clones of men.

Today women don't have to dress or act like men to advance in the professional world previously dominated by men. We don't have to reject the prospect of marriage and children to succeed. We don't have to reject our essential natures as women to prosper in what was once the domain of men. It is no longer an either-or situation.

The novelist Tom Wolfe has called our era "the great relearning." That applies to many in my generation who have relearned the old verities: the value of responsibility, integrity, morality, industry, compassion and charity. These enduring truths — needed by men and women and children — are what traditional values are all about. We can apply those truths in different ways toward our goals, such as strong family life based on mutual respect and commitment; and such as development of our God-given talents, whether in a career outside the home or in it or both.

Perhaps all this is too delicate to discuss in a political year, when the natural tendency is to polarize views. But let's not underestimate American women. The ones I know, who can just as well see a dozen different shades of white in their laundry as spot the flaw in a long legal contract, can also tell the difference between what I've said and how others have twisted it. □

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

Abroad at Home

ANTHONY LEWIS

Loop The Loop

BOSTON

When Bill Clinton snapped at reporters this week that instead of going on and on about his Vietnam draft status they should press George Bush about his role in the Iran-contra affair, Clinton supporters should have been uneasy. It is not a good sign when a candidate starts attacking the press.

But on Iran-contra, Governor Clinton had a point. We in the press have been dismally negligent in failing to pin Mr. Bush down on what he knew and did — negligent for the last six years.

Mr. Bush's consistent position has been that he was uninformed and uninvolved as Vice President when the decisions were made in 1985 and 1986 to trade arms to Iran for American hostages. He said he was not aware then that Secretary of State George Shultz and Secretary of Defense Caspar Weinberger were opposed to the plan.

He was "not in the loop," Mr. Bush told David Broder of The Washington Post in August 1987. He said:

"If I had sat there and heard George Shultz and Cap [Weinberger] express it [opposition] strongly, maybe I would have had a stronger view. But when you don't know something, it's hard to react."

In a television interview in December 1987, the then Vice President put it even more flatly: "If I had a lot more knowledge of what was going on, I would have said, 'Don't do this.'"

But in fact Mr. Bush was not uninformed. He did sit there and hear Mr. Shultz and Mr. Weinberger express their strong opposition. Or so many official sources say.

A crucial meeting with President Reagan on the Iran arms sales took place on Jan. 7, 1986. A State Department chronology presented to the Congressional Iran-contra hearings said:

"Jan. 7, 1986. Meeting at the White House among President, Vice President, Weinberger, [Attorney General Edwin] Meese, [C.I.A. Director William] Casey, [White House staff chief Donald] Regan, [national security aide John] Poindexter and Shultz. Shultz and Weinberger argue strongly against the Iran proposal, but everyone else favors going forward."

Secretary Shultz testified that at that Jan. 7 meeting "I expressed my-

Bush's credibility gap on the Iran-contra affair.

self as forcefully as I could. That is, I didn't just sort of rattle these arguments off. I was intense." But at the end, he said, "It was clear to me ... that the President, the Vice President" and others still favored the cooperation.

Inside the White House at the time, Mr. Bush was described as not only knowing about the Iran deal but advocating it. In a computer note on Feb. 11, 1986, Mr. Poindexter told a colleague: "Most importantly President and Vice President are solid in taking the position that we have to try."

Two weeks ago we learned of a note dictated by Secretary Shultz the day after the 1987 Broder interview with Vice President Bush. It said: "VP in papers yesterday said he was not exposed to Cap or my arguments on Iran arms. Cap called me [and said] that's terrible. He was on the other side. It's on the record. Why did he say that?"

The newly published note raised fresh questions about Mr. Bush and Iran-contra. But we did not need the note to doubt Mr. Bush's truthfulness. His claim that he was "not in the loop" has long since lost any shred of credibility with those who know the record.

The real question is why the press has been so reluctant to challenge Mr. Bush's story. I think one reason is fear.

In 1988, when Mr. Bush was running for President, Dan Rather of CBS tried to pin him down on what he did in Iran-contra. Mr. Bush blustered, said it was old stuff, accused Mr. Rather of unfairness. Even before the interview ended, Bush telephone banks made complaining calls to CBS-affiliated stations.

It was a carefully prepared gambit, and it worked. Through the rest of the 1988 campaign reporters hardly raised the Iran question. It is still working. President Bush brushes off questions on the subject as dated, unfair, silly. He makes the press feel uncomfortable for asking.

But this was the worst government scandal in years, a crude violation of the Constitution that damaged the national interest. It matters whether Mr. Bush is telling the truth about his part in it. □

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

At Last, a Bush Package

President Bush: Welcome to the debate. Yesterday, almost four years after taking office, he issued an "Agenda for American Renewal" that comprises a coherent statement of economic objectives and policies. It calls for making the U.S. a strong exporter, educating disadvantaged children, sharpening competitiveness, cutting government waste, helping the poor and protecting workers.

There's certainly nothing wrong with that list of priorities. And the program's coherence will help frame a more constructive campaign debate. Yet while sensible, the President's agenda is also deficient in two ways.

First, candor. Readers would never suspect that economic recovery is nowhere in sight, that productivity has stagnated for 20 years, or that the gap between rich and poor has widened alarmingly.

Second, substance. The agenda offers no ammunition to fight unemployment that traumatizes millions. And what lies behind Mr. Bush's sound priorities are many stale, ineffectual remedies.

The President laid out six issues, into which a myriad of previous proposals are fitted:

TRADE: The plan starts out exactly right. The key to growth is to transform America into a lean, mean competitor. To that end he embraces the recently completed trade agreement with Mexico and Canada and the continuing work on international trade. He highlights his glaring difference with Gov. Bill Clinton, who has provided only grudging support for the talks with Mexico.

CHILDREN: Mr. Bush repeats wise, but inadequate, proposals to pour more money into education and nutrition programs targeted on the poor. The centerpiece of his plan is school choice. Yet the President has not faced up to the tormenting problem of children left behind in blighted schools.

COMPETITIVENESS: Here Mr. Bush descends into irrelevance. Tax cuts here and there might make sense. But add them together and the economy would hardly budge. Twenty years of slow growth is frightening; the economy needs a jolt of investment. Mr. Clinton's plan for widespread investment in transportation infrastructure, communication systems and worker training might not work as advertised, but at least it attempts to confront the magnitude of the problem.

WORKER SECURITY: Mr. Bush calls for more job training. Sound objective, but his specific suggestions, by leaving out most low-skilled workers, don't match his promises.

THE DISADVANTAGED: The President rightly points to the 1988 welfare reform act as the best way to help the long-term unemployed. But he still has not proposed putting up the money needed.

"RIGHT-SIZING" GOVERNMENT: Here Mr. Bush has some fun. He challenges Congress to cut its budget by one-third, which he promises to match.

At the end of his agenda the President lists an eye-catching 13-point plan for education reform, job training, health care reform, tax cuts, government reorganization, legal reform, crime control and election reform. Admirable ideas; they would have been more so four years ago.

How to Deal with a Wounded Russia

Boris Yeltsin deserves sympathetic understanding for his decision not to visit Japan when no face-saving compromise could be worked out for return of four small islands. And he deserves special praise for his agreement to speed withdrawal of former Soviet troops from Lithuania.

The four southernmost Kurile Islands were Japanese before Tokyo embarked on the course of conquest leading to World War II. Stalin seized them from a defeated Japan in 1945 under provisions of a secret Yalta protocol. Now Tokyo wants, at a minimum, restored sovereignty over all four islands. And it has held up consideration of major economic aid until that goal is achieved.

With Russian nationalists and military leaders stirring popular emotions on the island issue, and with Tokyo still unwilling to offer significant aid, Mr. Yeltsin sensibly chose to cut his losses. By waiting until the last minute, he risked offending Japan. But more important, he has avoided dangerous pressure on his beleaguered Government.

The Lithuanian breakthrough came from pragmatic bargaining, not all-or-nothing demands. All along, Russia insisted that the main obstacle to removing the troops was the need to find places for them to live. Now Lithuania reportedly offers to build housing — on Russian territory — for half the 20,000 troops to be withdrawn.

Earlier, Lithuania granted its ethnic Russian inhabitants the right to Lithuanian citizenship, a right Russians in Estonia and Latvia don't have. Vytautas Landsbergis, the Lithuanian leader, who was criticized for his confrontational tactics during his nation's independence struggle, now talks of his desire for the two countries "to strengthen mutual trust and expand cooperation."

Estonia and Latvia still unwillingly host some 100,000 former Soviet troops. They too are entitled to demand accelerated withdrawal. But they seem more likely to achieve that goal by following the conciliatory path taken by Lithuania rather than the righteous, unbending course taken by Japan.

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

Stemming the Upsurge in Measles

Three years ago measles, which had been reduced to very low levels in the United States, started making a comeback. It has since infected tens of thousands of young victims, many of them in New York. The epidemic has been caused by an unconscionable failure to vaccinate the most vulnerable children. But starting today, health authorities should be able to turn the tide.

The State Department of Social Services, working with the state and New York City Health Departments and the Human Resources Administration, is launching a campaign to reach the chief victims — poor children under 5 who are neither immunized nor connected to a primary care facility. Posters and brochures listing information and

an 800 number to call for referrals to clinics and physicians will be broadly distributed. Next summer free vaccines will be distributed to the 4,000 physicians who vaccinate children enrolled in Medicaid. And 11 community organizations have received grants to help widen their outreach to families eligible for these services.

Three different approaches will be tested, in the Bronx, Brooklyn and Manhattan. They'll use nurses, caseworkers and health clerks respectively to contact and follow up on the immunization and health care referrals.

Which approach will be the most effective is impossible to predict. But these initiatives can make a welcome difference in poor children's lives.

For Assembly: Brooklyn, the Bronx

Here are our recommendations for New York Assembly races in Brooklyn and the Bronx where victory in Tuesday's Democratic primary will be tantamount to election.

BROOKLYN.

42d District. The seven-term veteran Rhoda Jacobs has worked hard and well, for instance pressing legislation to help the elderly and homeless, and has earned re-election. Still, two challengers offer promise — Edward Roberts, a lawyer, and Clarence Robertson, formerly an official in the Brooklyn District Attorney's office.

44th District. This race is the nastiest of the season. It began when the Assembly leadership approved new district lines that helped the new incumbent, Joni Yoswein, at the expense of another incumbent, James Brennan. Mr. Brennan has conducted a mud-slinging campaign that turns on Ms. Yoswein's former job as an aide to former Assembly Speaker Mel Miller, convicted last year on fraud charges in connection with his private law practice.

Mr. Brennan raises troubling questions about her role in a possibly improper use of Mr. Miller's campaign funds for his defense. She admits to poor judgment, but denies illegality. Both sides have now engaged in ugly campaigning but Mr. Brennan stepped over the line by trying to tar Ms. Yoswein unfairly with guilt by association.

Mr. Brennan has been hard-working and independent but not notably effective in four terms. We prefer Ms. Yoswein. In her brief eight months in

office, she has shown admirable energy and savvy.

51st District. Voters have five qualified candidates to choose from: Beatrice Byrd, an elementary school teacher; Marilyn Kneeland, a lawyer and former legislative aide; Juan Perez, a college administrator; Javier Nieves, an architect who has run an impressive, issue-based campaign, and John Kennedy O'Hara, a lawyer and community leader. In a close call, we support the determined Mr. O'Hara because of his feel for the district and keen interest in stimulating the local economy.

54th District. Thomas Catapano, first elected in 1983, runs a solid district office and serves competently in Albany. Neither F. Louis Caraballo, a lawyer, nor Darryl Towns, a hospital official, offers a compelling reason to unseat him.

58th District. We recommend N. Nick Perry, community board member and an official in the state office of mental health. He understands government and has a special interest in education. His most impressive opponent, Mae West, a nurse and anesthetist, has an admirable record of fighting youth drug abuse but is politically unseasoned.

THE BRONX.

76th District. In this crowded race, we endorse Peter Rivera, an attorney and past president of the Puerto Rican Bar Association in New York. His command of issues and community involvement make him preferable to his two main rivals, George Sanchez, a civilian official in the New York Police Department, and Armando Montano Jr., a lawyer.

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

Bush's Double Bind

If He Offers New Ideas, the Question Will Be, What Took You So Long?

By DAVID E. ROSENBAUM
Special to The New York Times

WASHINGTON, Sept. 10 — When it comes to dealing with the economy as a campaign issue, President Bush is caught in a trap.

If he advocates bold new ideas for addressing the country's economic problems, that raises the question of why, after all this time in office, he is just now getting around to doing something about the situation.

If he states, as most economists believe, that the weak economy today is mostly the result of overindulgences of the 1980's, he is in the position of criticizing the policies of the Reagan Administration. He was part of that Administration, and his election campaign four years ago was based in large part on glorifying its economic record.

An Economic Mess

In his speech in Detroit today, Mr. Bush expressed, in the greatest detail and candor of his Presidency, his understanding of what a mess the United States economy is in. And he drew the most complete picture to date of his own economic principles and what he wants the economy to look like in the future.

But for those looking for policy prescriptions or clear insights into what exactly Mr. Bush would do about the economy if he won re-election, he offered little if anything new. One reason perhaps is that the President's basic goals — cutting the budget deficit, lowering taxes and reducing Government spending drastically without touching Social Security — are often in conflict.

A recent report by the General Accounting Office stated what is obvious to most impartial economists: "The amount of deficit reduction needed to achieve either balance or surplus will be difficult, if not impossible, to achieve if any major areas of spending or potential revenues are set off the table." So here, the President must avoid specifics.

Mr. Bush's address was probably more successful as a campaign speech. His political goal was not so much to break new ground on economic policy as to counter the assertions of his critics that no coherent theme connected the myriad economic proposals he had put forward over the years. He tried to show that his ideas on taxation, education, welfare, job training and the like were not just random thoughts, but were based fundamental principles.

On the policy side, although it is 26 months after the recession began and just 53 days before the next election, Mr. Bush suggested no bolder a plan than he had before about how, in his words, to "manage the changes that are transforming our economy" and prepare the country for "an era of great opportunity."

Beneath the new thematic flourishes in today's speech to the Detroit Economic Club are the same vague promises he put forth at the Republican National Convention in Houston last

month. On the themes, instead of trade policy, he talked today of "challenging the world." Instead of education, he spoke of "preparing our children." Instead of cutting taxes on companies and investors, "sharpening business's competitive edge." Instead of job training and medical care, "promoting economic security." Instead of welfare, "leaving no one behind." Instead of making the Government cheaper and more efficient, "right-sizing Government."

But the policies are basically the same. The main way he would improve education, for example, would be to have the Government pick up the tuition of students in private schools. He would attack poverty by "sweeping away the nightmare of crime from our cities, building a core of property owners, creating business incentives and making individual discipline and self-reliance the goal of all of our programs."

Talk of Political Mirage

As for Mr. Clinton's economic plans, Mr. Bush spoke today of "the mirage that my opponent offers of a Government that accumulates capital by taxing it and borrowing it from the people, and then redistributing it according to some industrial policy."

The centerpieces of the Clinton economic platform are higher taxes on households with incomes greater than \$200,000 and new spending on a variety of Government public works projects. The Democrat's proposals for cutting the budget deficit are based on calculations as shaky as the President's.

Mr. Bush did propose one wholly new idea today. He said he would cut the salaries of Federal workers earning more than \$75,000 by 5 percent. "Taxpayers have tightened their belts," he declared. "The better-paid Federal workers should do the same."

Just two years ago, Mr. Bush argued successfully for a Federal pay increase. Federal salaries, he said then, were so out of line with those in business that competent managers could not be lured to Washington.

No new prescription for what ails the economy.

month to cut taxes and spending and keep the Government from meddling in the marketplace and the same programs that over the years have generated little public enthusiasm or Congressional support.

In his convention speech and other addresses about the economy over the years, Mr. Bush emphasized the health of the American economy. Today, by contrast, he began by listing "five profound changes" causing serious economic difficulties but said little about how he would relieve that stress.

He noted the dislocations caused by deep reductions in military spending after the collapse of the Communist threat in Eastern Europe, but except in the vaguest terms, he did not indicate how he would help the military-related workers who have lost their livelihoods.

He spoke of how old-fashioned manufacturing jobs were being replaced by positions requiring a highly skilled work force, but he did not say what role the Government should play in training these workers in the new skills.

He said individuals and companies were hamstrung by the vast increase in their debts in the high-rolling 1980's, but he did not mention that the Federal Government's own debt under his stewardship had risen by about \$1.5 trillion.

The fourth change he listed was the shaky banking system. But he did not explain why he personally did not push the legislation his own Treasury Department sponsored unsuccessfully last year to overhaul the system.

Finally, Mr. Bush talked about America's increasing reliance on overseas economies and promised to press for new free-trade treaties. But in the next breath, he talked about a company in St. Louis that makes lights for police cars, hardly the kind of high-tech export that even Mr. Bush's own economic advisers think the nation should stress.

Repackaging Old Ideas

Mr. Bush has little choice but to try to repackage his old ideas in a new oratorical wrapping and to try to persuade voters that the economic plans of his Democratic opponent, Gov. Bill Clinton, are downright dangerous.

Excerpts From Bush's Economic Speech in Detroit

DETROIT, Sept. 10 (Reuters) — Following are excerpts from a speech by President Bush today to the Detroit Economic Club, as transcribed by Reuters:

My agenda for renewal asks that we look forward, to open new markets, prepare our people to work, strengthen our families, save and invest, so that we can win. Our renewal depends on economic growth, but growth not for the few at the expense of the many, not for the present at the expense of the future. In our country we've always prized an entrepreneurial capitalism that grows from the bottom up, not the top down, a prosperity that begins on Main Street and extends to Wall Street, not the other way around.

And that's the lesson I learned as a young man — packed up a Studebaker and moved to Texas after another war at the start of another era. I saw jobs, prosperity and an entire future built with the hands of ordinary men and women with extraordinary dreams. And our nation has never been seduced by the mirage that my opponent offers of a government that accumulates capital by taxing it and borrowing it from the people and then redistributing it according to some industrial policy.

We know that the clumsy hand of government is no match for the uplifting hand of the marketplace. My international economic and trade strategy will guarantee our position as an export superpower, extending our global economic reach in tandem with our security presence to stretch beyond our borders so that we can create more jobs within our borders. At the same time we need to foster at home the capabilities that will keep us in the lead.

Radical changes in our education system to prepare our children for a constantly changing workplace, incentives for the entrepreneurs, and

new technologies to sharpen our competitive edge — job training, health care reform — to promote the economic security of our working men and women, and new approaches for reaching out to those who have been left behind, since in the century ahead we will need the talent and the energy of every single American.

Checking Growth

And finally, because our greatest strengths flow not from government but from the personal initiative of free men and women, my agenda aims to check the growth of government and in some important ways, to reverse it. Together, the components of this new agenda should renew America according to her most cherished principles. And this renewed America will be empowered towards a grand goal — nearly double the size of our economy to \$10 trillion by the early years of the next century. To place this agenda in a larger context, let me turn briefly to five profound changes now at work in our economy.

When Americans gather around the kitchen table at night and talk about how they'll meet a mortgage or pay the doctor's bill, they're feeling these changes in their daily lives. And before the changes have run their course, they will have forever altered the way Americans buy and sell, work and create. The first great change in our economy is ironically caused by our very success in ending the cold war. In the short run, deductions in defense spending have meant painful layoffs in many industries and we are taking steps to ease this transition. But in the medium and long run, deductions in defense will free up priceless skills and technologies for peace-time growth.

Second, most of our industries are transforming themselves from old-style hierarchies into flatter organizations with fewer layers between customer and executive. The new organizations emphasize a skill-based

work force, lean production, shorter production cycles, from castings to computers. This is a revolution as dramatic as the one made earlier this century when Henry Ford led the country from craft-based production to mass manufacturing.

While these changes are essential to maintaining our competitive edge, they've come with a cost. Everyone in this room knows that. Layoffs, cutbacks among both white- and blue-collar workers. These hard-working people need reassurance not only about their economic security but about preserving the sense of self-worth that only work can provide.

The third change. While the 1980's brought us the greatest peacetime expansion in our history, the boom also led too many of us to take on too much debt. And we've been paying that down, that debt, and lower interest rates have helped us do that. And the process is largely over, but consumers and companies remain cautious.

The fourth change involves our financial system. We entered the 80's with a 50-year-old banking system designed for the days when tellers wore green eyeshades, not for an era when billions, billions of investment dollars crossed borders at the speed of light. In the late 70's record interest rates and inflation rates rocked this anachronistic system. The less efficient institutions could not survive, obligating the Federal Government to protect the savings of millions of Americans.

Now, this process of paying debt down is nearing its end. Our financial system will become more flexible and efficient, but for now lenders are cautious, and, despite low interest rates, small business can still find it hard to get the credit.

But the most far reaching of these five changes is the emergence of a global economy. No nation is an island today. One out of every six man-

ufacturing jobs is directly tied to exports. The crops sown from one out of every three acres of farmland are sold abroad.

Consider some implications of this global economy. When growth slows abroad, as it has recently, our own growth slows as well. And America will only grow in the next century if we can compete globally in every part of the world.

Today the Federal Government spends nearly 24 cents of every dollar, 24 cents of every dollar of the nation's income. And that's the fact. Government is too big and spends too much. And the size and structure of Government are relics of a different age — artifacts more suited to the dilemmas of 50 years ago than the problems of today. Every institution in our society has learned that by pushing power down through organizations, by using technology to speed the flow of information, you don't just save money, you improve productivity.

And it's time for the Government to do the same. And I will streamline the Government, consolidating agencies, tightening budgets and cutting the salaries of highly paid Federal employees. And I'll start by cutting the White House budget 33 percent if the Congress cuts its own budget by the same amount.

Cutting Taxes

Taxpayers have tightened their belts. The better paid Federal workers should do the same. The agenda I published today contains specific proposals to cut the fat, got a cap on the growth of mandatory spending, without touching Social Security, a freeze on domestic spending, a balanced budget amendment, a line item veto, and a new mechanism, disciplinary mechanism, a check off box on tax returns to give the taxpayer the power to cut the deficit.

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

VOWING A REVIVAL, PRESIDENT SETS OUT HIS ECONOMIC PLAN

'UNIFIED STRATEGY' IS GOAL

Bush Stresses Proposal to Slash
Taxes and Spending in Talk
to Detroit Executives

By MICHAEL WINES

Special to The New York Times

DETROIT, Sept. 10 — Seeking to convince the electorate that he has a coherent plan to lead the country to prosperity, President Bush today packaged his economic proposals of the last four years into what he called "a single program, a unified strategy" to revive the nation's economy.

Speaking to business leaders here, Mr. Bush promised a broad mix of tax and spending cuts, expanded social programs and new free-trade pacts, weaving a string of familiar domestic and foreign initiatives into a strategy for leading the nation into a new global economy.

"I want to stimulate entrepreneurial capitalism, not punish it; I want to empower people to make their own choices, not yoke them to new bureaucracies," the President declared. "I want a government that spends less, regulates less, and taxes less."

Thorny Topic of Debate

But while President Bush expounded on the economy, Congress and the Administration took up the issue of job losses from the North American Free Trade Agreement, proving how thorny a topic the economy can be. Labor Secretary Lynn Martin conceded that the accord could put up to 150,000 Americans out of work, while Democrats asserted that the President's plan to help them was inadequate. [Page D1.]

His speech offered neither new programs nor quick remedies for the slump that has dogged the nation for the last two years, but focused mostly on his long-term hopes for the American economy.

Its clear purpose was to outline, for the first time in the campaign, just what Mr. Bush's domestic economic philosophy is, and how it contrasts with the 22-page economic blueprint that his opponent, Gov. Bill Clinton, released in June.

Mr. Clinton said Mr. Bush's propos-

Continued on Page A30, Column 5

The New York Times

NEW YORK, FRIDAY, SEPTEMBER 11, 1992

The Republicans

President Offers a Package Of Tax and Spending Cuts

Continued From Page A1

als were simply "more of the same," and would harm the elderly, college students and disabled veterans. "What's more, the deficit would continue to grow, because this plan does nothing to control health care costs, and has a lot of accounting gimmicks in it," the Arkansas Governor said. "So this is more of the same. More tax cuts for upper-income people and more deficits and less growth. We've had this for 12 years. Now, just two months before the election, the President repackages it."

The President may have made himself vulnerable on fiscal matters today, when his press secretary, Marlin Fitzwater, sought to hedge Mr. Bush's statement the day before on whether he would raise taxes again.

Remarks by Fitzwater

At a rally in New Jersey, the President appeared to renew the explicit pledge that he made in his 1988 campaign not to raise taxes. Mr. Bush had abandoned that pledge in 1990 during negotiations with Congress on the budget, and the resulting outcry among conservatives has cost him dearly this election year.

"We do not need to raise taxes in this country," Mr. Bush said Wednesday. "I found out the hard way. I went along with one Democratic tax increase, and I'm not going to do it again — ever!"

Today, Mr. Fitzwater said Mr. Bush was not repeating his 1988 pledge. Rather, he said, he was restating his opposition to the kinds of tax increases that the Democratic Party has supported, and to which he once fell prey.

"Clinton has pledged to raise taxes, and we've pledged to cut taxes," Mr. Fitzwater said today. "We're not going to make pledges beyond our pledge to cut taxes across the board."

Asked whether Mr. Bush has ruled out Republican tax increases as well as Democratic ones, he said: "We just haven't addressed that."

The exchange produced a scornful response from the Democrats eager to pounce on every opportunity to replay the broken pledge. The Vice-Presidential candidate, Senator Al Gore of Tennessee, said: "Well, it sounds to me as if Marlin Fitzwater has learned to be a lip reader. We are now greatly in debt to Mr. Fitzwater for interpreting the President's comments. Many Americans might have otherwise been fooled this close to election time into believing that the President actually meant what he said."

In his Detroit speech today, Mr. Bush promised to submit 13 of his initiatives to Congress in the first year of a second term, and to work around Congress, through the states and foreign governments, should lawmakers balk at enacting them.

Most of the initiatives consisted of existing programs that Congress has either rejected or failed to act on. But a senior Administration official who briefed reporters on Mr. Bush's plan today insisted that that did not detract from the significance of Mr. Bush's remarks.

"The purpose of this speech, frankly, and this agenda, is not to be trying to propose magic bullets or try to throw out a set of new ideas 60 days before the election," that aide said. "Everything doesn't have to be new to be good, or to work."

The official said before the speech that Mr. Bush sought today to set a theme for a second term: that the nation must shape up domestically, weaning itself off debt and becoming better educated and healthier, if it is to retain its dominance in an economy that now knows no borders.

'We Can Change America'

The President has said as much in countless campaign speeches and in his State of the Union Message last January, arguing that "if we can change the world, we can change America." But public opinion surveys suggest that his campaign has not succeeded in convincing voters that the White House actually had a concept of how American should change.

"Many people have said in the past that candidates don't go out and ask for a mandate," one aide said today. "That won't be the case in this campaign. There are 13 things that he wants to get done. And frankly, by putting them out, by running on them, by talking about them before the speech, by talking about them after the speech, he's trying to build support for that agenda."

Mr. Bush sought to highlight distinctions between his economic ideas and those of Mr. Clinton, who advocates raising taxes on the wealthy and on corporations and spending \$220 billion on education, public-works projects and technology to build a base for new business growth.

"Our nation has never been seduced by the mirage that my opponent offers, of a government that accumulates capital by taxing it and borrowing it from

Bush tries to outline how he differs from Clinton.

the people, and then redistributing it, according to some industrial policy," he said. "We know that the clumsy hand of government is no match for the uplifting hand of the marketplace."

Tilt Toward Tax Cuts

The agenda that Mr. Bush outlined today, in a 40-minute address to the Economic Club of Detroit, includes some increases in Federal social programs like job training and education to help build a better work force. But it is tilted heavily toward cutting taxes, government spending, and regulation, and freeing that money for people and businesses to use as they wish.

These were among Mr. Bush's proposals today:

• A tax cut, tied to spending cuts, in the first year of a second term. This updated the pledge he first made in his speech at the Republican convention in Houston by placing a time limit on it. He refused to say which taxes he would cut, and by how much, but did suggest that he could cut the income tax by one percentage point, reduce the tax on small business by one-third and reduce the tax on capital gains if Congress were to enact \$132 million in Federal spending cuts that he already has proposed.

• A reduction in the White House budget by one-third if Congress agrees to a similar 33 percent reduction in its operating budget.

• A plan to streamline the executive branch bureaucracy, largely by merging and abolishing outdated agencies. Aides said no such blueprint had yet been devised, but Mr. Bush suggested that the Arms Control and Disarmament Agency was one candidate for change in a post-cold war world. And an aide seemed to indicate the Federal Emergency Management Agency — the butt of criticism in the wake of Hurricane Andrew's devastation in Florida and Louisiana — might be another.

Mr. Bush's aides said they hoped that today's speech would bolster the President's case for re-election in at least two important ways. One is by turning Mr. Bush's strong suit, his foreign-policy expertise, to domestic political advantage in a shrinking world.