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Folder ID Number: 90742-002

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

Stack:	Row:	Section:	Shelf:	Position:
G	35	2	7	0

WHITE HOUSE STAFFING MEMORANDUM

R2

12/9/92

DATE: _____ ACTION/CONCURRENCE/COMMENT DUE BY: _____

PRESIDENTIAL REMARKS: NATIONAL MEDAL OF FREEDOM AWARDS
FRIDAY, DECEMBER 11, 1992

SUBJECT: _____

ROSE GARDEN

	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	☐	☒	MCGROARTY	☐	☒
HOLIDAY	☐	☒	FIRESTONE	☐	☒
HORNER	☐	☐		☐	☐

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

December 8, 1992

12 DEC 9 11:58

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAN MC GROARTY
FROM: ED WALTERS 
SUBJECT: PROPOSED REMARKS FOR NATIONAL MEDAL OF FREEDOM
AWARDS

I. SUMMARY

On Friday, December 11, you will deliver remarks to recipients of the National Medal of Freedom in the Rose Garden.

II. DISCUSSION

Your remarks, (approximately 7 minutes / cards), herald this unprecedented era of political freedom worldwide and acknowledge the ten award winners for their contributions to freedom.

(Walters/Smith)
December 9, 1992
Draft Two
[MEDAL]

PRESIDENTIAL REMARKS: MEDAL OF FREEDOM AWARDS
DECEMBER 11, 1992, TIME T.B.A

[Acknowledgements] Thank you all for coming and welcome to the White House. [[I'm going to keep this short today, because afterwards, Richard Petty and I are going to take a few laps around the ellipse in Number 43.]]

One of the great privileges of being America's President is being able to recognize some of our finest Americans. And that is exactly what I am doing today by awarding the National Medal of Freedom to ten people who have made extraordinary contributions to our Nation.

Today, freedom is mankind's north star, and I'm grateful that more people have breathed their first breath of freedom over the last four years than at any time in history. //

The great question of the Cold War was whether people would put their faith in the state, or in themselves. Freedom won, and America enjoys the fruits of victory as people around the world join in the great democratic experiment we began 216 years ago.

History honors those people who wrest the torch of freedom from the hands of their oppressors. // But in America, that torch lies safely in the hands of the people, and the Medal of Freedom honors those who carry that torch. Our light of freedom is bright enough to light the world.

Today, every man on the street in Moscow realizes what Americans have always understood -- it is human nature to be free. Just as nature abhors a vacuum, so does human nature abhor the absence of freedom. So today we celebrate the triumph of freedom by recognizing ten American greats who have set an example for the world.

The National Medal of Freedom was conceived by President John F. Kennedy -- who, tragically, did not live to award it. When President Johnson awarded the medal to its first recipients, he said that President Kennedy had intended the awards as -- and I quote -- "a means of national thanks and encouragement for the selfless effort and the brilliant task." In a sense, he was talking about what I call a Point of Light, because the definition of a successful life must include serving others.

America's greatness lies not in its government, but in its people. It is not enough to be free; we must serve each other. Each of today's award winners understands this. // Each is a great American.

Their names read like a roll call of American heroes. Harry Shlaudeman, a tireless crusader for democracy who came out of retirement two years ago to ensure Nicaragua's peaceful transition to democracy. David Brinkley, the elder statesman of broadcast journalism. Richard Petty, who rose from humble beginnings in Level Cross, North Carolina, to become the King of stock car racing.

General John M. Vessey was the ultimate never-say-die soldier -- the last four-star combat veteran of World War II to retire. General Vessey came out of retirement to counsel President Reagan and me and to help us reach full accounting of all our Vietnam veterans. Elie Wiesel is another type of veteran of World War II, who survived the Holocaust and still today keeps watch against the forces of hatred. Isaac Stern, one of the greatest violinists of our time who has brought music to countless others, and I. M. Pei, the modernist architect whose work graces skylines worldwide.

To much of America, Johnny Carson was late night TV. He's put America to sleep for 30 years. [[And Johnny, I don't care what you say, I still think Dana Carvey does a better impersonation of you than he does of me.]]

And finally, two special medal recipients who could not be with us today. By doctors' orders, Ella Fitzgerald and Audrey Hepburn are unable to join us. Ella Fitzgerald has changed the face of jazz since she was discovered as a teenager -- she is an American music legend. And Audrey Hepburn, whose acting career put her among our most talented artists, but whose work with the International Children's Emergency Fund put her in our hearts. I wish they could join us today so that I recognize them personally, on behalf of our nation.

Today we reward your greatness with America's highest civilian honor, the National Medal of Freedom. You will join the ranks of our Nation's greatest heroes, public servants, scholars,

and entertainers. If you will please step forward to receive your medal as my military aide reads the citation:

[Military aide reads citations of medal winners, who receive the awards.]

That concludes the ceremony. It's a pleasure for [[Barbara and]] me to be in your company, and on behalf of the nation, you have our sincere gratitude. Thank you all for coming.

THE WHITE HOUSE
WASHINGTON

DATE: 12/11/92

TO: *files*

FROM: ROSE ZAMARIA
Deputy Assistant to the President

*Rz talked with Davis
Laughter. Told him
President received his
letter and is so sorry
he can't help him. With
so many others in the
same position he just doesn't
have any leads at this time
etc.*

DAVID C. LAUGHTER

1529 Hardwood Lane
McLean, Virginia 22101
(703) 532-9064

December 8, 1992

The Honorable George Bush
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20005

Dear Mr. President,

I am writing to ask you for assistance to aid me in finding employment. Our family business that was located in Ohio closed its doors last winter, which left my family in a difficult financial situation. Being new to this area has made it somewhat hard to make the proper contacts to pursue a new career.

Also, I want to thank you for giving me the opportunity to serve with your Administration. This is one experience I will always treasure.

Recently, President Ford sent me a letter of recommendation. I thought you would like to have a copy.

My mother and father mentioned they will be with you and Mrs. Bush next week at the White House. They really enjoyed the kind letter which was received last week.

Thanks again for all of the thoughtful considerations you have extended to the Laughter Family.

Sincerely,



DAVID C. LAUGHTER



GERALD R. FORD

November 30, 1992

Dear David:

I am pleased to write a letter of recommendation inasmuch as I have known you well for many years and worked with you on numerous projects.

I can strongly vouch for your integrity, high moral standards, hard working habits and good judgement. You have an excellent personality and the ability to work effectively with your associates.

I have been impressed with your organizational competence in the world of business.

I will be glad to respond to anyone wishing a more detailed endorsement.

Warmest, best wishes,

A handwritten signature in cursive script that reads "Gerald R. Ford".

Mr. David C. Laughter
1529 Hardwood Lane
McLean, Virginia 22101



Mr. President:

Elizabeth Dole called. She was on her way to Somalia. She was requesting an off the record meeting with you when she returns either December 21 or 22. Bob Dole would accompany her and perhaps one other Senator.

Does not want it known and asked that we not disclose it.

Assured her we would accommodate her wishes, etc., and asked her office to get back with us when they know the definite date of her return.

IS THIS OK WITH YOU?

YES ☒ NO ☐

9

12/11/92

BUSH LIBRARY PHOTOCOPY - George Bush Handwriting

FROM THE PRESIDENT

MATERIALS FORWARDED TO THE PRESIDENT
December 11, 1992

ACTION

1. Mail Sample.
2. Personnel Selection: Thomas Jefferson Commemoration Commission.
3. Memorandum for the Postmaster General.

CLASSIFIED

INFORMATION

REMARKS

1. Medal of Freedom Ceremony -- Cards.
2. White House Military Ceremony.

~~SCHEDULE~~

~~And accompanying briefing papers~~



THE PRESIDENT

12-11-92

Dear Len,

Yes the Gamuts are
impassioned - wonderfully so.
I regret that Willis Conover
didn't make the cut. I
now share - Bill feel

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Leonard Garment
Senior Partner
Dickstein, Shapiro & Morin
2101 "L" Street, N.W.
Washington, D.C. 20037

he's so worthy.

Sony —

Happy Holidays

LG

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

The Honorable Leonard Garment
Senior Partner
Dickstein, Shapiro & Morin
2101 "L" Street, N.W.
Washington, D.C. 20037

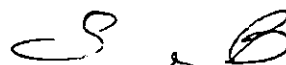
*(G.D. with impressionable mail from a
cousin, an editor at USA TODAY.
(all Garments are "impressionable",*

TO: Leonard Garment *As ever, Len*
FROM: Stephen Garment (USA Today)
Bill Gavin (Bob Michel's Assistant)

As you know, Willis Conover did not make the first cut on the Medal of Freedom. I plead with you to keep the case alive with George Bush. I'm confident that if the President knew Willis' contribution to the downfall of Communism, he would award Willis the Medal of Freedom without batting an eye. I'm confident that if the President knew Willis' contribution to the end of segregation, he would award Willis the Medal of Freedom. I'm confident that if the President knew that Willis has been The United States to more than 100 million listeners a week, around the world, for 37 years, he would award Willis the Medal of Freedom. I'm sure that the President, personally, would recognize all this. But filtered through his staff (doing their difficult job of reviewing masses of proposed candidates), he very likely does not know.

I'll never forget lying on my Army cot in the dark of rural France listening to Willis Conover's show. I cannot possibly express how much Willis and the American jazz and folk music he broadcast meant to me, so far from home. By initiating this request to President Bush to honor Willis Conover, Bob Michel was speaking for millions of people who are not part of a U.S. voting constituency, who don't believe they have the power or right to ask President Bush to take this action. Please, Len, take whatever action is appropriate and effective so

that President George Bush acknowledges the contribution Willis Conover has made to the United States, to the world and to history, by awarding him the Medal of Freedom. He owes it to himself and his presidency to do this parting deed. (Johnny Carson, et al., are wonderful popular performers, but comparing them to Willis is like comparing Harry Connick to Duke Ellington).



Steve and Bill



THE PRESIDENT

12-11-92

Dear special Grace -

I really loved your letter about Mum. Oh how I loved her. She was our quiet leader our compass.

I am going to miss you very much. One of my very

special treasures is the love I feel in my heart for you.

OK, now shall I call the Justice? I gather there is no need to do that.

Devotedly,
AB

Miss Grace M. Holden
Apartment #4
5000 Columbia Pike
Arlington, Virginia 22204

cc: (in & out)
Rose Zamaria (3cc)

Dec. 1

Dearest Uncle George,

This is a hard and sad time, isn't it? I'm terribly sorry about your mother's death. She was truly a remarkable woman. Graciousness is the word that most comes to my mind when I think of her: she just had a beautiful, gracious way about her. And she was as strong a woman as she was warm. I'll always remember + miss the special way she had of talking. Ganni has told me many times of how she always looked up to Dotty from the time she was a little girl - so many people feel that way: I certainly do.

Selfishly I'll miss the special times I've had with you, and your thoughtfulness to include me in the excitement of your life (including trying to fix me up with Justice Sauter!) + for giving me a number of treasured memories. Your affection means a lot to me. (Ganni thinks your attention is to credit for what she thinks is increased self-confidence on my part!)

I'll miss seeing you as much as I have. And I'll always love you. Grace

Uncle George, I can sense from the newspapers what a painful time this is for you - and how could it not be? I feel for you in this time of change + loss, and I want to remind you that so many, many people love you + admire you, and you have such an incredible energy + capacity to connect with people and I know you have many happy + fulfilling times ahead, as well as feeling great pride in all you've accomplished.



THE PRESIDENT

12-11-92

Dear Lacey,

Thanks for that loving
letter about Mother -

Dor - I saw her just
a few hours before she went
to heaven. I'll never forget

it, because as I sat there
everything about her life
went through my mind -
everything about her was
perfect - Thanks, Lacey -

Love
R. B.

Mrs. Dale F. Dorn
1401 Langley Place
McLean, Virginia 22101

cc: (in & out)
Rose Zamaria (2cc)

LACEY NEUHAUS DORN

Dear Bar and George,

The news of your loss brought great sadness to me as memories of Mrs. Bush sprang to my mind in a fond rush.

I remember the enormous pride I felt as a girl, stepping onto the same tennis court in Houston with her. She played with such grace and vivid spirit,

while remaining so very inviting to me, that she became my favorite image of the best a "most grown-up" woman could be. The retiring versions of "grandmothers" never again haunted me.

In later years, when Bar offered comfort to me in the in-law troubles of Jan Warner's parents, I marvelled at the

LACEY NEUHAUS DORN

great affection and allegiance Mrs. Bush had earned from her. And I found true solace in her encouragement.

You will certainly miss her, but I am very glad she lived to see you each live as true examples of human dignity in our modern world. I am very sorry she is gone. With love, Lacey



THE PRESIDENT

December 11, 1992

daily

Dear Carl,

Jeb passed along the book, My Utmost for His Highest, with your very nice letter. I'm delighted to have it and appreciate your thoughtfulness. This has been a tough year in many ways, but the kindness from people like you always makes things brighter. Many thanks!

Barbara and I send our sincere appreciation to you and your family for your wonderful support and wish you all the happiest holiday season.

Sincerely,

THE WHITE HOUSE

Dr. Carl M. Kuttler, Jr.
President
St. Petersburg Junior College
Post Office Box 13489
St. Petersburg, Florida 33733

CC: (in & out):
Rose Zamaria (2cc)



JEB BUSH, CODINA•BUSH GROUP

Dear Dad,

This was given to me
by a friend of yours...
at least this is what
he claimed. Love, Jeff



ST. PETERSBURG JUNIOR COLLEGE
DISTRICT OFFICE

CARL M. KUTTLER, JR.
PRESIDENT

JUNIOR COLLEGE

8580 - 66TH STREET N., PINELLAS PARK
(813) 341-3241 FAX (813) 341-3318

MAILING ADDRESS
P.O. BOX 13489, ST. PETERSBURG, FL 33733

11-25-92

My dear Mr. President,

Four years ago I had the privilege of heading up your election efforts for President with America's 1300+ community colleges. In 1974 I lost the election for Florida State Commissioner of Education.

The enclosed devotional helped me get through it. The former Chaplain of the U.S. Senate said "it is the most profound book other than the scriptures" ever written.

Our family admires you & loves you. I hope the

District Office: 8580 - 66th Street North, Pinellas Park, FL (813) 341-3241
MAILING ADDRESS: Post Office Box 13489, St. Petersburg, FL 33733

AN EQUAL ACCESS/EQUAL OPPORTUNITY INSTITUTION

inspiration you find
herein will help in the
days ahead.

Carl

THE WHITE HOUSE

WASHINGTON

TELEPHONE MEMORANDUM

PRESIDENT BUSH

DECEMBER 11th, 1992

	TIME		NAME	ACTION
	PLACED	DISC		
OUT	7:17 AM	7:17	MR. GARY WALTERS OFC: WASHINGTON, D.C. WHITE HOUSE ADMIN EXT. 780	TLKD-OK 7:17 A.M.
~~INC~~	~~XPM~~			
OUT	AM			
INC	PM		MR. TIM TIMPKEN CANTON, OH. 216-471-4004	SECRETARY MS. JUDY MC CONNELL TLKD WITH MRS. ROBIN A. MAC LEAN 2:13 P.M.
~~OUT~~	~~XAM~~			
INC	2:13 PM			
OUT	AM			
INC	PM			
OUT	AM			
INC	PM		MR. JAMES W. CICCONI OFC: WASHINGTON, D.C. 202-887-4004	CLEARED BY MRS: ROSE M. ZAMARIA 2:21 P.M. TLKD-OK 2:21 P.M.
~~OUT~~	~~XAM~~			
INC	2:21 PM	2:22		
OUT	AM			
INC	PM			
OUT	AM			
INC	PM		MR. BILL HYBL COLORADO SPRINGS, CO. 719-577-5712	TLKD-OK 2:48 P.M.
~~OUT~~	~~XAM~~			
INC	2:41 PM	2:50		
OUT	AM			
INC	PM			
OUT	AM			
INC	PM		MR. TIM TIMPKEN CANTON, OH. 216-471-4004	TLKD-OK 2:52 P.M.
~~OUT~~	~~XAM~~			
INC	2:41 PM	2:56		
OUT	AM			
INC	PM			

WASHINGTON

PRESIDENT BUSH

[illegible]

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

	TIME		NAME	ACTION
	PLACED	DISC		
XXX INC	AM 7:25 PM		Mr. Arthur Fletcher Residence, Washington, D.C. 554-0573	WCL 7:27 PM
OUT XXX	AM 9:51 PM		LTCOL Paula K. Trivette Sycamore Cabin, Camp David, Maryland Camp David Signal 4-1736	PRESUS Cancel 9:52 PM
OUT INC	AM PM			
OUT INC	AM PM			
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OUT INC	AM			
OUT INC	AM PM			

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.
Camp David, Maryland

DATE 11 December 1992

TIME	MOVEMENTS
0705	South Grounds
0711	Oval Office
0905	South Grounds
0906	Depart South Grounds via Motorcade
0913	Arrive Washington Hilton Hotel
0930	Depart Washington Hilton Hotel via Motorcade
0935	Arrive South Grounds
0936	Oval Office
1044	State Floor
1332	Doctor's Office
1344	Oval Office
1618	North Grounds (LOW KEY)
1620	Depart North Grounds via Motorcade (LOW KEY)
1622	Arrive Blair House (LOW KEY)
1740	Depart Blair House via Motorcade
1921	Arrive Camp David



THE PRESIDENT

December 11, 1992

daily

Dear Beth and Mike,

Thanks so much for your caring letter about my mother. She was my mentor and my inspiration in many ways. Now she is in heaven and in God's loving arms.

I really appreciate your kind words. Barbara and I are winding down and getting ready to shift gears to private life. Thanks for the invitation to visit the Pro-Football Hall of Fame with you and Beth. It's too early to make any plans, but I'll certainly keep it in mind. Best wishes to you both for a wonderful holiday season.

Sincerely,

THE WHITE HOUSE

Mr. and Mrs. Mike Paynter
The Cake Box Bakery
921 12th Street, N.W.
Canton, Ohio 44703

cc: R.Zamaria
in/out, 3 copies

Mike Paynter
921 12th St. N.W.
Canton, OH 44703
November 22, 1992

Dear President Bush,

Beth and I wish to express our deepest sympathy to you and Mrs. Bush at the loss of your mother. Until three years ago when I lost my dad, I could not know the emptiness you feel now. As good christians we know that she is with God. It was three years ago that you made my dad's last three weeks quite memorable to him and my mother by your kind telegram and letter before he passed away. Again thank you for being a kind and gentle person.

It was an honor to share a few minutes with General Scowcroft's staff last October 13 and with him at Akron-Canton Airport on your last day of the campaign. I hope the Key Lime Pies were as good as the ones Beth and I had for you on your visits to the Florida Keys.

We are proud to have had you for our President the last four years. I feel the country will feel the same in the months and years to come. You are the most kind and decent man to have ever served as President of these United States.

Please give our regards to General Scowcroft and his staff. And a hearty thanks goes to Robin for her helping us catch up with your plane on the last day of the campaign. May God watch over you and Mrs. Bush in the years to come.

Sincerely,



Mike Paynter

President George Bush
Washington, DC 20500

P.S. I would like to extend a warm (open) invitation to visit the Pro Football Hall of Fame with Beth + me.



THE PRESIDENT

Dec. 11, 1992

Dear Billy,

The letter you wrote about my mother really touched my heart. You know better than most how close she was to all of us - what her

quiet kindness meant to us all.

Thanks, Billy, for that and for your commits on the election.

On Jan 20th it's back to Texas. I don't want to lose track of those 2 great kids of yours - I won't. Love to Linda & Hugs
Aunt Ed

Mr. Bill LeBlond
17 Stonybrook Road
Cape Elizabeth, Maine 04107

cc: (in & out)
Rose Zamaria (2cc)

Bill LeBlond

12/1/92

Dear Mr. Bush,

I am writing of just to tell you how sorry I was to hear about Ganny. She will be always remembered as a great lady who always inspired us. My simple memory of Ganny was seeing her at courtside watching in amazement at people playing in competition. I guess she will always be with us at our courtsides.

Linda & I always supported you and your campaign and are now just starting to accept the outcome. Tears were shed but

Bill LeBlond

now have subsided. My hat
is off to you and what you
have accomplished in your life
so far. Sam & Ellie are extremely
lucky to have a grandfather
as thoughtful and kind
as you. I wish you all
the luck in the world in
the days and years ahead.

Sincerely yours,

Billy



THE PRESIDENT

12-11-92

Dear Sandy,
You're on !! Fishing
will prove to be the answer
and now I'll have more time!
I loved your letter about
Mum and I love you -
Agg

THE WHITE HOUSE

Mrs. Barrington Boardman
Post Office Box 912
Beaufort, South Carolina 29902

cc: (in & out)
Rose Zamaria (2cc)

ms

Bary Boardman

Box 192

BEAUFORT, SOUTH CAROLINA 29902

SDB

Dec 1

Dear Mr Pres -

I was so saddened last week to learn of your mother's passing and wanted to send you my sympathy - and love. I know how she suffered in her later years and yet on the occasions when I saw her she was unfailingly in good spirits. What

a truly great woman she was.

Now ... about next summer... let's
fish alot!! Barry and I are devastated that
you won't be occupying the big house in D.C.,
but selfishly I can't wait to spend hours
fishing with you up and down the coast. Did
you hear about all the big tuna that were
brought into the 'port last August? I've
gotten to know a few people in town with
tuna boats and I'm sure they'd be happy

my Barry B and me
BEAUFORT, SC

SL
to have us go out with
tuna, the shippers
have a bug
for it

ms
Barry Boardman Box 192
BEAUFORT, SOUTH C

SDB

to have us go out with them. Between the
tuna, the shippers and the blues we could
have a busy time on the ocean - lets go
for it!!!

With very best wishes to and Bar
and a Merry Christmas

Sandy



THE PRESIDENT

December 11, 1992

Dear Ms. Kriticos,

Thank you for your letter of November 18 expressing your interest in working for me in Houston. I plan to take a few people from my Washington staff and will rely heavily on volunteers in Houston. I appreciate your interest, but until we return home and get set up, it is difficult to know what my needs will be. I will keep your resume on file should we have any positions in the future.

Good luck and best wishes.

Sincerely,

THE WHITE HOUSE

Ms. V. Carrol Kriticos
3206 Bluebonnet Meadows Lane
Houston, Texas 77084

Recd

(MC) V. Carrol Kriticos
3206 Bluebonnet Meadows Lane
Home Phone: 579-9346
Work Phone: 888-2859

Green

November 18, 1992

President George Bush
Houstonian Hotel
111 N. Post Oak Lane
Houston, Texas 77024

Dear Mr. President,

I would like to be considered for a position on your staff upon your return to Houston. The enclosed resume will furnish you with information concerning some of my qualifications and professional highlights.

I am seeking a position that will capitalize the skills I have developed through my education, experience and proven capabilities.

Although my resume clearly presents most of my overall qualifications as well as recent accomplishments, I would welcome the opportunity to discuss with you how my specific skills can be a great asset to you as you move into this new phase of your career. I understand that there would probably be additional in-depth investigations of my personal and professional life.

If an interview is agreeable to you, please contact me at your convenience. I can be reached at either of the phone numbers listed above.

Thank you for your time and consideration of the enclosed resume. I look forward to hearing from you.

Sincerely,

V. Carrol Kriticos

V. Carrol Kriticos

V. CARROL KRITICOS
3206 Bluebonnet Meadows Lane
Houston, Texas 77084
(713) 579-9346

CAREER OBJECTIVE:

Opportunity to use my skills in management to contribute to the growth and quality of an organization.

SUMMARY:

Accomplished manager with 18 years experience. The last seven in the Mortgage Banking field. Extensive background in organization and planning. Proven ability to interface with upper management and subordinates, as well as personnel from outside corporations.

CAREER RECORD:

Cogent Corporation

08/91-Present

Consumer Relations Supervisor/RTC

Current responsibilities:

- Designing forms, letters, reports, and memorandum for customer service section. Preparation of weekly management reports.
- Developing and implementing policies and procedures for customer service section, information retention, and special projects as assigned.
- Editing responses to Congressional and Public Inquiries.
- Tracking problem issues by interacting with other RTC departments and outside contractors.
- Providing advice and solutions to management to correct systemic problems.
- Supervising and training staff to resolve customer service issues following RTC parameters.

Consultant

04/90 - 08/91

- Performed due diligence on Residential and Commercial loans. Evaluated employee quality, production and procedures.

General Mortgage Service Company
(Formerly known as North American Mortgage Company)

08/85 - 04/90

Vice President

- Directed the closing of the Quality Services Division which included assuming the functions of seven departments to handle their functions, phasing out their responsibilities, encompassing projects such as loan documentation and final pool certification.

- Conferred with attorneys nationwide concerning the best way to correct security instruments to meet with state requirements. Supervised and tracked the correcting of errors on Mortgage Notes, Deeds of Trust, Mortgagee's Title Policies and Assignments.
- Researched the correct legal assignment format for 27 different states and supervised the internal system changes needed to meet those requirements.
- Assisted in Pool Certification by sending written letter of explanation to custodian, to clarify different company and/or state practices regarding documentation.
- Managed the acquisition of over 2,000 outstanding loan file documents. Worked with investors to replace over 300 documents lost by custodian bank.
- Established procedures for the completion and archiving of branch files for all loan production branches.
- Interacted with FNMA and HUD auditors examining corporation's compliance with agency regulations. Received letter of recognition from FNMA for total compliance.

**Assistant VP/Manager
NAMC Closing Review Department**

1986 - 1988

- Created and established the Closing Review Department which included the following: Developed and implemented guidelines, procedures, job descriptions, software and reports.
- Department processed between 1,000 to 1,600 files a month, tracking missing documents and information needed for completion of loan files.
- Visited branch offices to ensure new policies and procedures concerning loan programs were fully understood and being practiced. Monitored and reported branch production irregularities.
- Implemented Computerized File Tracking System, cutting time taken to locate files by 60%.
- Reorganized National loan file retention area, including redefining job responsibilities and implementing new security measures.
- Redesigned format and procedures for preparation of loan set-up documents needed for servicing departments.

Loan Shipper - NAMC

1985 - 1986

Office Manager

- Directed the closing of the agency, handled accounts payable and receivable, and the weekly reporting to federal agencies.

PREVIOUS EXPERIENCE:

A series of management positions within the Food and Beverage and Hotel industries, including:

- George's Seven Fathoms Restaurant
- The Rubiayat Restaurant
- Islander Beach Hotel

EDUCATION AND PROFESSIONAL DEVELOPMENT:

- Managing Multiple Priorities
- Xcellence Critical Skills for Supervision
- Symphony Software Computer Training
- Olivet Nazarene University - Kankakee, Illinois



THE PRESIDENT

Dec 11, 1992

Dear Gene,

Frank Spell brought me
that wonderful keep-sake - the
autographed football; and he
conveyed your best wishes.
Thanks for both.

Needless to say I've
watched with admiration
and great pride as the
Crimson Tide rolls on.

Again, my thanks and
warm best wishes -

P.S. Here's a card *By Bud*
from our family to yours.

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Gene Stallings
Head Football Coach
Athletic Department
The University of Alabama
Box 870323
Tuscaloosa, Alabama 35487-0323

cc: (in & out)
Rose Zamaria (lcc)
Jan Burmeister (PRIV)

THE WHITE HOUSE
MRS. BUSH'S PRESS OFFICE

DAILY PRESS CLIPPINGS

Friday, December 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)

Wed 9-Dec-92 15:48 EST

Bush Keeps Low Profile as Marines Land in Somalia

By HARRY F. ROSENTHAL

Associated Press Writer

WASHINGTON (AP) — When American troops landed to liberate Kuwait, the lights burned early and late in the White House as George Bush demonstrated that he was very much a hands-on commander-in chief.

Not so now that U.S. forces are in Somalia.

Tuesday night, after Marines came ashore without a hostile response, it fell to Press Secretary Marlin Fitzwater to issue a statement that "President Bush is pleased by the success of the initial landing phase."

Fitzwater said Bush was being kept current "on a regular basis." That meant a call before he went to bed and another after he arose, but no messages in between.

When Operation Desert Storm began, the president went on television to reassure the American people. In the current operation, Bush made a midday speech on TV Friday explaining why it was necessary for the United States to undertake the humanitarian mission.

As his time in office dwindles, Bush has become less visible day-by-day. Part of it, say his aides, is the president's wish not to steal the spotlight from President-elect Clinton.

One way Bush is achieving that is not to invite reporters into the Oval Office as he begins his relatively few meetings. The "photo opportunity," when there is one, is restricted to photographers. Reporters are excluded.

In mid-afternoon on Wednesday, the president decided to play tennis in Arlington, Va., with two aides and a former aide. A "pool" of reporters and photographers was quickly assembled, but the president had already left. That rarely happened before the election.

Bush has taken part in few public events since he lost the election a month ago but he's not a recluse. Mrs. Bush has taken strong exception to reports that her husband was despondent, saying, "He's had great spirits the whole time."

Bush went to the Navy Memorial on Monday to commemorate the Pearl Harbor anniversary. Each night this week, he has invited hundreds of people to the White House for Christmas parties where he and Mrs. Bush not only greet guests but circulate among them.

Other things are done behind closed doors. No news coverage was permitted Wednesday at a ceremony at which Bush signed a proclamation declaring Jan. 16 to be Religious Freedom Day. The Bush White House of old would have been eager to help Bush's remarks get wide circulation.

Fitzwater has said that these days are devoted to closing out the administration, not to making news.

NEW YORK NEWSDAY, THURSDAY, DECEMBER 10, 1992

In Like Clin, Out Like Bush

Tragically, Barbara Bush is showing more taste in vacating the White House than Nancy Reagan did. We loved that Nancy refused to get out until she was practically handed an eviction notice (the one that turned her from power-behind-the-throne to just another anorexic lady in an expensive suit). The Bushes, in fact, are actually hosting a reception for the Clintons and Gores at the White House on the morning of the swearing-in (Jan. 20). Or so we hear. And on the 21st, the Clintons are supposedly having a brunch for folks who have contributed 10 Gs or more to the Democratic National Committee. It's all very civilized. How we'll miss those Quayle family Christmas cards with three or more misspellings. How we'll miss getting a copy of Dan's personal invitation to dead Leonard Bernstein to perform at The White House. How we'll miss Bush's mixed metaphors. A tragic loss to our country. A tragic loss to our column.

12/10/92

Books, Books and More Books: Clinton an Omnivorous Reader

By WILLIAM H. HONAN

Special to The New York Times

LITTLE ROCK, Ark. — If there is still considerable uncertainty about the changes President-elect Bill Clinton intends to make after his inauguration on Jan. 20, at least one is now virtually carved in mahogany: there will be more bookshelves in the White House.

After Barbara Bush gave Hillary Clinton a tour of the private quarters at 1600 Pennsylvania Avenue last month, Mrs. Clinton exclaimed to her friends here: "There aren't enough bookshelves!" She vowed to correct the situation.

The change will be perfectly in character. The Clintons added bookshelves to the Governor's Mansion here in Little Rock in 1979 after they moved in. When compelled to vacate, they constructed bookshelves in the house they bought on Midland Avenue; and when they returned to the mansion in 1983, they added more bookshelves.

The Clintons read books of all sorts, from Churchill to Clancy and from Lincoln to Ludlum. And that is the most striking feature of a cultural profile of the first-family-to-be pieced together in recent days from the recollections of longtime friends and associates.

In addition to his bibliophilia, the President-elect loves to sing, calls himself a movie addict and once in his youth considered becoming a professional jazz musician. Mrs. Clinton, who jokes with friends about her in-

ability to carry a tune, prefers classical music to pop.

Of course, bookishness and other cultural interests are no index to success in politics. In fact, most political leaders prefer oral briefings to reading at length for themselves, and at least one, Adlai E. Stevenson, was seriously wounded by being caricatured as an egghead. But in modern times, such interests put Mr. Clinton in the company of, say, Woodrow Wilson, Franklin D. Roosevelt, Harry S. Truman and John F. Kennedy.

Ann McCoy, administrator of the Governor's Mansion, said that the Clintons' private library on the second floor, together with about a dozen still unopened book boxes in the attic, numbered about 4,500 volumes.

Deborah Sale, a senior adviser who has known Mr. Clinton since their high school days in Hot Springs, said that during the campaign, when a voter asked Mr. Clinton whether it was true that he had read 300 books in one year, he replied with a laugh: "That was in 1982 when I didn't have much else to do." Mr. Clinton had been defeated the previous year in his campaign for re-election.

Carolyn Staley, Mr. Clinton's next-door neighbor when he lived in Hot Springs and a close friend, said he would read at least four or five books a week.

Carol Allin, who ran the now-defunct Capitol Book Store here for 11 years, said Mr. Clinton used to browse in her shop about once a month and "never left without an armful of books." Such avid reading habits make Mr. Clinton seem posi-

tively erudite compared to George Bush, who appeared to freeze when asked on television in 1984 to name a book he had recently read. Eventually, Mr. Bush mentioned a 22-year-old best seller, "The Guns of August," by Barbara Tuchman.

Last summer, Dee Dee Myers, Mr. Clinton's chief spokeswoman, caused a stir — and aroused some skepticism — when she reported that her boss's current favorite was the "Meditations" of Marcus Aurelius, which he reread every year or two.

The "Meditations" are not much of a reach for a present-day politician. Marcus Aurelius was a second-century Roman emperor whose victories were mostly undone (among other things, his conquering troops brought home a plague), and who consoled himself with the mind-over-matter Stoicism exemplified by statements like, "Do not think yourself hurt and you remain unhurt."

Another favorite of the Governor's, his aides say, is the Colombian novelist Gabriel García Márquez's challenging "One Hundred Years of Solitude," a fantasy that conjures a phantasmagorical Latin America.

Mr. Clinton also reads books and periodicals in German, a skill he acquired as an undergraduate at Georgetown University, said Betsy Wright, his former chief of staff. The President-elect has been sending his daughter, Chelsea, to a German-speaking summer camp in Minnesota for the last four or five years, she said, and he makes a point of spend-

Continued on Page C18

Books, Books, Books: Clinton an Avid Reader

Continued From Page C15

ing time conversing with her in German.

Rather than concentrate on one book at a time, aides say, Mr. Clinton usually reads several simultaneously, gulping down literary caviar and pretzels with the same enthusiasm. A typical load of books in the bag of reading material he travels with would include the latest Walter Mosley murder mystery, a biography of Lincoln or Churchill, a pop futurology selection like "Megatrends," a serious treatise on world economics like "Head to Head," by Lester Thurow, and a collection of Plato's Dialogues.

Indeed, Mr. Clinton appears to be almost obsessive about his cultural intake. Beverly Lindsey, a former director of the Arkansas Arts Council and a close Clinton friend, said that last week the President-elect and a group of friends watched "High Noon." Afterward, she said, he told the group it was the 19th time he had seen the movie, and then began describing the other occasions.

Ms. Wright said that Mr. Clinton had a prodigious memory for characters, actors, directors, situations and punchlines in books and movies.

Mrs. Lindsey acknowledged that much of the President-elect's reading was what she and her husband called "grocery store trash" like the techno thrillers of Tom Clancy and Robert Ludlum.

Mrs. Clinton, Mrs. Lindsey said, is a more consistently serious reader, devoting herself to law journals and recently Chaim Potok's 1967 best seller, "The Chosen."

Aides who travel with Mr. Clinton also describe him as a crossword puzzle addict who works the puzzles out with a pen rather than a pencil and completes them in record time.

Ell Segal, Mr. Clinton's chief financial adviser, said that he took Mr. Clinton to the New York office of Games Magazine, a crossword puzzle bimonthly he publishes, and had the editor clock Mr. Clinton in working out one of the toughest puzzles.

The President-elect is said to read everything, sometimes all at once.

"He completed it in seven minutes," Mr. Segal said. "That's championship time."

Not everyone who knows Mr. Clinton is captivated by his reputation as a book person. Paul Greenberg, the

editorial page editor of The Arkansas Democrat-Gazette, said that Mr. Clinton regarded all culture as "ornamental rather than influential."

Responding to the reports of Mr. Clinton's enthusiasm for Marcus Aurelius, Mr. Greenberg wrote that it was about as plausible as "the news that Richard Nixon had taken up Zen." Mr. Greenberg added that "Clintonized culture" is little more than an exploitation of the arts for political purposes.

Ms. Wright, the former Clinton chief of staff, challenged that view. "His reading," she said, "is part of a lifelong quest for knowledge. He gains it from books and from people. He never stops."

Mr. Greenberg is correct in at least one respect. All politicians exploit the arts as naturally as they kiss babies, and Mr. Clinton is no exception.

For example, at each of his inaugural celebrations as Governor, Mr. Clinton meticulously selected the music to be performed throughout the day, making sure that the program included black gospel singing; a Pentecostal hymn, a Baptist hymn, jazz, pop, rock, symphonic and operatic selections and, always, his favorite Bach choral, "Jesu, Joy of Man's Desiring."

Partly, his aides insist, that is a sincere expression of the President-elect's love of music and eclectic taste. Ms. Staley tells how startled she was one day in her youth to hear applause after practicing a Bach fugue on the piano in her home. Bill Clinton had heard her playing, slipped into her livingroom, listened quietly and then burst into applause.

That love of music is also evident when Cathie Buford, a former member of the Governor's staff, tells how exhilarated Mr. Clinton would be after participating in the annual all-night gospel sing in McNeil, Ark., and after singing in the choir of his church, the Immanuel Baptist

Church in Little Rock. (Hillary and Chelsea Clinton, being members of the more reserved First United Methodist Church, infrequently attend these events.)

Nevertheless, it cannot be denied that the musical programs for Mr. Clinton's past inaugural festivities have been stitched together craftily, using music as a medium for reaching out to various political constituencies.

Mr. and Mrs. Clinton also collect porcelain, fine examples of which they were shown during several trade-promoting trips to the Far East. Arkansas sells more than \$80 million a year in poultry to Japan, Malaysia, South Korea, Taiwan, Singapore and Hong Kong. The Clintons are no doubt motivated by an appreciation of the artistry of these objects. Did they, perhaps, suddenly fall in love with a seductively gleaming teapot? Or did they begin to collect in order to flatter their hosts? To foster trade? Probably, the Clintons themselves would find it hard to sort out the answers.

Those who know Mr. Clinton best agree with Ms. Wright that he is

attracted to books and the arts as a means of acquiring knowledge and satisfying an all-but-insatiable craving for mental stimulation. For example, David Leopoulos, a boyhood friend, recalled a guided tour of the Tate Gallery in London that Mr. Clinton gave him in the spring of 1970.

Mr. Leopoulos was then in the Army, stationed in Italy, and feeling distraught over the death of his mother, who had been murdered back home. Mr. Clinton, studying at Oxford, invited him to London to take his mind off of his grief.

"I had never heard of the Tate Gallery," Mr. Leopoulos recalled, "but he took me there from the station and began lecturing on the different paintings, the artists and what was going on politically at the time each work was painted that might have influenced it. I couldn't keep my mind on everything he was saying, but his knowledge was amazing."

Mr. Leopoulos said he had asked Mr. Clinton how he had learned so much, and the future President had replied: "Well, since I'm here in England, I felt I should expose myself to what's around."

■ U.S. NEWS

Why a city alone cannot save itself

The story of New Haven shows how big social and economic forces overwhelm local leaders



Razing New Haven. The massive 1950s urban-renewal program uprooted many black families.

America has always been tough on its cities. Thomas Jefferson disliked them because they held no place for his beloved yeoman farmers. At the turn of this century, William Jennings Bryan savaged them as the nexuses of greed, vice and decay. This age has its own doubts. Over the past two generations, efforts designed to stave off the economic deterioration and social disintegration of many urban areas have at best brought only temporary solutions to urban woes and in many cases have failed.

In many respects, New Haven, Conn., tells the story of what has happened to the older cities of America since World War II—an era that began when George Bush was an undergraduate at Yale University, extended through the time when Bill Clinton was a law student there and culminated in the growing economic and social isolation that plagues the city nowadays. As much as anything it is the story of good inten-

tions gone awry and forces beyond the capacity of a city government to remedy.

The changes that overtook New Haven after the war were present in the life Bush was living with his wife, Barbara, and son George in 1948. The family lived with 40 other people in a space that once housed four. The overcrowding produced a chronic tension in the Bush home among couples who quarreled over refrigerator space, bathroom space, breathing room. Yale's community, like the city, was ready to burst.

The size and meaning of the exodus from New Haven were hardly noticed at first. The pattern of urban life was settled. Men worked shifts at Winchester Firearms Inc., Marlin Firearms Co. and Seamless Rubber Co. at the same time every day. New Haven was organized in ethnic enclaves, each with its church or synagogue, its feasts and festivals, its beneficial societies. "What you noticed," says author Raymond Wolfinger, "was a certain obsessiveness among

ethnic groups to remain separate."

Still, a booming industrial economy knitted the city together. New Haven was the center of the regional economy, employing 60 percent of area workers. At its peak, in 1954, a diverse network of manufacturers employed 33,000 people, many of whom lived within walking distance of their jobs. The captains of industry lived mainly in the wealthier sections of town, so their stake in urban problems was real.

But the city was already experiencing the first signs of economic and social upheaval and decline. Between 1929 and 1947, no new schools were built, mostly because city leaders chose to rein in expenditures to weather the Depression and World War II and did not take full advantage of Public Works Administration programs to stem urban decay. The prospect of their children's attending decrepit schools drove many middle-class families to send their kids to private schools. From 1931 to 1951, the enrollment of city children in private schools jumped from 14 percent to nearly 23 percent. Housing in the city was also a problem for the middle class. In 1950, 11 percent of the housing was even more overcrowded than Yale's; 14 percent lacked adequate plumbing.

Not only were services in the city declining but the suburbs began to take off after World War II, drawing both residents and jobs out of New Haven. By 1963, 25,188 manufacturing jobs remained in the city. The yearning of folks to leave town was abetted by government aid, which created new roads to help get suburbanites around and provided vast tax incentives and subsidies (especially for veterans) for home mortgages. Between 1950 and 1960, 12,400 old-time residents, mostly white, left New Haven, taking their skills and wealth with them to the suburbs, whose population grew by 120,000 people in this period. At the same time, the black population of the city rose from 9,600 to 23,000 as many African-Americans flocked from states like Georgia and the Carolinas for better wages and jobs.

In 1953, city residents elected a young Democrat named Richard Lee, who promised rejuvenation. He immediately began one of the most ambitious urban-renewal programs in the nation by exploiting a little-noticed provision of the federal Housing Act of 1949. From 1953 to 1969, more than \$500 million in federal funds came into the city for projects



Reformer. Mayor Lee opens a park.

such as building public housing, clearing slums, relocating residents and constructing parks and playgrounds. Tens of millions of dollars more in city and state funds also were poured into improvements. It was a heady time.

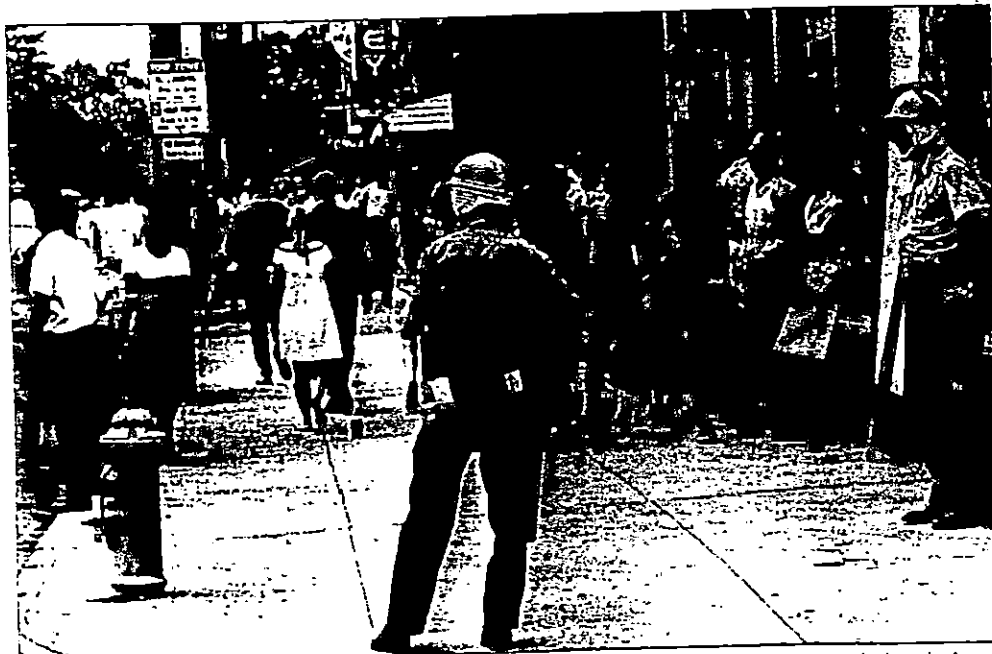
But the program, while helpful to some of the best-organized groups and the business community, also created abiding problems for many of the poor, especially blacks. Between 1950 and 1970, 10,000 housing units were demolished, and 7,819 households were displaced. Some 16 percent of those families—most of them white—left the city.

More dramatically, the city's face lift uprooted almost 40 percent of its black population, compared with about 5 percent of the white families.

Though some areas of the city were improved or untouched, this upheaval incalculably damaged many stable black neighborhoods in the name of saving them. And it played into a wider shift in New Haven's demographics. The size of the black population in the city grew to 36,000 by 1970, and many of the newcomers, as well as those displaced by the razing of their neighborhoods, moved to areas abandoned by whites—Fair Haven, the Hill section and Newhallville. It was in those areas that poverty became most concentrated, despite the efforts of the Lee administration and burgeoning federal antipoverty programs in the 1960s. Nothing could stem the outflow of manufacturing jobs, credit discrimination against blacks and the rising incidence of crime and illegitimacy.

The failure of Lee's program to renew the city and address the rising demands of the black population for help created an atmosphere ripe for strife. And sure enough, in 1967, long-simmering grievances—including incidents of police brutality—caused the city to explode. As in other places, it was the black districts—Dixwell and the Hill—that were hit the worst by burning and looting.

When Bill Clinton arrived in New Haven in the spring of 1970 to study at Yale Law School, fresh from his stint at Oxford, the city was in turmoil over the federal trial of members of the Black Panther Party. They were accused and later convicted of murdering a man they



Racial strife. The 1967 riot polarized the region and reinforced the city's economic insulation.

U.S. NEWS

believed to be a police informant. Among the Panthers was Warren Kimbro, who in 1952 had held a supportive sign at a campaign rally for Senate hopeful Prescott Bush, the father of George Bush, proclaiming: "Prescott Bush is a man just like my dad."

The racial strife polarized New Haven in ways from which it has still not recovered. It increased the social and economic walls between the city and its suburbs. In the process, New Haven became a needier, more dependent place. A school system that in 1963 had been 62 percent white became 60 percent black by 1975, and is 84 percent now. In 1970, the city ranked 38th in poverty in the nation; this year, it ranked fifth, with about 22 percent of its residents below the poverty line. In 1970, 42 percent of city residents were earning middle-level incomes; by 1988, only 32 percent were. In the city itself, the economic gap between whites and blacks widened. For instance, in the predominantly white neighborhoods of Westville and West Hills, median annual household income, adjusted for inflation, rose 20 percent to \$28,503 between 1980 and 1988. But in the Hill neighborhood, heavily black and Hispanic, median income dropped 46 percent to \$9,511 between 1970 and 1988. Part of the decline resulted from the departure of many aspiring black families.

The bitter irony for the blacks who longed for years to have a greater voice in city affairs is that the city is now being run by a black mayor, John Daniels, and a cadre of other black officials,



Crime wave. Gangs have now become a menace.

while at the same time its social problems have proliferated and its ability to help itself is negligible. It is the most highly taxed city in the region. Yet even those fiscal advantages have not allowed the city to keep pace with its social maladies, many of them unprecedented. New Haven is the AIDS capital of the state, with 20 percent of its cases. The city also has the highest infant mortality rate of any city in the nation.

Daniels says there is no greater measure of his city's isolation from its suburban neighbors than the social problems with which it deals. "We don't turn people away," he says. "The hard cases come here expecting us to take care of them because they know that this is what cities have always done." He notes that on any given night, there are at least 200 individuals and more than 250 families housed in emergency shelters at a cost of \$2 million a year. Just six years ago, homelessness did not exist in the city.

The city's ability to revive itself eco-

nomically is sharply limited by the new burdens these problems have imposed and the greater fiscal problems created by the faltering regional economy. When he entered office in 1990, Daniels says, he was assured by the departing mayor that he faced a deficit of \$3 million. It turned out to be \$20 million—or 9 percent of its overall budget. To cope with that, the city has fired 200 workers and eliminated 400 jobs—10 percent of the work force.

Overall, the city's tax base has not nearly generated enough revenue to cope with the city's new problems and the insistence of the federal and state governments that the city pick

up a larger share of social program costs. The main economic problem is the wholesale loss of manufacturing jobs—the mainstay in the past for low-skilled or unskilled workers. In 1971, such jobs made up 25 percent of all jobs in the city; they now account for just 17 percent. Fully 27 percent of the city's unemployed are former manufacturing workers.

While the city has little maneuvering room to help itself, other traditional options for outside help are futile these days. The federal government has cut aid to cities by more than half since the dawn of the Reagan era and massive deficits preclude any return to pre-Reagan days. And, although Gov. Lowell Weicker has promised to help the city, the state itself is suffering from one of the most prolonged economic slumps in history. All this has left Daniels with a Hobson's choice: He has raised taxes 25 percent in three years to help pay for the new demands on city services, knowing full well that this will drive more businesses and middle-class families out.

What he—like many other mayors—would like is a new relationship with the suburbs. His argument: If New Haven is a place of museums and theaters enjoyed throughout the region, if it supplies tens of thousands of jobs to people living in the suburbs, then the suburbs should help the city bear its special burdens. He acknowledges, though, that such ideas are unlikely to receive more than a polite reception. So instead, he rests his hopes for regeneration on the city's internal strength and remaining institutions, from the big companies like the gun manufacturers that stayed in town to Yale itself—the place the next president used to call home. ■



Drug scourge. The crack epidemic is something former city leaders didn't have to face.

BY SCOTT MINERBROOK

First Lady Barbara Bush Honors Boca Bay In National Landscape Awards Program

At a special White House reception, Barbara Bush recognized the North Village in Boca Bay as the 1992 winner of the 31st National Landscape Awards program in the commercial category.

Sponsored by the American Association of Nurserymen, the annual awards go to outstanding examples of excellence in design and commitment to environmental improvement through landscaping.

The landscape design was recognized for its compatibility with the surrounding neo-traditional village atmosphere of Boca Grande. The design was also commended for its arrangement of plant materials throughout the village and for introducing lakes as one of many visual resources of the land plan.

Recreational amenities built into the plan include tennis courts, a pedestrian promenade, citrus groves, a beach club, pool, gazebos and the Town Circle, which accommodates croquet and provides space for special events.

At the heart of the Boca Bay Community is the Boca Bay Pass Club, featuring a restaurant and bar, health club, pool and private function rooms.

The National Landscape Awards Program was created in the 1950's by the American Association of Nurserymen to encourage environmental improvement through excellence in landscaping.

If you would like more information about Boca Bay, call the Boca Bay sales office at 1-800-448-6011.



Pictured above (from left) Craig Larsen, Landscape Contractor, Larsen & Co.; Steve Crosby, CSX Realty; Mrs. Bush; Peter Burner and Theresa Artuso, Landscape Architects, Burner & Co.

BOCA BAY
P A S S C L U B

Boca Grande, FL 33921

Promiscuity Growing for Teen-Age Girls

By TAMAR LEWIN

According to a new study that is likely to heighten concern about sexually transmitted diseases, teen-age girls are becoming increasingly likely to have multiple sexual partners.

The study, based largely on a 1988 survey of sexual behavior among women from 15 to 44 years old, found that 62 percent of sexually active adolescents had had two or more sexual partners. Studies of adolescent sexual behavior in the 1970's found that 39 percent of sexually active adolescents had had multiple partners.

Of sexually active women under 20, the study said, 30 percent had had four or more sexual partners, and 5 percent, or 222,000, reported having had 10 or more partners. Even among girls in the lowest age categories, those 15 to 17, 4 percent had more than 10 different partners.

Pattern Is Found

The study suggested that the earlier sexual activity was initiated, the faster a girl moved on to her second partner.

The study, made public yesterday by the Alan Guttmacher Institute, a non-profit research group concerned with reproductive health, found that about 70 percent of sexually active women from 15 to 17 moved on to a second sexual partner within 18 months of their first intercourse. Sexually active women aged 18 and 19 did not move on to a second partner quite as quickly, the study found; only half reported having had more than one partner 18 months after their first intercourse.

"The trend toward multiple sexual partners has been happening over time," said Dr. Jacqueline Darroch Forrest, one of the authors of the study. "It means that we need to be facing the reality of the risks of sexually transmitted diseases. It's not only women's own behavior of having more than one partner that puts them at risk, but their partners' behavior."

The study estimated that 6.4 million American women from 15 to 44 have direct contact with more than one sexual partner, and that an additional 5.5 million to 11 million are indirectly exposed to multiple partners, because their male partner had more than one partner during the year.

"We need to be concerned not only about preventing unintended pregnancy, but about guarding against sexually

transmitted diseases such as H.I.V., and chlamydia and gonorrhea, which can cause infertility," Dr. Forrest said.

8,450 Women in Survey

The study is based mostly on the 1988 National Survey of Family Growth, which surveyed a representative sample of 8,450 American women, with comparative data from the 1970's derived from the National Surveys of Young Women.

Among adult women, the study found, those from 25 to 39 are more likely to have had six or more partners than are either younger or older women.

"These women may have been exposed to sexual opportunity longer than the younger women, and may have spent a greater proportion of their sexually active lives in an era of relaxed sexual mores than have those aged 40 and over," the study said.

As might be expected, married women generally had fewer sexual partners than did unmarried women. Fewer than 1 percent of currently married women reported having had more than one partner in the previous three months, compared with 13 percent of formerly married women and 9 percent of the sexually active single women.

The study also said white women were significantly more likely to report having had more than 10 partners than either black or Hispanic women. And

women living in urban areas are more likely than rural residents to have had multiple sexual partners.

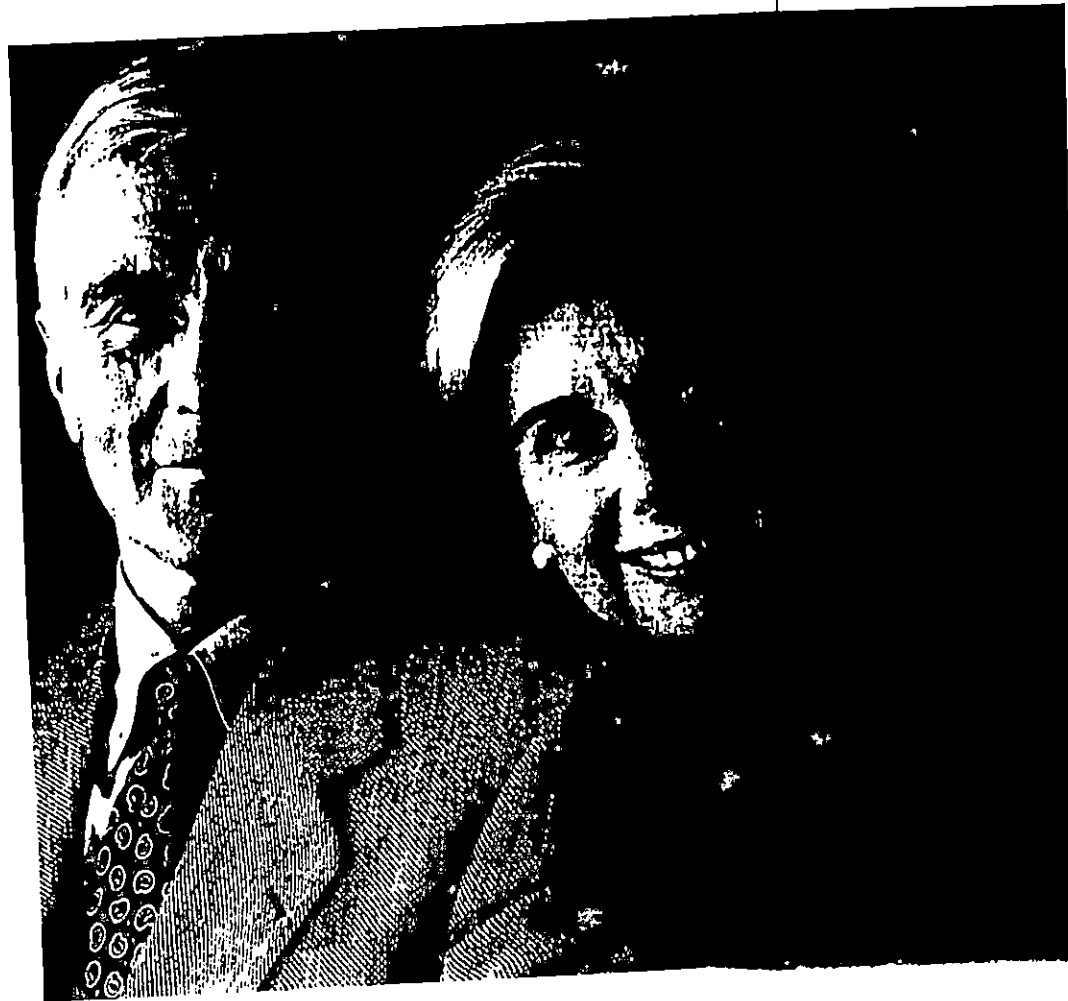
Over all, the study found, about one in five sexually active American women, or about 8.9 million women, said they used condoms. However, women with multiple sexual partners were not significantly more likely to use condoms than women with a single partner. And use of condoms is not always consistent: about one in five of the condom users said she did not use a condom the last time she had sex.

Among those who have multiple sexual partners, teen-agers are more likely than older women to use condoms.

Data concerning the sexual activities of unmarried women with no children were not gathered until the 1970's. And recently, two surveys of the sexual behavior of American adults and adolescents were canceled by the Federal Government because of political opposition to questions about sexual practices. Dr. Forrest and her co-author, Kathryn Kost, argue that further research is crucial in fighting the spread of sexually-transmitted diseases.

"By using such data to quantify and describe those who are exposed to the risk of S.T.D. infection, we can combat stereotypes of misinformation regarding who is at risk," the study said.

What every man should know about his prostate.



What and where the prostate is

Only men have a prostate. It's a walnut-sized gland located at the base of the bladder. It surrounds a part of the urethra, the tube that carries urine from the bladder through the penis.

The prostate supplies the milky fluid that helps transport sperm through the penis during ejaculation. The prostatic fluid also aids conception by providing support and nour-

ishment for the sperm and helping to make the vaginal canal less acidic.

What an enlarged prostate is

In most men, after age 45, the prostate starts to enlarge and may continue to enlarge for the rest of a man's life. This growth may be benign prostate enlargement, a non-cancerous condition. A major cause is the activity of a key hormone.

By itself, benign prostate enlargement isn't a problem. But as the prostate continues to grow, it can squeeze the urethra (like pinching a straw) and interfere with the normal flow of urine, causing uncomfortable and embarrassing symptoms.

Benign prostate enlargement is a common medical finding in older men. However, not every man develops the condition, and in those who do, it is not always progressive.

The urinary symptoms of an enlarged prostate

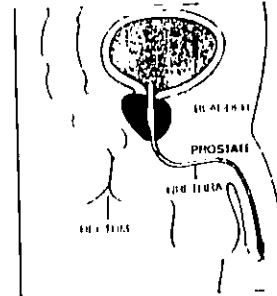
Among the symptoms commonly associated with an enlarged prostate are more frequent urination, especially during the night, or the sudden, almost uncontrollable urge to urinate. The added pressure on the urethra can also cause a weak, interrupted urine stream, a sense of the bladder not emptying completely, leakage, and difficulty in starting urination. It can even result in total blockage, a serious condition.

Why you should consult the doctor

Symptomatic benign prostate enlargement can be helped. Recent advances in treatment have been made, and today your doctor has several options. So now, more than ever, is an excellent time to consult your

doctor. You and your doctor should discuss which treatment option would be best for you.

If you experience any symptoms, see your doctor and speak frankly about the problem. A simple rectal examination enables the doctor to feel, with a gloved finger, the size and condition of the prostate. This exam, and other tests the doctor may recommend, will also help to rule out the possibility of prostate cancer. Benign prostate enlargement is not cancer and does not turn into cancer.



The prostate is located at the base of the bladder. It surrounds a part of the urethra, the tube that carries urine from the bladder through the penis. As the prostate enlarges, it can squeeze the urethra and cause urinary problems.

These days, prostate problems don't have to interfere with living your life to the fullest. That's what every man should know.

Talk to your doctor, soon. And, for a free booklet with more information, call 1-800-635-1152.



THE WHITE HOUSE
WASHINGTON

TELEPHONE MEMORANDUM
SIGNAL SWITCHBOARD

December 11, 1992

	TIME		NAME	ACTION
	PLACED	DISC		
XXX INC	AM 7:25 PM		Mr. Arthur Fletcher Residence, Washington, D.C. 554-0573	WCL 7:27 PM
OUT XXX	AM 9:51 PM		LTCOL Paula K. Trivette Sycamore Cabin, Camp David, Maryland Camp David Signal 4-1736	PRESUS Cancel 9:52 PM
OUT INC	AM PM			
OUT INC	AM PM			
OUT INC	AM			
OUT INC	AM PM			
OUT INC	AM PM			
OUT INC	AM			
OUT INC	AM PM			

PRESIDENTIAL MOVEMENTS

LOCATION Washington, D.C.
Camp David, Maryland

DATE 11 December 1992

TIME

MOVEMENTS

0705	South Grounds	
0711	Oval Office	
0905	South Grounds	
0906	Depart South Grounds via Motorcade	
0913	Arrive Washington Hilton Hotel	
0930	Depart Washington Hilton Hotel via Motorcade	
0935	Arrive South Grounds	
0936	Oval Office	
1044	State Floor	
1332	Doctor's Office	
1344	Oval Office	
1618	North Grounds	(LOW KEY)
1620	Depart North Grounds via Motorcade	(LOW KEY)
1622	Arrive Blair House	(LOW KEY)
1740	Depart Blair House via Motorcade	
1921	Arrive Camp David	



THE PRESIDENT

December 11, 1992

Dear Wayne,

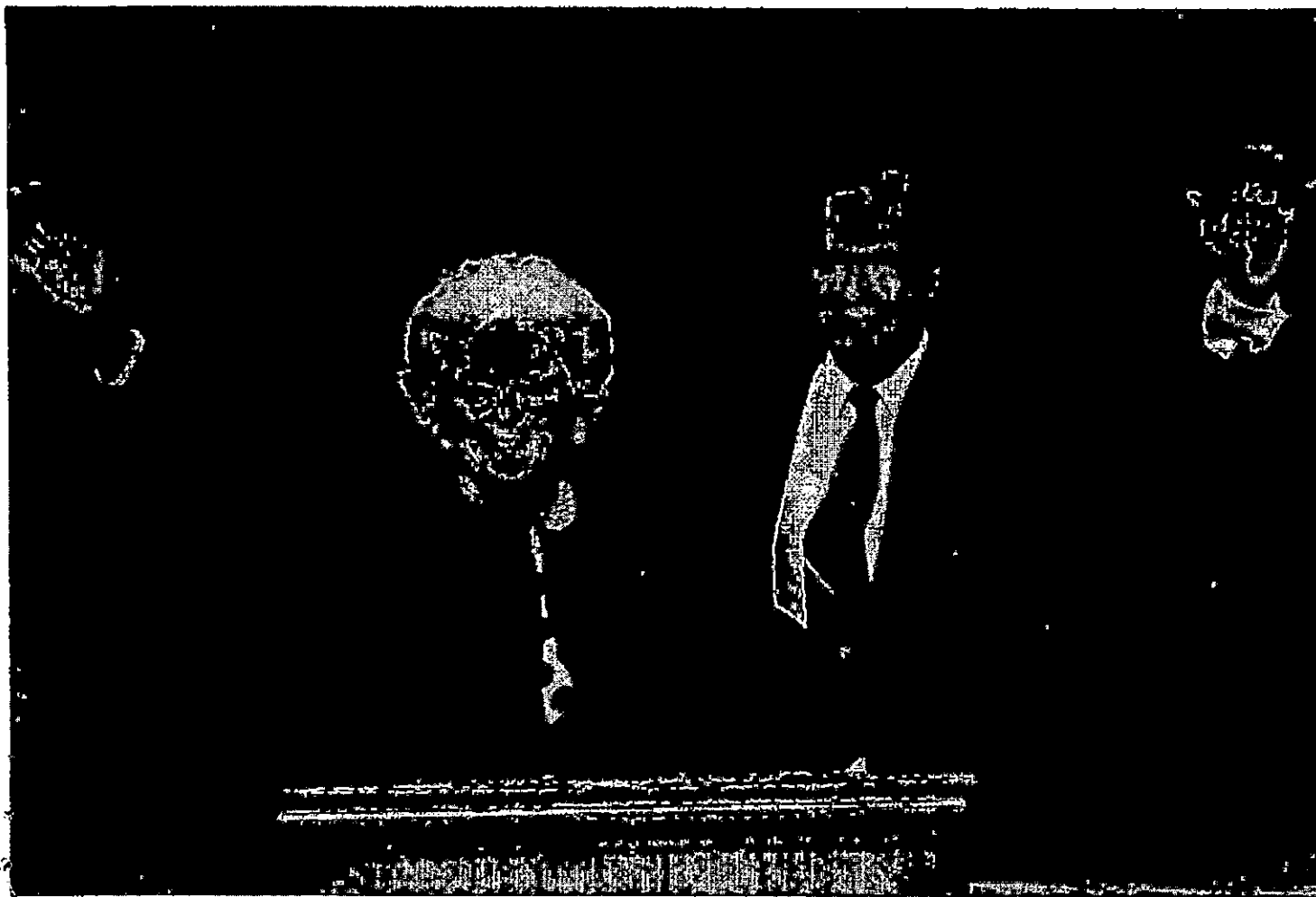
Thanks for your great letter that just surfaced from a sea of mail. Somehow it got lost in the shuffle.

Glad you enjoyed the Gala in Houston. Hope you'll like the enclosed photograph. It comes with best wishes, in which Barbara joins.

Sincerely,

FROM
THE WHITE HOUSE
WASHINGTON, D.C.

Mr. Wayne C. Anderson
7419 East Buena Terra Way
Scottsdale, Arizona 85253



To Wayne Anderson
With Best Wishes,
C. B.

12/11/92
 Mary Ingala's return returned
 the to her office today. *Kathryn*

Yes - found - this
 in the. Neatness - good
 release. of his account
 at 603-248-9172
 Also - his - note
 to take me to see
 add a few - to
 of the - to
 of the - to
 of the - to

Wayne C. Anderson

9-15-92

2708 2/1

Mr. President

Thank you for the "official" photo from the convention. I'd like for you to give me your "official" personal autograph along with Barbara. It was good to see both of you again in Houston.

Also, would you please follow up on the photos we had taken at the Gala in Houston along with the Quayes. Hopefully we will get that autographed photo too.

See you again on Jan 30th!!

7419 East Buena Terra Way
Scottsdale, Arizona 85253

Wayne



Here's your official campaign photograph
of President George Bush accepting the
Republican nomination for the presidency
with first lady Barbara Bush by his side.
Let's help the President by electing a
Republican Congress this year!

Official Republican Photograph
Taken on: August 20, 1992
Location: Houston, Texas



THE PRESIDENT

December 11, 1992

Dear Reverend Brooks,

Thanks so much for your thoughtful letter of December 7. Pintlala Baptist Church is a beautiful place and I'm glad I was able to help the wonderful congregation.

Although winning the election was just not in the cards, we gave it our best shot. Barbara and I will always be grateful for the privilege we have had to serve the American people. Soon, we will be shifting gears to private life and grandkids. Thanks, again, for your kind words and especially your terrific support. Barbara joins me in wishing you and your family a happy holiday season.

Sincerely,

THE WHITE HOUSE

The Reverend Michael J. Brooks
First Baptist Church
Lauderdale at Dallas
Post Office Box 1186
Selma, Alabama 36702-1186

First Baptist Church
Lauderdale at Dallas
P. O. Box 1186
Selma, Alabama 36702-1186
[205] 874-6665

12/7/92

Michael J. Brooks, Pastor

Dear Mr. President:

It was my privilege on 12/6/92 to speak in the Pintola Baptist Church in Montgomery. What a beautiful facility it is! It was said of an ancient craftsman who built a cathedral that he did the best of things in the worst of times. I trust you will be encouraged in the years ahead as you recall your part in helping this wonderful congregation.

As a pastor I had to be careful with public endorsements

In the Heart Of An
Historic City
Touching Lives With Love

THE WHITE HOUSE
WASHINGTON

Dec 10

Robin:

I do not know Beverly Williams
or anyone affiliated with
this church -- and have no
idea where they got my name.

I have no relatives in Alabama
-- what can I say???

It's a beautiful letter and
I agree with its sentiments . . .

Wilma

First Baptist Church
Lauderdale at Dallas
P. O. Box 1186
Selma, Alabama 36702-1186
[205] 874-6665

12/17/82

Michael J. Brooks, Pastor

Dear Ms. Hall:

Beverly Williams at the
Pinnacle Baptist Church told
me you might be able to
get a note to the President.
I appreciate your consideration.
I'd like to encourage
Mr. Bush, and nothing more.

Thanks so much. And
best wishes to you in this
holiday season!

Sincerely,

Mike Brooks

In The Heart Of An
Historic City
Touching Lives With Love

Robert G. G. G.
The Book

Be covered of my
prayer and best wishes
for you and Mrs. Bush
this holiday season.

months.
speak out in the coming
trust you'll be willing to
your leadership, sit, and I
We continue to need
is a mode of grace.
toward the new administrative
proceed. And your kindness
administration never is

2
this year. Just I contributed
to the PNC and did all I
could to help you in our
city, with funds from
Jean Sullivan!

I believe our country made
a grave mistake. The
perceived issue of economic
decline is now seen as
counterfeit. I believe true
what I heard someone
say last week -- if we did
the election again this
month, the Bush/Gayle
ticket would be reelected.

Mr. Peridant, please
know that many, many of us
love and support you. Your

THE WHITE HOUSE

WASHINGTON

December 11, 1992

Dear Mr. and Mrs. Robbins:

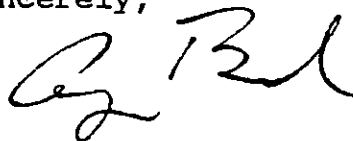
Thank you for your thoughtful message and kind words. It was a tough campaign, but Barbara and I are grateful for so many blessings -- among them our family and many wonderful friends.

While another term was not meant to be, I have the satisfaction of knowing that I did what I believed was right for America in meeting domestic challenges and in enhancing United States leadership in the international community. I hope that history will judge our Administration's accomplishments as ones that have benefitted both our country and our people.

Being President has been a deep honor, and I will always be grateful for the privilege of having served the American people.

Best wishes.

*How very kind
of you to write!* Sincerely,



Mr. and Mrs. Harold Robbins
990 North Patencio Road
Palm Springs, California 92262

RZ

5/11
HAROLD ROBBINS

1000364

19 November 92

5.6.92
Dear President and Mrs. Bush,

We would like to express our gratitude for the service you both have given to this nation. You have done so with integrity and great care.

Our hope is that you continue in your contribution because we can't do without you.

Sincerely,

Mr. & Mrs. Harold Robbins

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

THE WHITE HOUSE

WASHINGTON

December 11, 1992

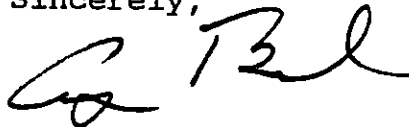
Dear Mrs. Uzzell:

I was moved by your letter about Dick Names. The recent television program about my days in the Navy brought back vivid memories for many of us, I think. Some of those memories, as you well know, are bittersweet: the joy of friendships made and battles won, and the heartache of losing loved ones in the line of duty. Like you, I'll never forget the terrific guys we lost in World War II.

I appreciate your sharing your own recollections with me, and I hope that, should you succeed in contacting any of Dick's surviving relatives, the occasion will be a heartwarming one for everyone involved.

Barbara joins me in sending best wishes to you for the holidays.

Sincerely,

A handwritten signature in dark ink, appearing to be "Bill Clinton", written in a cursive style.

Mrs. Edward Foy Uzzell
112 Second Street East
Moorestown, New Jersey 08057

Merry Christmas, Aunt -
Sincerely,
Cap B

The President and Mrs. Bush
extend to you their best wishes
for a joyous Christmas
and a new year that brings peace to our world
and happiness to you and those you love.

1992

Reading file.

Mrs. Edward Foy Uzzell
112 Second Street East
Moorestown, New Jersey 08057

December 3, 1992

President George Bush
White House
Washington, DC 20500

Re: TV Coverage of George Bush World War II Biography

Dear President Bush:

I watched the program George Bush, His World War II Years. I did not know that you served on the San Jacinto (1944) until this program.

At one point in the program when conversing with the two gentlemen you asked who the officer was who was cut in half in a deck accident. They answered Richard Names. Dick Names was the boy I loved and lost on the San Jacinto. I am overwhelmed by this new information after fifty years.

Dick Names was from Puyallup, Washington. His best friend aboard, Kenneth Joy, returned all my letters, pictures, etc. I never knew he was cut in half and hope his Mother & Dad did not know.

Can you imagine my utter astonishment and amazement at finding out in 1992 about this fine young man, who I loved so dearly. I could hardly contain myself with excitement and utter sadness even after fifty years.

Dick would be very surprised to know his name was remembered as he was humble, reserved and so young. The coincidence of this occasion will ^{always} amaze me. I believe I was destined to watch this program by some unknown hand.

Sincerely yours,

Janet Uzzell
(Mrs. Edward Foy Uzzell)

cc: Minister Puyallup Presbyterian Church
(Enclosed)

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board
the
had
it

gain.

100 4148

Mrs. Edward Foy Uzzell
112 Second Street East
Moorestown, New Jersey 08057

December 3, 1992

PUYALLOP PRESBYTERIAN CHURCH
Puyallop, Washington
98371

Att: Minister

Dear Sir:

If you will bear with me for the length of this letter I believe you will understand why an unknown woman is writing to you.

Fifty years ago in Philadelphia during World War II, I fell in love with a Lt. (JG), Richard Names, from Puyallop, Washington. In 1944 aboard the aircraft carrier San Jacinto he was killed. I corresponded with his mother and dad after his death. His dad sent me the notice of his death which appeared in The Tacoma Times, Dec. 8, 1944, and we wrote back and forth many times. I truly loved Dick and he felt the same about me.

However, life does go on. I married, but never forgot Dick. I kept all his letters to me, pictures, mementos of a gay, beautiful party aboard the San Jacinto and all the things that were sent back to me by Kenneth Joy, the officer in charge of returning a deceased friend's personal possessions.

Yesterday, Nov. 24, 1992, 8 P.M. EST, I was watching a TV program titled George Bush, His World War II Years. I became extremely interested when it revealed that President Bush was a pilot aboard the San Jacinto. He was shown reminiscing with two other officers about their times aboard the San Jacinto. Suddenly, President Bush asked one of the gentlemen if he remembered the name of the officer who had been cut in half in a deck accident. The man replied, it was Richard Names! The second gentleman spoke and said Dick had been his bunkmate. I was almost overcome. The program was repeated at midnight and I watched it again.

Daly

The Honorable Brian J. Donnelly
U.S. House of Representatives
Washington, D.C. 20515



THE PRESIDENT

December 11, 1992

Dear Brian,

Thanks so much for your kind note and for sending me a framed copy of my birth certificate. Your thoughtful gesture means a lot to me.

Barbara and I will always be grateful for the privilege we have had to serve the American people. Now, we're getting ready to shift gears and then back to Houston on January 20. I wish you and your family all the best in the years to come.

*P.S. Thanks for
those very kind
words.*

Sincerely,

cc: (in & out)
✓ Rose Zamaria (lcc)
Charles Free(w/
certificate)

Retiring from
Congress, served
7 years.

Congress
of the
United States
House of Representatives

BRIAN DONNELLY
MASSACHUSETTS
ELEVENTH DISTRICT



Dear Mr President,

I thought you might enjoy
The enclosed Birth Certificate from
your Birthplace of Mulltan.

The people of the United States
owe you a deep debt of gratitude
for a lifetime of service & dedication
to them.

Even though we came from
different political parties, I have
always considered you one of the
best and most decent people to have
ever occupied The Oval Office.

All the Best,

Brian



BF

SCHEDULE OF THE PRESIDENT

Wednesday, December 11, 1991

8:00 am (15 min)	<u>Intelligence Briefing</u> (Scowcroft/Sununu)	Oval Office
8:15 am (30 min)	<u>National Security Briefing</u> (Scowcroft/Sununu)	Oval Office
8:45 am (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office
9:15 am (30 min)	<u>Domestic Update</u> (Sununu)	Oval Office
9:45 am (15 min)	<u>Personal Staff Time</u>	Oval Office
10:00 am (30 min)	<u>Meeting with Secretary Baker</u>	Oval Office
10:30 am (60 min)	<u>Cabinet Meeting</u> (Holiday) (TAB A)	Cabinet Room <i>open</i>
11:30 am (25 min)	<u>Administrative Time</u>	Oval Office
11:55 am	The President departs for Fundraising Luncheon for Senator Frank Murkowski at <u>the Willard Hotel</u> (Kaufman) (TAB B)	South Lawn <i>open</i>
12:50 pm	<u>Arrives White House</u>	South Lawn
12:50 pm (70 min)	<u>Personal Staff Time</u>	Oval Office
2:00 pm (15 min)	<u>Meeting with Kenneth Lay</u> (Porter) (TAB C)	Oval Office
2:25 pm (5 min)	<u>America 2000 Phone Call</u> (Demarest) (Distributed Separately)	Oval Office <i>Miles maybe</i>
2:30 pm (30 min)	<u>Meeting with Governor Sununu</u>	Oval Office

12:00
Marin

UNP 12/10/91
5:00 pm



3:00 pm (2 hrs)	<u>Administrative Time</u>	Oval Office
4:45	Amb. Strauss	
5:30 pm (45 min)	<u>Meeting with Peter O'Donnell (Zamaria)</u>	Residence
6:15 pm (5 min)	B <u>Photo with Social Aides (Firestone)</u> (TAB D)	East Room
6:45 pm	B <u>Christmas Reception (Firestone)</u> (TAB D)	State Floor

7:01 POTUS In
7:53 Sununu In
7:59 Gates, Scowcroft, Adm. Howe
Applebaum, In
8:20 Applebaum, Out, Gates Out
8:22 VPOTUS In
8:45 Scowcroft, Adm. Howe Out
9:14 Card, Porter In
9:18 Darman In
9:54 Sununu Out
10:02 Darman, Porter, Card Out
10:03 Scowcroft In
10:04 Sec. Baker In
10:05 Scowcroft Out
10:08 Scowcroft In
10:36 All out and into Cabinet Room
11:40 POTUS In
11:59 POTUS Out to South Grounds
12:29 POTUS In
12:50 POTUS Out
12:55 POTUS In Mess
1:59 POTUS In
2:00 Ken Lay, Roger Porter In
2:09 Sununu In
2:24 Lay, Porter, Sununu Out
~~2:25~~
2:29 American 2000 Call (Montana) begins
2:32 America 2000 Call (Montana) Ends
2:33 Sununu In
2:47 Sununu Out

4:44 Amb. Strauss In
4:45 Scowcroft In
4:46 Sec. Baker In
5:14 Sec. Baker, Amb. Strauss, Scowcroft Out
5:17 POTUS Out to Res.

See Tab
B →

UNP 12/10/91
5:00 pm

DATE: DECEMBER 11, 1992

CONTACT: KEITH WRIGHT

PRESS: 863-8550

THE DAILY NEWS SUMMARY



Surgeon General Sees Oral Cancer Epidemic

By Spencer Rich
Washington Post Staff Writer

U.S. Surgeon General Antonia C. Novello and other tobacco critics warned yesterday that use of snuff and chewing tobacco is again on the rise, particularly among male teenagers, and will cause "a full blown oral cancer epidemic two or three decades from now" if not curbed.

Novello said 30,000 new cases of oral cancer are occurring each year, and half of those who get it die within five years.

"Seventy-five percent of oral and throat cancers are attributed to use of smoked and spit tobacco," she told a news conference, using the phrase employed to describe smokeless tobacco. She called for stronger steps to deter its use.

Joined by American Cancer Society president Reginald Ho and others, Novello warned that although cigarette smoking is declining in the United States, an even more potent menace is taking hold.

Greg Connally of the Massachusetts Department of Health estimated that 10 million to 16 million Americans use smokeless tobacco, 3 million of them "under the age of 21, many of them still playing Little League baseball," he said.

A report by the inspector general of the Health and Human Services Department said "nearly one in five high school males uses spit tobacco."

Novello and Connally said that tobacco companies have been targeting young males with advertising, giveaways and discounts on spit tobacco and sponsorship of, macho sports events, where the sponsor's name and product is displayed on racing cars, athletic equipment and the like and therefore is seen on television even though direct tobacco ads are barred from television.

Novello released a Federal Trade Commission report showing that after declining a few years ago to 114 million pounds, annual sales of smokeless tobacco rose to 120 million pounds last year, and revenues jumped from \$730 million to \$1.2 billion over six years. Advertising outlays rose from \$80 million to \$104 million in the same period.

Stable Project Rides Again Quayles Were Considered Primary Beneficiaries

By Tom Kenworthy
Washington Post Staff Writer

Reigniting an old controversy as he prepares to leave office, Interior Secretary Manuel Lujan Jr. has ordered the National Park Service to construct more stables for U.S. Park Police horses at Manassas National Battlefield Park.

The project was shelved last year by Congress amid allegations that the stable space was being added only to facilitate the equestrian activities of Vice President Quayle and Marilyn Quayle, who often rode at the park. The Secret Service supported the proposal to expand the facilities and trained personnel to protect the Quayles while riding.

The \$38,000 expansion comes as the National Park Service faces a budget shortfall of about \$34 million, closing some campgrounds, deferred park maintenance and shortening visitors' hours.

Lujan revived the stable project in a Dec. 4 memorandum to National Park Service Director James M. Ridenour, ordering the service to "start immediately on construction and fully complete the stable renovation as soon as possible." Asked what the Park Service's position on the project is, a spokesman said, "Mr. Ridenour intends to carry out Secretary Lujan's directive."

"I am concerned for the horses' welfare," said Lujan in his directive,

explaining that horses housed at the stables, including some animals recuperating from injuries, need "adequate cover and . . . protection from inclement winter weather, rain and humid summer conditions." The project will add six new stables to the three at the site.

Lujan's action drew a protest Wednesday from Rep. Bruce F. Vento (D-Minn.), who chairs the House subcommittee with jurisdiction over the Park Service, and Rep. Peter Hoagland (D-Neb.), author of an amendment to the fiscal 1992 Interior appropriations bill barring use of funds for the stable project.

"At a time when the Park Service is considering closing portions of Skyline Drive in Shenandoah National Park, hours of operation at the Liberty Bell in Philadelphia and cutting visitor services in park units all over the country, we find this particular spending priority very disturbing," wrote Vento and Hoagland. "Since our current vice president will not be in office after January 20th, this is clearly a decision that should be deferred to the next administration."

Lujan spokesman Steven Goldstein defended the eleventh-hour decision to revive the stable expansion. "If environmentalists are willing to stop a subdivision to preserve a bird that catches gnats, surely they're willing to preserve Mr. Ed's crime-fighting cousins," he said.

Message sent to Wall Street

Designed to calm financial jitters

By Donald Lambro
THE WASHINGTON TIMES

The Gang of Five that President-elect Bill Clinton put in charge of his economic policy yesterday is a signal of reassurance to the business community rather than zeal to reinvent economics.

People close to Mr. Clinton say his economic team, first and foremost,

NEWS ANALYSIS

was crafted to send a strong message of steadiness and continuity to a nervous Wall Street as well as sustain his pledge of economic growth.

"He might have chosen [liberal economists] Robert Reich and Ira Magaziner and turned Washington into Moscow on the Potomac," cracked former budget director James Miller III. "But he chose people who are traditional establishment party people, and there's not an incompetent among them."

"The message this team sends to me is that Clinton is sort of backing away from his more extreme economic rhetoric in his campaign," said Mr. Miller, who noted, nonetheless, that Mr. Clinton is "still trying to expand government and raise the taxes to pay for it."

In naming Lloyd Bentsen, chairman of the Senate Finance Committee, to be Treasury secretary and Leon Panetta, chairman of the House Budget Committee, to be budget director, Mr. Clinton chose longtime congressional insiders as his two top economic policy-makers.

Both are well-known quantities in Washington and in the nation's financial markets. Both are skilled negotiators and political craftsmen who know how to build a consensus on Capitol Hill, talents that will be critical in getting Mr. Clinton's proposals adopted by Congress.

Mr. Bentsen was a strong supporter of cutting capital gains tax rates in the 1970s and has pushed saving incentives such as expanding individual retirement accounts and business investment incentives.

"From our perspective Bentsen is a really beneficial appointment because he has a sense that investment incentives are important to economic growth," said a senior official at the U.S. Chamber of Commerce who asked not to be named.

"He will be an important voice within the administration for more economic incentives to stimulate investment in the private sector," this official said.

But both men were also architects of the 1990 budget deal that raised taxes and sharply increased spending — a measure that is credited by some as pushing the economy into the 1990-91 recession.

As Budget Committee head, Mr. Panetta has repeatedly stated that new tax increases must be a major part of any plan to cut the deficit. And Mr. Bentsen helped shepherd a tax bill through Congress this year that made the 1990 income tax increases permanent, but which President Bush pocket vetoed.

Selection of Alice Rivlin, the Congressional Budget Office's first director, as Mr. Panetta's deputy, adds another tax-increase voice. Like Mr. Panetta, she has been a strong advocate of higher taxes to cut the deficit, especially increases in the gasoline levies which Mr. Clinton has thus far opposed.

At the same time, Mr. Clinton leavened his appointments with two respected Wall Street investment bankers who are plugged into the business and financial community, as well as the Democratic Party.

As Mr. Bentsen's deputy at Treasury, Roger Altman, a major party

fund-raiser and the vice chairman of the Blackstone Group, a private investment banking firm, is in the Bentsen political mold: a pro-business Democrat who will emphasize business investment.

Mr. Altman served at Treasury in the Carter administration as assistant secretary for domestic finance. Associates say he did not believe in policies that rocked the boat and was skeptical of the Chrysler bailout.

Robert Rubin, head the new Economic Security Council to coordinate economic policy government-wide, was a major fund-raiser for Mr. Clinton and his party. A co-chairman of Goldman Sachs investment bankers in New York, he supports an activist role for government but is not anti-business.

The appointments were praised across the Democratic spectrum, from House Speaker Tom Foley to Jeff Faux, president of the Economic Policy Institute, a left-wing think tank founded by Mr. Reich.

"I think Bill Clinton has said he wants to have a long-term deficit-reduction program," Mr. Foley said. "He is serious about it, and the appointment of Leon Panetta and Alice Rivlin underscores that seriousness."

"These are all capable people, well known in Washington. They're all good Democrats," Mr. Faux said, although he added, somewhat critically, "There's a conservative cast to the appointments."

Mr. Faux warned Mr. Clinton "may be taking a little risk in his appointments to OMB. Leon Panetta and Alice Rivlin are well known militant deficit cutters. And that may conflict a little bit with Bill Clinton's

DATE: 12-11
PAGE: 4

THE ECONOMIC TEAM

Profiles of President-elect Bill Clinton's economic appointees:

Treasury Secretary

Texas Sen. Lloyd Bentsen, 71

Born: Feb. 11, 1921

Family: Wife, Beryl Ann, and three children: Lloyd M. III, Lan and Tina.

Education: Bachelor's and law degree, University of Texas

Career highlights: Rose to rank of major, U.S. Army, 1942-45. Lawyer, McAllen, Texas, 1945-48. Judge, Hidalgo County, Texas, 1946-48. Member U.S. House of Representatives, 1948-54. President of Lincoln Consolidated, 1955-70. Member, U.S. Senate, 1971-present.

Other: Democratic Party nominee for vice president of the United States, 1988.

Director of the Office of Management and Budget

California Rep. Leon Panetta, 54

Born: June 28, 1938

Family: Wife, Sylvia, and three children: Christopher, Carmelo, James.

Education: Bachelor's and law degrees, University of Santa Clara, Calif., 1960, '63.

Career highlights: 1st lieutenant in the U.S. Army, 1964-66. Legislative assistant to U.S. Sen. Thomas Kuchel, 1966-69. Director, U.S. Office of Civil Rights, 1969-70. Executive assistant to mayor of New York City, 1970-71. Partner, law firm Panetta, Thompson & Panetta, Monterey, Calif., 1971-76. Member, U.S. House of Representatives, 1977-present.

Other: Switched from Republican Party to Democratic Party after losing his job as director of the Civil Rights Office in President Nixon's Department of Health, Education and Welfare.

Assistant to the President for Economic Policy

Robert Rubin, 54

Born: Aug. 29, 1938

Family: Wife, Judith, and two children: James and Philip

Education: Bachelor's degree, Harvard University, 1960. Law degree, Yale Law School, 1964. Attended, London School of Economics, 1960-61.

Career highlights: Associate, Cleary, Gottlieb, Steen & Hamilton, 1964-66. Associate, Goldman, Sachs & Co., 1966-70. Partner, Goldman, Sachs & Co., 1971-present. Also co-chairman.

Other: Member, New York Stock Exchange board of directors. Member, Securities and Exchange Commission advisory committee on market oversight and financial services. Chairman of the New York City host committee for the 1992 Democratic convention.

Deputy Director of the Office of Management and Budget

Alice Rivlin, 61

Born: March 4, 1931

Family: Husband, Sidney Graham Winter. Children (by previous marriage): Catherine Amy, Allan Mitchell, Douglas Gray.

Education: Bachelor's degree, Bryn Mawr College, 1952. Doctorate, Radcliffe College, 1958.

Career highlights: Staff member, Brookings Institution, 1957-66, 1969-75, 1983-present. Director of economic studies, Brookings, 1983-87. Director, Congressional Budget Office, 1975-83. Deputy assistant secretary for program coordination, Housing, Education and Welfare Department, 1966-68. Assistant secretary for planning and evaluation, 1968-69.

Other: MacArthur Fellow, 1983-88. A director of the Unisys Corporation, the Union Carbide Corp., TJ International, the Eugene and Agnes E. Meyer Foundation, the D.C. Service Corps, and a member of the Governing Council of the Wilderness Society. Has been a visiting professor at the Kennedy School of Government at Harvard University.

Deputy Treasury Secretary

Roger Altman, 46

Born: April 2, 1946

Family: Wife, Jurate Kazickas, and three children.

Education: Bachelor's degree, Georgetown University, 1967. Master's degree, University of Chicago.

Career highlights: Associate, Lehman Brothers, 1969-74. General partner, Lehman Brothers, 1974-84. Assistant secretary of the Treasury for domestic finance, 1977-80. Nonexecutive chairman, Public Development Corporation of New York, 1985-89. Vice chairman, the Blackstone Group, 1985-present.

Other: Director of the Children's Television Workshop Inc., the Johns Hopkins School for Advanced International Studies, the Franklin D. Roosevelt Library and the Citizens Budget Commission.

Source: Clinton transition team; Associated Press; Who's Who in America, 1991-92.

AROUND THE TABLE

President-elect Bill Clinton yesterday named the first member of his Cabinet — Treasury Secretary Lloyd Bentsen. Leading contenders to fill remaining posts.

Agriculture — Ruth Harkin, John White, Jim Hightower, Carole Tucker

Attorney general — Federal Court of Appeals Judge Patricia Wald, Washington lawyer Brooksley Born, New York State Court of Appeals Judge Judith Kaye, federal Court of Appeals Judge Amalya Kearse.

Chief of staff — Ron Brown, Democratic National Committee chairman; Mickey Kantor, Clinton campaign chairman; Eli Segal, Clinton campaign chief of staff

Commerce — Hewlett-Packard CEO John Young

Defense — Georgia Sen. Sam Nunn, Wisconsin Rep. Les Aspin, Rep. Dave McCurdy of Oklahoma, Colorado Rep. Patricia Schroeder, Washington lawyer James Woolsey.

Education — Gov. Roy Romer of Colorado, Johnnetta Coles, former Gov. Richard Riley of South Carolina, former Gov. Raymond Mabus of Mississippi, Gov. Zell Miller of Georgia, Marian Wright Edelman, Wilhelmina Delco.

Energy — Colorado Sen. Tim Wirth

Health and Human Services — Donna Shalala, Judith Feder.

Housing and Urban Development — Henry Cisneros, Maynard Jackson, Louisville, Ky., Mayor Jerry Abramson, Boston Mayor Ray Flynn.

Interior — Former Arizona Gov. Bruce Babbitt, New Mexico Rep. Bill Richardson, Colorado Sen. Tim Wirth, Hawaii Gov. John Waihee III

Labor — Former Michigan Gov. James J. Blanchard

State — Gen. Colin Powell, Warren Christopher, Rep. Lee Hamilton of Indiana, New York Rep. Stephen Solarz, New Jersey Sen. Bill Bradley

Transportation — Former Michigan Gov. James J. Blanchard, William Daley, Rep. Norman Y. Mineta

Veterans Affairs — Hershel W. Gober

OTHER TOP POSTS

Environmental Protection Agency — Carol Browner, Former Vermont Gov. Madeleine Kunin, Colorado Sen. Tim Wirth

Council of Economic Advisers — World Bank Chief Economist Lawrence Summers, Laura D'Andrea Tyson

U.S. ambassador to the United Nations — Ron Brown

U.S. Trade Representative — Ron Brown

National Security Adviser — Madeleine Albright

CIA Director — Oklahoma Rep. David McCurdy, Washington lawyer James Woolsey

The Washington Times

Clinton Names Five

 DATE: 12-11
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Members of Economic Team

President-Elect Sets More Announcements Today as Speculation Swirls on Cabinet Appointees

By Ann Devroy and Al Kamen
 Washington Post Staff Writers

LITTLE ROCK, Ark., Dec. 10—President-elect Clinton today named five pillars of Washington and Wall Street as the top members of his new economic team, using his first appointments to symbolize the paramount role economic rejuvenation will play in his administration.

Calling his new team "seasoned, skilled, incredibly able and ready to work for the American people," Clinton formally announced Texas Sen. Lloyd Bentsen as his choice to head the Treasury Department and New York investment banker Roger C. Altman as his deputy; Rep.

Leon E. Panetta (D-Calif.) to head the Office of Management and Budget with former Congressional Budget Office Director Alice M. Rivlin as his deputy, and Wall Street financier Robert E. Rubin for the new role as chairman of the National Economic Council.

None of the five was a surprise. Their names had been in circulation for a week in various combinations. Clinton, in making the announcements with the five lined up behind him, suggested other members of his economic team will be announced within days, including the head of the Council of Economic

Advisers and other Cabinet agencies whose work will be coordinated by the new economic council, particularly Labor and Commerce.

Clinton has scheduled more announcements for Friday, and rumors swirled here and in Washington about final selections for the Clinton team. Sources said that Harvard professor Robert Reich, a longtime Clinton economics adviser considered more liberal than members of the team assembled today, has emerged as the leading candidate to head the Labor Department. Additionally, sources said Clinton will name Carol M. Browner, head

of Florida's Department of Environmental Regulation, to be administrator of the Environmental Protection Agency.

It was unclear which appointments Clinton will announce in the next few days. He left out of the first economic announcement the chairman of the Council of Economic Advisers. Laura D'Andrea Tyson, a professor at the University of California-Berkeley, was reportedly here for discussions with Clinton and is a leading contender for the post.

University of Wisconsin at Madison Chancellor Donna Shalala remains the most likely candidate to head the Department of Health and Human Services, sources said. Clinton wants to name the nation's first female attorney general, aides said, but they denied that Judge Patricia M. Wald of the D.C. Circuit Court of Appeals was the leading candidate.

Two prominent Democrats today become the topic of speculation for top posts in the new Clinton administration. Democratic National Committee Chairman Ronald H. Brown has been asked whether he is interested in being ambassador to the United Nations, said sources, who did not know if such a post ap-

pealed to Brown. Former San Antonio mayor Henry Cisneros is at the top of the list to head the Department of Housing and Urban Development. Cisneros, a favorite of Hispanic groups, was a tireless supporter of Clinton's candidacy and has been mentioned as one of the leading Democratic candidates to fill the Senate vacancy created by Bentsen's appointment.

Officials of the Disabled American Veterans confirmed that Jesse Brown, the combat-injured Vietnam veteran who heads their Washington office, met with Clinton here Tuesday. The unannounced meeting increased speculation among veterans groups that Brown is a leading candidate to become secretary of veterans affairs. Lewis Puller Jr., a Defense Department lawyer who is also a combat-injured Vietnam veteran from Virginia, has also been mentioned as a candidate for the VA job.

At the news conference, Clinton would not engage in speculation about his national security team, brushing aside a widely circulated rumor in Washington this week that Gen. Colin L. Powell, chairman of the Joint Chiefs of Staff, was under consideration to be secretary of state. Clinton agreed Powell was qualified for the post, but said he would fill that job when he is ready.

On Capitol Hill, Clinton's new economic team was roundly praised by Democrats, who are excited by the prospects of two of their own assuming leading economic roles, and by Republicans, who view the team as representative of "mainstream" thinking.

House Speaker Thomas S. Foley (D-Wash.) told CNN that Clinton was wise to go with "known quantities" and, "We've got a team to do things up here, to move the ball." Senate Majority Leader George J. Mitchell (D-Maine) said of the choices, "I have full confidence that they will develop and implement policies to get our economy moving again."

Senate Republican Leader Rob-

ert J. Dole (R-Kan.) called Bentsen "a man of integrity and great skill who brings instant credibility to the job." One Republican leader privately rejoiced at Clinton's choices, saying of the new team: "It's not liberal, it's mainstream. It's almost Republican."

Clinton said that Bentsen, a 22-year veteran of the Senate who headed the Senate Finance Committee, would retain the customary role as principal economic spokesman and adviser to the president. Rubin, Clinton said, would act as coordinator of all economic policy decisions in much the same way the National Security Council under Brent Scowcroft has coordinated national security decision-making in the Bush White House.

Clinton pledged to create such a job during the campaign, arguing it was needed to raise the status of the country's chief domestic problem, the economy, to the same status and attention in the White House that foreign policy receives. Some have suggested that Rubin

On Capitol Hill, Clinton's new economic team was praised by Democrats, excited by the prospects of two of their own assuming leading economic roles, and by Republicans, who view the team as representative of "mainstream" thinking.

and Bentsen, with the major economic jobs, could end up at loggerheads but both men today stressed teamwork and the workability of the new structure.

Clinton laughed off a suggestion that his team was little reflective of the change he pledged to bring to Washington. Bentsen, whose huge department is responsible for tax policy and international economic affairs, insisted that he represented change from the past two Republican administrations. "I felt like an outsider for 12 years," he said.

A relaxed and animated Clinton,

who appeared relieved to get the appointment process past the speculation stage, cheerfully deflected reporter's assertions his OMB team was more interested in deficit reduction than he, and that Panetta had questioned whether the numbers in Clinton's campaign budget proposals added up. "I'm going to give him a chance to teach me some math," Clinton said of Panetta, and added he was more interested in the integrity of the OMB leadership than whether they agreed with him on all issues.

The OMB prepares the national budget, acts as a clearinghouse for congressional spending proposals and works to see that spending is in line with the overall federal budget.

Clinton's news conference continued a weeklong emphasis on the need to proceed with short- and long-term programs to aid the economy, despite some indications that a recovery is underway. He spent two days this week, in Chicago and Washington, making that point, did so today and is expected to continue the theme during the two-day economic conference here Monday and Tuesday.

Clinton insisted that the CEA would not be downgraded with the addition of a new national economic council, but would perform its traditional role of economic analysis and be "more of an influence in terms of ideas" than it has been.

Staff writers John M. Goshko, Tom Kenworthy, Bill McAllister, Eric Pianin and Frank Swoboda contributed to this report from Washington.

Clinton Appointees Form a Collage of Varying Economic Views

By Steven Mufson
Washington Post Staff Writer

LITTLE ROCK, Ark., Dec. 10—With the core of his new economic team President-elect Clinton appears to be pursuing his instincts to compromise and turn his administration into a tent big enough to accommodate a wide variety of viewpoints.

In tapping Senate Finance Committee Chairman Lloyd Bentsen (D-Tex.), Clinton chose an old-time wheeler-dealer from Congress; in House Budget Committee Chairman Leon E. Panetta (D-Calif.) and Brookings Institution fellow Alice M. Rivlin, a couple of deficit hawks; and in investment bankers Robert E. Rubin and Roger C. Altman, some senior Wall Street hands.

"So far he has varying points of view," said L. William Seidman, economic coordinator in the Ford administration and chairman of the Federal Deposit Insurance Corp. in the Reagan and Bush administrations. "With Panetta, he gets a budget balancer. With Bentsen, he gets a tax incentive man. Rubin would bring some real world input. If you're in favor of any of those things, you're represented."

The team should reassure different audiences about the steadiness of government policy, said Stuart Eizenstat, President Jimmy Carter's domestic policy adviser.

"Bentsen sends a strong signal to the business community," he said. "Rubin sends a very strong signal to bond markets here and abroad. And Panetta and Rivlin tell people that this is an administration that understands the importance of restraining deficits."

Taken individually, the group has some sharp differences. And the range of opinions may grow wider if Clinton appoints economist Laura D'Andrea Tyson and Harvard University government professor Robert Reich to key posts.

Almost every one of the first five appointees has been at odds with Clinton campaign rhetoric in some way. Though Clinton lambasted 1980s greed on Wall Street, Rubin made his fortune there. Though Clinton attacked special interests and the traditional

his advisers and make up his own mind about policy. "In the end I will make the ultimate decisions and be the ultimate arbiter," he said during his press conference.

Brushing aside differences with Rivlin, Clinton said he wanted the people who could give him the best advice. Asked about Panetta's comment during the campaign that Clinton's proposed budget numbers did not add up, Clinton said: "I'm going to give him a chance to teach me some math."

"Clinton is having it both ways ideologically," said Republican political analyst Kevin Phillips. "This is a broadly acceptable group."

Phillips said Clinton appeared to be following Franklin D. Roosevelt's "game of balancing advisers against each other. . . . These people are pieces on a chess board, interestingly arranged."

With no shortage of economic policy ideas, Clinton has also dealt himself a group of advisers who are pragmatists and experts in getting things done in Congress.

With Bentsen's appointment, he has moved to strengthen his hand in dealing with senior congressional Democrats eager to play a bigger role in setting the domestic agenda than they have been able to under a dozen years of Republican presidents.

With the appointment of Panetta, he has added an amiable Democrat and former Republican whose friendships in the House cross party lines.

And with both Panetta and Rivlin, the respected former director of the nonpartisan Congressional Budget Office, he has bolstered his administration's credibility on budget numbers.

Clinton indicated that he wanted to avoid the bitter arguments over budgetary "smoke and mirrors" that have plagued relations between the White House and Congress from

Reagan administration budget director David A. Stockman's "magic asterisk" through Bush administration budget director Richard G. Darman's accounting changes. At one point during budget talks in 1990, senior congressional Democrats refused to meet with top Bush officials.

Panetta would, Clinton said, "restore the confidence of the American people and their elected representatives that OMB is shooting straight with the Congress [and] shooting straight with the American people."

Clinton also is seeking to avoid the experience of another southern Democratic governor who became president, Carter, whose legislative program ran into opposition in Congress.

"Carter tried to take Washington

by storm," said Allen Sinai, chief economist for the Boston Co. economic consulting group. "But Carter did not know how to deal with Washington. Governor Clinton is trying not to make the same mistake."

Added Robert Glauber, former assistant treasury secretary for domestic finance: "If the big battle is going to be over who controls the legislative agenda, the executive branch or the Hill, there is no one better to have on your side than Bentsen."

With the exception of Rivlin, Clinton's first five economic team members are experienced dealmakers willing to lay aside some issues for the sake of others.

Bentsen laid aside his support for a cut in the capital gains tax to fall into line with the efforts of Senate Majority Leader George Mitchell (D-Maine) to force Bush to accept higher taxes on the wealthy earlier this year.

Panetta has managed to negotiate agreements on a committee where views range from conservative balanced-budget amendment backer Rep. Charles W. Stenholm (D-Tex.) to liberal Rep. Martin Olav Sabo (D-Minn.), both likely competitors to replace Panetta as committee chairman.

Rubin has managed a group of strong-willed investment bankers, and Altman has worked on legislative matters in the Carter administration's Treasury Department and on friendly takeover deals between major companies.

"All of the key people are used to the give-and-take of negotiation and compromise," said Sinai.

"These people are pieces on a chess board, interestingly arranged."

— analyst Kevin Phillips

style of business in Congress, Bentsen specialized in it. Though Clinton has opposed a national sales tax, Rivlin has endorsed it. And while Clinton does not support a higher gasoline tax, Panetta does.

Yet Clinton today displayed confidence in his own ability to settle differences between

CLINTON'S ECONOMIC TEAM

**Lloyd Bentsen, named treasury secretary**

71; grew up speaking English and Spanish; earned Distinguished Flying Cross in WWII; beat George Bush to win Senate seat in 1970; chairman of Senate Finance Committee; running mate of Democratic presidential nominee Michael Dukakis; shepherded major legislation, including a bill giving workers advance notice of plant closings; has protected tax breaks for the real estate, oil and gas industries.

Roger Altman, named deputy treasury secretary

46; vice chairman, the Blackstone Group, an investment banking firm; was one year ahead of Clinton at Georgetown University; former partner at investment banking firm of Lehman Bros.; as Carter administration Treasury official, helped manage federal bailouts of New York City and Chrysler Corp.; "Ultimately it's economic performance" that will decide Clinton's success, he says.

**Robert E. Rubin, named chairman of the National Economic Council**

53; co-chairman of Goldman Sachs & Co.; grandson of a Brooklyn Democratic leader; son of a successful real estate lawyer; active in Democratic politics and fundraising since 1972; advised Democratic candidate Walter Mondale in 1984; keen interest in problems of urban poverty, which he calls "an enormous albatross around the economy."

Leon E. Panetta, named director of the Office of Management and Budget

54; son of Italian immigrants; entered politics as liberal Republican; changed parties after being fired for his aggressiveness as Nixon administration civil rights official; elected congressman from California in 1976; longtime critic of the government's giant deficits; has won re-election in his district by large margins.

**Alice Rivlin, named deputy director of OMB**

61; senior fellow at Brookings Institution; founding director of Congressional Budget Office; strong critic of big budget deficits; says federal government should run surplus to save for retirement of baby boom generation; "I am a fanatical, card-carrying middle-of-the-roader."

-Steven Mufson

Antiabortion Leader Vows To Disrupt the Inauguration

By Linda Wheeler
Washington Post Staff Writer

Randall A. Terry, founder of the antiabortion group Operation Rescue, announced yesterday that he and others would try to disrupt the inauguration of President-elect Clinton to protest his use of the Bible during the swearing-in.

"Governor Clinton will make a mockery of the Bible when he places his hand upon it," Terry said. "We will be there to confront [him] every step of the way as [he] resists God and the Ten Commandments . . . Look for a clear challenge to Governor Clinton not to be sworn in with the Bible."

Terry, who did not give details of the protest plan, was referring to Clinton's support of women's right to abortion and his support for allowing homosexuals to join the military.

Richard Mintz, director of communications for the presidential inauguration committee, said organizers are confident there will be no problem during the Jan. 20 ceremony.

"There is probably no place in the world where there is more security than at the swearing-in ceremony," he said.

The protesters will be drawn from Operation Rescue and the Christian Defense Coalition, Terry said. He said protesters will attend

ration and hold a pray-in in front of the executive mansion the same day.

He said they would also demonstrate at clinics that offer abortions on Jan. 22 and 23. Jan. 22 marks the 20th anniversary of the *Roe v. Wade* Supreme Court decision that made abortions legal.

Terry said their tactics will be legal.

"We will not block roads," he said. "We believe in free speech. But our message will be clear, forceful and distinct. There will be drama. We will be at the open house and give [Clinton] a warm welcome."

Mintz said the White House is open to the public regularly and he is confident the Secret Service will be able to protect the president. Mintz said no decision has yet been made as to how the open house part of the inaugural festivities will be handled. It is scheduled for 9 a.m. to noon on Jan. 21.

The five days of protest activity are being referred to as "the call to resistance." In literature supplied by Terry, the groups involved say the country is facing moral decay and their movement will provide a platform for a spiritual and cultural reformation.

Terry also announced plans for a demonstration in 100 cities, including Washington, on Jan. 8 to oppose lifting a ban on homosexuals in the military.

Excerpts From Clinton's Announcement of Appointments to Economic Posts

Following are excerpts from a news conference yesterday in which President-elect Bill Clinton announced the appointment of Senator Lloyd Bentsen as Secretary of the Treasury and named other economic advisers, as recorded by News Transcripts Inc., a private transcription service:

PRESIDENT-ELECT BILL CLINTON Today, I have asked you here to announce the first members of our economic team. These people are seasoned, skilled, incredibly able and ready to work for the American people. I stress the word "team" because the success of our economic action agenda will depend not only on the talents of these people as individuals and those whom I will announce in the next few days, but also in their capacity to work together for the common good of all Americans.

They are deeply aware that we must not be the first generation of Americans to leave a worse economy to our children. And as I have said repeatedly, our nation faces two deficits, a budget deficit and an investment deficit.

I'm going to work my heart out with these people to construct a strong, long-term plan for economic growth, for jobs, for incomes, and to reduce our national debt.

My first appointment, intentionally, is the Secretary of the Treasury. In filling this post, I wanted someone who had the unique capacity to command the respect of Wall Street, which showing an unrelenting concern for the Americans who make their living on Main Street.

When Lloyd Bentsen agreed to serve as Secretary of the Treasury, it is safe to say I succeeded. In American politics when you say the words "stature, dignity, and respects," Lloyd Bentsen's name comes right to mind. I've known Senator Bentsen for many years, and, as a few of my folks know, I've had him in mind for this position for a long time, long before I was actually elected President.

I followed his work for years as chairman of the Senate Finance Committee; I know about the tax bills he tried to have written into law, which would have promoted more investment and less consumption; I know about the trade positions he's tried to convince our country to take which would have promoted more free trade but a tougher set of demand to open markets to American products.

But he, too, needs a team, and the team that will take the helm at the Treasury Department is truly exceptional, in part because of the creativity and quality of the person who will be appointed as deputy secretary of the Treasury, Roger Altman. Roger is a longtime friend of mine, a former assistant secretary of the Treasury, a preeminent investment banker. And he's been one of my closest economic advisers throughout this entire campaign.

As director of the Office of Management and Budget, Congressman Leon Panetta will bring integrity to this critical office and restore the confidence of the American people and their elected representatives that

O.M.B. is shooting straight with the Congress and shooting straight with the American people, and doing its best to help us not only to have a responsible budget but to manage the massive American Government in a different and better way than ever before.

As chairman of the House Budget Committee, Leon Panetta brought a unique combination of strong leadership and superb technical skills. With Leon Panetta as O.M.B. director, I believe that agency can play the pivotal role we have to have it play in the swift and effective implementation of our economic plan.

I'm also delighted to announce that Alice Rivlin, the former director of the Congressional Budget Office and one of our nation's most respected budget experts, has agreed to serve as deputy director of the Office of Management and Budget. Together, Alice and Leon promise to be the most dynamic team in the history of O.M.B. and to restore the confidence of the Congress that the executive branch is going to be a responsible partner in making the budgets of this country.

Finally, I have asked Robert Rubin to serve as assistant to the President for economic policy and to help to coordinate and to direct our new Economic Council. I've created this new role, similar to that of the national security adviser in the present White House, because the coordination of our nation's economic policy is every bit as essential as the coordination of foreign policy to our long-term national security.

Bob Rubin has enjoyed a brilliant career at his firm, and has throughout manifested concern for the welfare of all Americans, and a special concern for the welfare of the inner city poor for whom he has worked as a member of the Cuomo Commission and in other contexts. This new Economic Council which I will chair embodies our commitment to make economic prosperity the top priority of this administration and to sharply focus on economic policy in the White House.

Today's appointments are just the first of many. In the coming days and before too long, we will have appointed the entire economic team and the remainder of the Cabi-

net. When we are done, the American people know that I mean business when it comes to our campaign commitment to promote a high way, high growth, strong and vital economy, not only for today's Americans, but for the future generations as well.

QUESTIONS AND ANSWERS

Q. Can you tell us, who will be taking orders from whom — Mr. Rubin from Mr. Bentsen, or Mr. Bentsen from Mr. Rubin? It's not quite clear what each one will be doing here.

PRESIDENT-ELECT CLINTON Well, I think it is quite clear. First of all, the Secretary of the Treasury will continue to be the principal economic spokesperson after the President for this Administration, just as it has traditionally occurred. Mr. Rubin's job will be very much like General Scowcroft's job on the national security side in this Administration. His job will be to coordinate, to facilitate and to provide some direction to the deliberations of our economic council.

It will be a larger group than the National Security Council because it will include not only these departments, but also some others which I have discussed with you before, like Commerce, Labor, Energy. And it is a very important job.

But in the end, I will make the ultimate decisions and be the ultimate arbiter when there has to be an arbiter. I think that if you go back to the campaign structure that we tried to provide, which really did defy past organizations because it was less hierarchical and more team work oriented, that's what I expect to provide here.

And I think that because we want to bring in more people in a more systematic way and reconcile what these departments are doing so they can reinforce and energy one another, I decided that I needed someone on the domestic side to be that sort of coordinator and facilitator but these departments, each will stand on their own. . . . The Treasury will still be the place where the President's economic views are spoken for after the President does it.

SENATOR LLOYD BENTSEN I've heard all these stories about my being an insider. Let me tell you, I felt like an outsider for 12 years. And I'm tired of the gridlock.

To do the things we've tried to do on campaign reform, do the things we tried to do on a tough crime bill, to do the things that we did in the last tax bill, to put economic incentives in there to create jobs, and to get this country moving again, and to see those kinds of things vetoed, I'm just delighted to see us be able to bring about the kind of change, to create those jobs now, with a Democratic President, a Democratic President like Bill Clinton.

I think you're going to see those hopes turn into reality. And to be able to pass those and put them into law is what I'm so pleased about.

And as far as the Secretary of the Treasury's job, I know you're probably looking for more maturity in that job. But I'll do what I can.

REPRESENTATIVE LEON E. PANETTA I think everyone that knows me as chairman of the Budget Committee and my work on the budget, we've been basically fighting the budgets that have been presented over the last 12 years concerned about the priorities that we part of those budgets, the failure to invest in our society, and the fact that they would ultimately produce the record deficits that they have produced.

So I've been fighting against those kinds of budgets in the time I've been in Congress, and I think the President-elect and I share a common commitment, not only to long-term deficit reduction, but to making the investments in education and health care and infrastructure and growth that this Administration has failed to make over the last few years.

Q. Governor Clinton, and also Senator Bentsen, for both of you, were you at all concerned in picking Senator Bentsen that his choice might lead to the loss of yet another Democratic Senate seat in Texas that might make your job of getting your program passed harder? And Senator Bentsen, did that play any part in your decision whether to take this position?

SENATOR BENTSEN Obviously that's something that would be of some concern to me. But the Democratic Party in Texas is in great shape and we have a very effective and attractive Governor who will be making that decision and that choice and who will play a major role in that campaign and I think the odds are just excellent that a Democrat will succeed me in that spot.

PRESIDENT-ELECT CLINTON I did give it some thought. It crossed my mind. I think that frankly the kind of leadership that has been provided in Texas by people like Ann Richards, Henry Cisneros, John Sharp, that they and many others have embodied the kind of new Democratic Party that we're trying to bring to the United States. And I think there's a good chance that Governor Richards will name someone senator who will have the confidence of the people of Texas. I thought about it. But I also thought that Senator Bentsen was the best choice for America for Treasury Secretary and I think the people of Texas will respond to that. But I don't think there's any reason to believe that the Democrats can't be highly competitive in that job.

Q. The Justice Department has decided not to appoint a special prosecutor in the Iraqgate case. Do you believe that there is a need for additional inquiries in that? And will you appoint, have your Justice Department appoint, a special prosecutor after you take office?

PRESIDENT-ELECT CLINTON I certainly think we need to know more about it than we now know. And what I intend to do is to appoint an Attorney General and then get a recommendation on it. And generically, let me make a statement, the special prosecutor law, as you know, either just did or is about to expire and I had to tell you, I think it should be reenacted. And I will support that.

Promises Before Policies

By DAVID E. ROSENBAUM

Special to The New York Times

WASHINGTON, Dec. 10 — With the choices he announced today, President-elect Bill Clinton indicated that the main responsibility of the top economic policy officials in his Administration would be not so much to develop new policy as to get his campaign promises enacted quickly.

News Analysis

Senator Lloyd Bentsen and Representative Leon E. Panetta have mastered tax and budget policy like few others in public life. The high regard with which they are held by their peers in Congress should prove invaluable to Mr. Clinton, who has said he is determined to break the deadlock between the White House and the Capitol.

Their intelligence and political skill aside, neither Mr. Bentsen nor Mr. Panetta has concentrated on developing views about preparing for the economy of the 21st century. Similarly, Robert E. Rubin, the investment banker who is to become the chief economics coordinator inside the White House, is said to be a smart and efficient manager, and is not known as someone who offers new ideas about the economy.

Painful Measures Ahead

Mr. Clinton apparently felt he did not need philosophers right away but sought the special talent of two accomplished politicians and a highly successful Wall Street investor to win approval of the painful measures necessary to lower the budget deficit.

The President-elect has already formulated a detailed plan involving higher taxes on the wealthy, a tax cut for the middle class, an investment tax credit for business and new spending on public works projects, and he has vowed to push this package through Congress in his first 100 days in office. That does not leave much room for a while for further policy development.

Mr. Clinton almost said as much at his news conference today. He said he had chosen Mr. Bentsen to be Treasury Secretary because of the Senator's "stature, dignity and respect." He said he had picked Mr. Panetta to be budget director to win "swift and effective implementation of our economic plan."

A Course to Chart

But if he succeeds at the outset, Mr. Clinton presumably will then begin to "chart a new course in the world economy," as he promised during his election campaign.

How, for example, can American industries compete better with those from Europe and Japan? How should schools and job-training programs be improved? What steps will be needed in the next decade to prepare for a time early in the next century when the country has a much higher ratio of retired people to workers than it does now?

Mr. Clinton addressed such matters in broad brush during the campaign, but Mr. Bentsen and Mr. Panetta, perhaps because of their legislative responsibilities, have tended to look at economic issues more narrowly.

Mr. Bentsen's foremost initiative in the last few years has been to advocate a tax break to encourage upper-income taxpayers to save money. Whatever the merits of the Texan's proposal, no

one thinks it would result in a fundamental change in the economy.

Mr. Panetta is one of the few lawmakers who have consistently argued that most Americans should pay higher taxes and relinquish Government benefits to lower the Federal budget deficit. But the California Congressman has rarely addressed the longer range question of what should be done once the deficit problem is licked.

In Line for Labor

The economic philosopher among the Clinton insiders is Robert B. Reich, the head of the economics transition team. Mr. Reich (pronounced as if it were Reish) was not included in the first round of announcements today, but Clinton aides say he will be named Secretary of Labor. Mr. Reich, by virtue of being a close friend of Mr. Clinton, will probably be an influential force in the new Administration.

As Mr. Clinton selects people for top jobs in other areas where his campaign promises were less explicit and action less urgent than on the economy, he will be looking more for people he considers capable of developing broad approaches to policy questions — visionaries, some of his advisers say.

That will be especially important in foreign affairs, where Mr. Clinton personally is on less familiar ground than

Adroit politicians may be just the people to manage pain.

he is with economic issues and where he will have the chance like no other President since Harry S. Truman to establish policies reflecting a completely changed world.

Boldness will also be needed in health care, where Mr. Clinton has promised to revamp the current system so that costs are controlled and everyone can get affordable insurance.

Turning to the Familiar

But today, the spotlight was not on foreign policy or the medical system, but on the economic choices and on the particular views, talents and liabilities of the people Mr. Clinton is putting into the top jobs.

George Bush, whose own background is in business, relied for economic counsel largely on advisers with a business perspective like Treasury Secretary Nicholas F. Brady, Richard G. Darman, the budget director, and

John H. Sununu, his first chief of staff.

Similarly, Mr. Bentsen, Mr. Panetta and Mr. Rubin are, like Mr. Clinton, lawyers, although none have practiced law for years.

By picking Mr. Bentsen and Mr. Panetta for the top two economic jobs, and by naming Mr. Rubin, Alice M. Rivlin and Roger Altman to other important positions, Mr. Clinton turned to the center of the economic and political spectrum.

A Shrinking Center

That could be important at a time when economists and politicians on the left and the right are arguing that the budget deficit is of secondary importance and when the number at the center willing to advocate the bitter medicine needed to lower the deficit seems to be shrinking.

The new line-up of advisers may dispel the notion held in some circles here and on Wall Street that Mr. Clinton is not completely committed to reducing the deficit, a view that developed because the President-elect has never said specifically what sacrifices he would ask ordinary Americans to make. But today's announcement will do little to reassure critics who hoped Mr. Clinton would look beyond Washington and Wall Street for his economic

advice.

Mr. Bentsen has such stature as his party's Vice-Presidential nominee in 1988 and as the chairman of the most important committee in the Senate that he is almost certain to restore to the Treasury the influence the Department had when John B. Connally was Treasury Secretary in the Nixon Administration and when James A. Baker 3d held the post in Ronald Reagan's second term. Mr. Clinton made it clear at his news conference this afternoon that Mr. Bentsen would be his chief lieutenant on economic matters.

In the Bush Administration, Mr. Brady, whose political experience was limited, was generally overshadowed by Mr. Darman and others.

Clinton's Budget Office Will Differ From Bush's in Both Style and Substance

By STEVEN GREENHOUSE
Special to The New York Times

WASHINGTON, Dec. 10 — The Office of Management and Budget may remain an army of bean counters with eye shades under Leon E. Panetta and Alice M. Rivlin, President-elect Bill Clinton's choices as budget director and deputy budget director. But it will be a far different place than it was under the current budget director, Richard G. Darman.

For all his talk about the evils of the Federal deficit, Mr. Darman presided over years of record deficits. Mr. Panetta and Ms. Rivlin are known as deficit hawks. Indeed, during the campaign each criticized Mr. Clinton's budget plan as not being tough enough on the string of \$300 billion deficits projected for the years ahead.

Mr. Darman is known as much for his arrogance as for his brilliance, and he spent much of his time browbeating Democrats in Congress.

Mr. Panetta, a Democratic Representative from California, is expected to play the friendly shepherd, nudging and cajoling former colleagues to enact Mr. Clinton's potpourri of tax cuts, tax increases and new spending programs.

'Tremendously Strong Team'

Budget directors usually eclipse their deputies, but Mr. Clinton's aides say that Mr. Panetta and Ms. Rivlin will divide the labor. Ms. Rivlin, a respected economist who was the first director of the Congressional Budget Office, the legislative counterpart of the executive branch's O.M.B., will do a lot of the technical work, while Mr. Panetta, chairman of the House Budget Committee, does the heavy political lifting.

"It's a tremendously strong team," said Robert D. Reischauer, director of the Congressional Budget Office. "You have two people strongly committed to deficit reduction, two people who are extremely knowledgeable on the details of the Federal budget, one who brings economic expertise and an academic perspective and another who brings the political dimension."

The primary charge of the Office of Management and Budget is shaping the Federal budget. It reviews requests for spending from Federal agencies

A pair of deficit hawks who smile as they chop.

and works with them in developing programs that will be reflected in the budget request the President sends to Congress. It also seeks to hold down their costs and tries to make the bureaucracy more efficient.

Under President Jimmy Carter, the O.M.B. started reviewing Federal rules and pressured agencies not to overregulate. It performed this task aggressively under President Ronald Reagan, when David Stockman and then James C. Miller 3d were budget directors, and far less vigorously under President Bush, during Mr. Darman's tenure.

One thing seems clear: Mr. Panetta will play a less important role in policymaking than Mr. Darman, who through his forcefulness and the absence of other strong voices on budget issues

became the Bush Administration's most powerful voice in economic policymaking. With his strong views and extraordinary command of budget details, Mr. Darman turned the agency into a potent force that reached into every nook of the Government.

Asserting that President Bush stood on the sidelines when it came to the economy, Mr. Clinton has promised to be the first-string quarterback on economic policy. Mr. Panetta will be one of the backs, called on to carry the ball through the House and Senate. And unlike Mr. Darman, he is expected to bounce ideas off key members of Congress before the President's policies are set in concrete.

"Leon is well liked by virtually everybody on the Hill," said Mr. Reischauer. "He can push and cajole his former colleagues as Dick Darman never could."

Human Lightning Rods

Still, there are plenty of areas where the Panetta-Rivlin team could soon find themselves in hot water.

Since the "M" in O.M.B. stands for managing the budget and the bureaucracy, Mr. Panetta and Ms. Rivlin may have to shoulder the burden of implementing Mr. Clinton's campaign pledge to cut administrative expenses by 3 percent a year and to cut 100,000 of the 3 million Federal workers.

Mr. Panetta and Ms. Rivlin have long urged deeper cuts in mandatory entitlement programs like Medicare, and that could quickly make them lightning rods for Congressional ire. And because many interest groups are eager to get a larger piece of the pie with the Democrats back in power, Mr. Panetta will probably have to slam the door on some old friends.

Four years as Budget Committee chairman seem to have prepared Mr. Panetta for this role. He once boasted it was an "enforcement committee."

The Monterey native is also frugal in his private life. He shared a tiny townhouse in Washington with four other Congressmen, and he uses frequent-flyer miles for much of his official travel.

Mr. Panetta, 54, was a Republican in his youth and worked for former Mayor John V. Lindsay of New York. He reportedly became a Democrat after President Richard M. Nixon dismissed him for being too vigorous as head of the Federal civil rights office. He was elected to the House 16 years ago.

This year, he led the campaign against a balanced budget amendment, calling it a gimmick that did not require members to make tough decisions to slash the deficit.

Ms. Rivlin, 61, showed a liberal bent for greater social spending while holding several positions in the Johnson Administration, but she showed she could be a solid, neutral economist as head of the Congressional Budget Office from 1975 to 1983.

A Radcliffe graduate, she is a fellow at the Brookings Institution and teaches economics at George Mason University.

Her recent book, "Reviving the American Dream," (Brookings Institution, 1992) conflicts with some of Mr. Clinton's philosophy in urging that states be given responsibility for managing and financing economic development programs, like job training and transportation spending. The book calls for a consumption tax, suggesting that revenues should be shared by Washington and state governments.

Reich Is Likely To Be Named Labor Secretary

Bentsen, as Expected, Gets Treasury Post, Panetta To Head Budget Office

By JEFFREY H. BIRNBAUM
And KEVIN G. SALWEN

Staff Reporters of THE WALL STREET JOURNAL

LITTLE ROCK, Ark. — Robert Reich, a key Clinton adviser and a strong advocate of worker training and education, is expected to be named labor secretary, according to officials for the Clinton transition.

The choice of Mr. Reich could be announced as early as today, when Mr.

Friedman to Head Goldman

Stephen Friedman will become the sole chairman of Goldman, Sachs & Co. — a departure from Goldman's current practice of having two chairmen — as Robert Rubin leaves to join the Clinton administration. See article on page C1.

Clinton is likely to unveil another set of senior officials. As expected, the president-elect named Texas Sen. Lloyd Bentsen to be Treasury secretary; California Rep. Leon Panetta to head the White House Budget Office; investment bankers Robert Rubin and Roger Altman to be the president's assistant for economic policy and the deputy Treasury secretary, respectively; and Brookings Institution scholar Alice Rivlin to be deputy budget director.

The nomination of Mr. Reich, a lecturer at Harvard University's Kennedy School of Government and the economic policy leader for the Clinton transition, was discussed with unions, which didn't try to veto the choice.

Indeed, some labor leaders praised Mr. Reich, saying his economic background and ties to the president-elect will provide labor with its strongest voice in the cabinet since the mid-1970s. "He'll be connected to the economic policy decisions, which is very important," said Jack Sheinkman, president of the Amalgamated Clothing and Textile Workers Union in New York. "Working people are concerned not only about the Labor Department but the economy of the country."

Others were less glowing. George Kourpias, president of the Machinists union, said he would have liked to have seen "someone from the trade union movement as secretary of labor." Still, he added, "He's going to be an improvement, no doubt ... and that makes it OK with me."

Mr. Reich, 46 years old, argues against preferential treatment for U.S. companies. In his book "The Work of Nations," he said foreign companies should also get U.S. subsidies for technological development "so long as the company agrees to undertake research, development and fabrication in the United States, using American scientists, engineers and technicians." The bottom line: "Invite them in; we need the training."

Business leaders lamented the choice. "There's no question that the Labor Department will be moving in a dramatically different direction—not for the better from our standpoint. Robert Reich clearly represents the Liberal-Democratic side of the Clinton house," said Jeffrey McGuinness, president of the Labor Policy Association, which represents human-resource officials at large companies. "You can't make the economy more competitive by burdening it with a whole new set of regulations."

Even as he was naming his top economic team, Mr. Clinton made it clear that he will be his own "chief economic adviser" and will focus his policies on deficit reduction to keep the economy growing over the long term.

At a news conference, Mr. Clinton pledged to "shoot straight" with Congress about the state of the economy and the cost of his prescriptions. This would mark a sharp contrast with his predecessors who, he said, weren't always so forthcoming.

But such facing of hard facts, Mr. Clinton said, would mean making tough choices, a point echoed by his new aides. "It will not be easy," said Rep. Panetta, who is chairman of the House Budget Committee.

The heart of the Clinton economic plan will be deficit-reduction. Cutting the annual budget shortfall, which is projected in the \$300 billion range this fiscal year, Mr. Clinton said, would be the key to creating the best atmosphere for long-term economic growth. But aside from proposals to raise taxes on the wealthy and foreign corporations and to trim military spending, Mr. Clinton hasn't specified the major ways he would attack the deficit.

In an interview, Deputy Treasury Secretary-designate Altman was emphatic that "we must raise investment in our economy" and that deficit-reduction was "the No. 1 thing on the list" to make that happen. He cited increasing private savings as another way to spur private investment.

Mr. Clinton and his new aides played down short-term economic stimulus as part of their initial economic package, which they hope will be enacted in the first 100 days of the new administration. The size and shape of that stimulative part of the plan — which will include targeted tax cuts and increases in spending — will be reassessed closer to the time of the inauguration next month in light of the state of the economy, Mr. Altman said.

Mr. Altman also said that tax relief for middle-income Americans would very likely be part of that package. "Gov. Clinton is committed to it," he said.

In the news conference, however, Mr. Panetta, who said during the campaign that the Clinton economic plan avoided the tough choices necessary to shrink the deficit, implied that he won't be pressing for the middle-class tax cut. "The first priority, and I believe, deeply that the

governor shares this, is to develop a long-term deficit-reduction plan combined with the kind of investments that have to be made within our society," he said. "And then at that point we would look at other issues like a middle-income tax cut."

Mr. Clinton made clear he intends to run his economic policies through a team of officials who will cooperate closely with him and each other. Mr. Rubin, as his assistant for economic policy, is to take charge of a new National Economic Council that would make sure those efforts were harmonious. That new council originally was dubbed the "Economic Security Council," but the Clinton team decided that label had undesirable military overtones of economic warfare.

At the same time, Mr. Clinton noted that Mr. Bentsen, as Treasury secretary, would be first among equals in the cabinet as the voice of Clinton administration economic policies. The president-elect also said the departments of Labor, Commerce and Energy will be part of the economic group.

Of those named to economic posts, all except Mr. Rubin require Senate confirmation.

Among others expected to be appointed soon are Laura Tyson, a professor at the University of California at Berkeley, to head the Council on Economic Advisers, and some officials in the environmental field. Sen. Timothy Wirth of Colorado is the leading candidate for Energy secretary.

With former San Antonio Mayor Henry Cisneros likely to take one of the cabinet posts, probably Housing and Urban Development secretary, Gov. Ann Richards faces a tough job in coming up with someone who might hold Sen. Bentsen's seat. Some party pros push Comptroller John Sharp as the kind of candidate who could unify the party. Mr. Sharp, a fiscal conservative, has had recent talks with some of Mr. Clinton's advisers about his agency efficiency-review system in Texas that has saved the state millions of dollars. "He comes closest to being a real fit with the Clinton people," said a party professional. Mr. Sharp's weakness is the fact that he is a conservative who has slowly shifted his abortion views in recent years to an abortion-rights stance.

The other obvious choice, former Lt. Gov. Bill Hobby, a multimillionaire, could come up with the cash that would be needed in a tight race. But he isn't considered a good campaigner. "He puts people to sleep in minutes," said Houston pollster Richard Murray. Party professionals are urging Gov. Richards to pass over House members for the interim appointment. Choosing a House member would just mean other House members would jump in the race. Gov. Richards is expected to take several days to sort it all out.

Separately, Mr. Clinton said he favors extending the law that allows the appointment of independent prosecutors to investigate controversies in the executive branch. He declined to say whether he would reverse the recent decision by Attorney General William Barr not to appoint a special prosecutor to look into the Bush administration's handling of the Banca Nazionale del Lavoro fraud case. Mr. Clinton has questioned whether the full facts are known about the administration's actions in the case.

—Michael K. Frisby in Washington contributed to this article.

The Clintons

Dance the Cabinet Two-Step

DATE: 12/11
PAGE: 1

Bill Clinton has made his first cabinet appointments—a team of economic moderates. Soon Hillary Clinton will make her first cabinet choices—a group of social and legal liberals.

OK, that's too glib; the choices are ultimately his. But the First Partner's quiet influence in balancing his nominations between left and center illustrates the president-elect's emerging two-step political strategy.

On economics and foreign policy, Mr. Clinton will try to occupy the safe center. That leaves the problem of how to reward the liberals in his political coalition. He seems ready to do this by moving left on the social agenda that flows through the justice, environment, and perhaps education and health portfolios. The front-runners for these departments are what Newsweek's Joe Klein likes to call "litigation liberals."

On the economy, financial markets impose a daily discipline; Lloyd Bentsen and Co. are mostly reassuring to investors and thus give Mr. Clinton more policy latitude. Budget office choices Leon Panetta and Alice Rivlin may be the biggest risks, because of their fondness for taxes.

One caveat: The importance of Laura Tyson's possible selection for economics adviser isn't that she'd be the first woman in the job. (When will media liberals start judging women for what they believe rather than for their gender?) It's that she'd be the first White House economist ever, Democrat or Republican, to reject the traditional free-trade tenet of comparative advantage. So the biggest threat to Clintonomics may come from the international economy.

That's another reason for Mr. Clinton to choose New Jersey Sen. Bill Bradley for State. Mr. Bradley is that rare member of Congress who understands the global economy, from trade to exchange rates. He's also the best choice among the three leading candidates to balance between moralism (former Carter official Warren Christopher's temptation) and hyper-real-

Potomac Watch

By Paul A. Gigot

ism (Gen. Colin Powell's inclination) in foreign policy. He's the centrist favorite, if still a dark horse.

On social policy, of course, there are no stock markets. The costs of extremism are often diffuse and show up with a lag. But there are pushy interest groups that will punish Mr. Clinton immediately if they don't get their way. The risk for the president-elect is that he'll choose liberals who'll let even the Houston Republicans reclaim the mainstream.

The names surfacing so far are further left than Ed Meese was ever right. The transition "cluster" for justice, for example, is led by Peter Edelman, a Georgetown law dean for whom history stood still around 1968. He's already recruited a slew of other liberals, including Jeff Blattner, who was whispering in Sen. Ted Kennedy's ear when he scuttled a civil-rights compromise as insufficiently pro-quota in 1990.

For attorney general, federal judge Patricia Wald is a smart but relentless liberal. In 1987, she ushered visitors from her chambers to take a call from Ted Kennedy shortly after Ronald Reagan nominated Douglas Ginsburg, her colleague on the D.C. Circuit, to the Supreme Court. Teddy later took to the Senate floor to denounce Judge Ginsburg as an "ideological clone" of Robert Bork.

Brooksley Born, a Washington attorney also rumored for Justice, has helped turn the American Bar Association into a wholly owned subsidiary of the Democratic left. On the ABA's judicial selection committee in 1980, she helped alter its criteria to include political, not just professional, factors. This meant assessing "judicial temperament," which was redefined to include "sensitivity" and "compassion," whatever that means. This ideological loophole was then used to give low ratings to Reagan judges.

These names show the influence of what might be called the Hillary Network. Mrs. Clinton is, after her husband, the most important voice in cabinet choices, so her circle of legal and social activists is reaching for power. Mr. Edelman is the husband of sainted liberal Marian Wright Edelman, a Hillary friend and associate from the Children's Defense Fund.

The same is true of Donna Shalala, the University of Wisconsin chancellor rumored to be in line to run Health and Human Services (HHS). Ms. Shalala could be a comic disaster at education; she is a founding mother of the "political correctness" movement. She might be better at HHS, since she has at least cooperated with Wisconsin Gov. Tommy Thompson's welfare reforms.

The danger for Mr. Clinton is that these are "rights" liberals, not "responsibility" New Democrats. They believe in using state power and bureaucratic rules to permeate American life and secure various group "rights," by which they usually mean guaranteed outcomes. Mr. Edelman, for one, believes in such creative legal theories as group libel (to be used against those who say things you don't like) and a constitutional "right" to a minimum standard of living. He apparently means the U.S., not the old Soviet Constitution.

In his campaign, Mr. Clinton was masterly in muting the "values" issues that had damaged other Democrats. But an administration too full of "rights" liberals could make him vulnerable in 1996 on racial quotas and other issues. A sign that Mr. Clinton recognizes this risk would be the choice of Amalya Kearse, a federal judge, as attorney general. Though appointed by Jimmy Carter, she is respected by conservatives for her moderation.

Mr. Carter, recall, also aimed for the center on economics (Bert Lance, Michael Blumenthal) while paying off the left with other posts. Mr. Clinton has to be careful his political two-step doesn't become one step forward, two steps back to the 1970s.

Clinton lobbying ban has profitable loophole

ASSOCIATED PRESS

President-elect Bill Clinton's proposed ban on foreign lobbying by former top government officials leaves a lucrative opening: It covers lobbying for overseas governments but not corporations.

Under the new ethics rules announced Wednesday, some 1,100 top-level Clinton appointees — about the top third — will have to pledge not to lobby their former agencies for five years and never to lobby for any foreign government or foreign political party.

Among these, government trade negotiators can represent foreign companies if they wait five years after they participate in negotiations.

But all other top officials will be able to lobby for foreign businesses right after they leave government, provided they don't go before their former agencies.

"The money's with the companies," said Liz Galtney, director of the Project on Government Oversight, a liberal research group. "If the foreign companies aren't covered, then we're back to Square One."

Charles Lewis, executive director of the Center for Public Integrity, a nonprofit investigative research group, said the exclusion of foreign companies from the permanent lobbying ban leaves "a huge hole."

"It makes the ban on foreign [lobbying] almost meaningless," he said.

Clinton transition spokesman Jim Whitney confirmed yesterday that the lifetime foreign lobbying ban on senior officials does not cover companies. He could not say immediately whether the ban would extend to companies owned partly or fully by foreign governments.

Mr. Whitney declined further comment on the new rules, referring the call to other transition spokesmen. They were not immediately available.

The Justice Department, which keeps records on all Americans who act as foreign agents, doesn't have precise figures on what percentage of such activity is done for overseas companies as opposed to governments. But the department's best estimate, according to spokesman Joseph Krovisky, is that it's at least double that for governments or political parties.

Several people being considered for top jobs in the Clinton administration are or have been registered foreign agents:

- Democratic National Committee Chairman Ron Brown, who may be named U.S. am-

bassador to the United Nations or U.S. trade representative, was a registered agent from October 1982 through July of this year, according to forms he filed with the Justice Department. Mr. Brown has represented, among others, the government of former Haitian dictator "Baby Doc" Duvalier.

In addition to his lobbying, Mr. Brown, a partner of the powerhouse Washington law firm Patton, Boggs & Blow, has had as clients

"It makes the ban on foreign [lobbying] almost meaningless."

— Charles Lewis

about a dozen Japanese electronics companies.

Mr. Brown did not return a telephone call seeking comment.

- Former Michigan Gov. James J. Blanchard, a leading candidate for transportation or labor secretary, is a registered foreign agent. Clients of his Washington law firm have included a French aerospace company, some Canadian businesses and a group of major foreign banks.

Although his firm has represented some foreign clients, Mr. Blanchard himself "has not, does not and will not lobby for foreign interests," said Rosemary Freeman, a legislative assistant at the firm. Mr. Blanchard is a partner of the firm and receives a share of its revenues, documents filed with the Justice Department show.

In a November 1991 form, Mr. Blanchard said he had not yet lobbied for foreign clients but "may do so in the future."

Most of Mr. Blanchard's clients are companies based in Michigan, such as Kellogg and Upjohn, Miss Freeman said. In fact, she added, he plans to withdraw his foreign agent registration.

- The top national security adviser for the Clinton transition, trade attorney Samuel Berger, also is a registered foreign agent whose firm has represented Japan and other overseas interests.

Mr. Berger has done unpaid lobbying on behalf of Poland's noncommunist government, advised the provincial government of Ontario on U.S. trade law, and lobbied Congress on behalf of Toyota's U.S. subsidiary.



Hillary Clinton

Clinton admits wife's influence

THE WASHINGTON TIMES

LITTLE ROCK, Ark. — President-elect Bill Clinton yesterday acknowledged, then quickly soft-pedaled, the influence of first lady-to-be Hillary Clinton in the Cabinet selection process.

"She advised me on these decisions as she has on every other decision I've made in the past 20 years," Mr. Clinton said yesterday in response to a question about Mrs. Clinton's role in the naming of his new economic team.

The query reflected the speculation about Mrs. Clinton as a first lady who will exercise considerable clout in the Clinton administration. Mr. Clinton left that unresolved for now.

"I'm not prepared to define her role in the White House yet, but I will," he said.

So far, Mrs. Clinton's involvement in staff selection has surfaced in the consideration of four female lawyers and judges as candidates for attorney general.

— Ronald A. Taylor

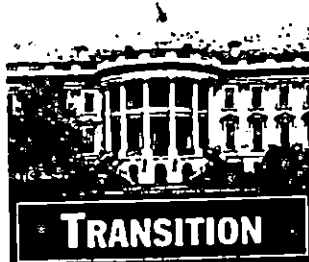
Advisers Fan Out Across Town to Meet Opposite Numbers in the Administration

In what Mark Gearan, deputy director for the transition, calls a "rolling process," teams organized by the transition are moving into federal agencies across town to meet their Bush administration counterparts, look into programs and personnel matters and find a way to sum it all up for President-elect Clinton by early next month.

Yesterday, the transition here formally announced the names of key members of some of the "agency cluster groups." A transition spokeswoman said all members were serving as unpaid volunteers and had agreed to the transition's ethics and lobbying restrictions.

Working in the health and human services group are: Brenda Bacon, chief of staff for the Office of Management and Planning in the New Jersey governor's office, who will serve as the deputy cluster coordinator for the Health and Human Services Department and the Consumer Product Safety Commission; Andrew M.

Cuomo, founder of HELP—Housing Enterprise for the Less Privileged—and son of the New York governor, who will be the deputy cluster coordinator for the Housing and Urban Development Department and for Action, the government's principal agency for volunteer service programs.



Space, Science and the FCC

■ D. James Baker, president of Joint Oceanographic Institutions Inc., will work in the science, space and technology cluster as team leader for NASA and the National Science Foundation. Ron Plesser of Piper & Marbury will be team leader for the Federal Communications Commission.

Tom Grumbly, president of Clean Sites Inc., and Kate Kimball, senior counsel to Sen. George J. Mitchell (D-Maine), will be deputy coordinators of the natural resources cluster. Joining them as department team leaders are Douglas Costle, administrator of the Environmental Protection Agency under Carter (Energy Department); John Leshy, special counsel at the House Interior Committee (Interior Department); Susan Sechler, vice president of the Aspen Institute (Agriculture Department); Alan Miller, director, Center for Global Change at University of Maryland (EPA).

Education, Labor, Arts and Humanities

■ Working as task force team leaders in the education, labor and humanities group are: Margaret A. McKenna, president of Lesley College, Cambridge, Mass. (higher education); Marshall S. Smith, Stanford University school of education dean (K-12 ed-

ucation); Shirley M. Malcolm, head of the Directorate for Education and Human Resources Programs of the American Association for the Advancement of Science (vocational education and technical training); Gordon M. Ambach, representative of state commissioners and education superintendents (Education Department organization); Ramon Cortines, retired superintendent of San Francisco County public schools (interagency and intergovernmental task force); Ernie Green, assistant secretary of labor under Carter and a managing director of Lehman Brothers (Labor Department); Deborah Sale, chief of staff to the New York lieutenant governor (arts and humanities).

Justice Department

■ Heading the Justice Department and civil rights group teams are: Emma Jordan, president, Association of American Law Schools (Office of the attorney general, management division, legislative affairs, policy and communications, inspector general and other offices).

Harvard law professor Kathleen Sullivan (offices of the solicitor general and legal counsel); Michael Bromwich of Mayer, Brown & Platt (criminal division, U.S. attorneys, DEA, FBI, Interpol and Marshals Service); Victoria Radd of Williams & Connolly (civil division, U.S. trustees and the Foreign Claims Settlement Commission); Thomas Williamson of Covington & Burling (civil rights division, Community Relations Service, Equal Employment Opportunity Commission, Legal Services Corp.); Robert Pitofsky of Georgetown University law center (antitrust division).

Margaret M. Richardson of Sutherland, Asbill & Brennan (tax division); Lois Schiffer of Nussbaum & Wald (environment and natural resources division); Linda Reyna Yanez, Harvard law professor (Immigration and Naturalization Service and Executive Office for Immigration Review); Kenneth Schoen, former Minnesota commissioner of corrections (Bureau of Prisons, pardon attorney, Parole Commission and Sentencing Commission).

Carolyn Osilnik of Mayer, Brown & Platt (Office of Justice Programs, State Justice Institute and Administrative Conference of the United States); and Peter Kadzik of Dickstein, Shapiro & Morin (Federal Election Commission, Merit Systems Protection Board, Office of Special Counsel and Office of Government Ethics).

—Stephen Barr

Capital Fax, a fax news summary of Washington Post articles related to the Clinton transition and incoming Congress, is available nationwide each weekday by calling 1-800-766-8877. Charge for the summary is \$1.50, billed to a major credit card. Full texts of summarized articles are available by fax for an additional charge.

Clinton Says He'll Consider Inquiry Into Bank Case Involving Iraq

By NEIL A. LEWIS
Special to The New York Times

WASHINGTON, Dec. 10 — President-elect Bill Clinton said today that despite a Bush Administration investigation that found no criminal wrongdoing in a bank fraud case involving loans to Iraq he still believed that there was more to be discovered about what happened.

Mr. Clinton said that after he took office he would consult with his attorney general to decide whether to ask the courts to name an independent prosecutor to examine allegations that Bush Administration officials covered up efforts to help Iraq build up its military in the years before the invasion of Kuwait. The law that provides for the appointment of such special prosecutors expires next week, and Mr. Clinton said today he would support its early re-enactment, making it a virtual certainty.

Asked at a news conference in Little Rock, Ark., about the Bush Administration's decision not to seek an independent prosecutor in the case, Mr. Clinton replied: "I certainly think we need to know more about it than we now know. What I intend to do is to appoint an attorney general and get a recommendation on it."

Of the special prosecutor law, he said: "I think it should be re-enacted and I will support that."

Mr. Clinton's comments come one day after a special counsel appointed by the Justice Department concluded there was no criminal wrongdoing. The special counsel, Frederick B. Lacey, a retired Federal judge, scornfully dismissed accusations by critics in Congress and elsewhere that officials may have stifled criminal investigations of loans made to Iraq by the Atlanta branch of an Italian bank, Banca Nazionale del Lavoro.

But rather than lay to rest the issue of whether Bush Administration officials engaged in wrongdoing in the case, Mr. Lacey's report appears to have only spurred fresh suspicions.

Judge Lacey sought by both his conclusions and the brusque air of certitude with which he delivered them to put an end to Congressional demands for a judicially appointed independent prosecutor to investigate the Government's behavior.

But a variety of people, including Marvin H. Shoob, the Federal judge who began hearing a criminal case involving the bank, and several members of Congress today sharply criticized the Lacey report, which was used by Attorney General William P. Barr as the basis for rejecting an independent prosecution.

Mr. Barr, who is opposed to the independent counsel system, demonstrated consistency on the issue today, rejecting another call for an outside inquiry, this one sought by Republicans on the Senate Judiciary Committee who wanted a court-appointed prosecutor to investigate Lawrence E. Walsh, the Iran contra independent counsel.

Judge Is Disappointed

Judge Shoob said in an interview that he was disappointed in the recommendations of the Lacey report. "I strongly feel that an independent prosecutor would be appropriate in this case, not necessarily to indict or prosecute but to get to the bottom of the matter," he said.

One of the issues in the case involved the prosecution by the United States Attorney in Atlanta of Christopher Drogoul, the manager of the local branch of the Italian bank. Mr. Drogoul was charged with fraud for making sizable unsecured loans to Iraq without the knowledge of his superiors in Rome.

But at a tumultuous court hearing before Judge Shoob in September, it was disclosed that the Central Intelligence Agency knew and withheld information that the Italian managers were aware of the loans and thus could not have been defrauded.

Much of the speculation has been about whether officials at the C.I.A. and Justice Department sought to limit the investigation out of fear of embarrassing the Italian government, which was closely tied to the bank.

Judge Shoob said today that he felt he had been misled by the C.I.A. and the Justice Department.

Representative Henry B. Gonzalez, a Texas Democrat who has pressed the idea of a coverup and who was criticized by Judge Lacey on Wednesday as having made uninformed attacks, responded today in a way that demonstrated the harsh feelings generated by the bank affair. "I'm not going to get into a micturition contest with a skunk," he said, using a word for urination.

Congressional staff members also said today that some lawmakers were considering summoning Judge Lacey to testify before Congress about his conclusions.

The limited scope of the Lacey inquiry was the principal target of critics of the Bush Administration, some of whom said the inquiry was narrowly focused, superficial and driven to completion by artificial deadlines.

Because the report deals narrowly with the issues surrounding the Atlanta case, many of the critical questions about United States policies toward

Iraq remain unanswered. Some Congressional committees are investigating whether the Government used a network of companies, some financed by the Atlanta bank, as conduits for illegal arms sales to Iraq. Some lawmakers have said that despite investigations around the country none of the companies have ever been charged with violating export laws.

And documents released today in connection with the Lacey report show that Federal prosecutors in Atlanta are investigating allegations that a former official of the Agriculture Department was seeking bribes from companies doing business with Iraq under a department program.

Representative Charles E. Schumer, a Queens Democrat on the Banking and Judiciary Committees who has been pressing for an independent counsel, said that the report was a whitewash and that he expected the Clinton Administration to move swiftly to select an independent prosecutor.

To Hill Democrats, BNL Report Falls Short of Closing the Case

By R. Jeffrey Smith
Washington Post Staff Writer

The Justice Department obtained what some officials considered a vindication this week for their long-standing contention that political considerations did not taint a probe of illicit loans to Iraq by the Atlanta branch of Italy's Banca Nazionale del Lavoro (BNL).

But Democrats have made clear they consider the conclusions of retired judge Frederick B. Lacey, the special investigator who found no evidence of criminal wrongdoing in the administration's conduct, at best incomplete and at worst a deliberate whitewash.

Their reaction suggests that Lacey's report, ordered by Attorney General William P. Barr in hopes of putting the controversy to rest, will not end matters. Democratic legislators have pledged to pass legislation next year authorizing appointment of an independent counsel to take a new look at the same facts.

Critics of Lacey's effort yesterday repeated their criticism that Lacey lacked independence, and noted that the former judge was given only seven weeks to conduct his inquiry, forcing him to restrict its focus and employ several controversial investigative techniques.

Lacey told reporters Wednesday, for example, that he did not explore when the CIA learned of BNL's role in financing Iraqi arms purchases. What the Central Intelligence Agency knew about BNL and when it knew it became central questions in the affair this autumn after the disclosure that the agency had failed to provide the Justice Department and Congress all the information it had about the bank's activities.

The critics have suggested this theory: If the CIA was aware of BNL's role and failed to warn others, or warned policy-makers who paid no attention, the agency would have had a clear motive to withhold evidence of its knowledge from independent probes. But Lacey said he did not investigate what the CIA knew before the August 1989 raid on the bank's Atlanta branch.

Answers about the CIA's role in the affair may not emerge until early next year, when the Senate Select Committee on Intelligence is expected to issue its report on the BNL scandal. Sen. David L. Boren (D-Okla.), the committee's chairman, said in a written statement yesterday that the panel is continuing to look into what the CIA knew and did about the BNL loans, "including our effort to find out all about [private] companies and individuals" familiar with BNL's activities and possibly having intelligence community connections.

Some Justice Department officials pri-

vately criticized Lacey's decision, under deadline pressure, to request that members of the Atlanta prosecution team jointly compile a narrative on their activities, which ultimately formed the basis for a substantial portion of Lacey's report. They said they should have been interviewed separately.

But Lacey said he adopted the joint approach because the Atlanta team was rattled by his inquiry. "They're working together so it doesn't do them any good to talk to them separately," Lacey said.

None of the classified and unclassified documents reviewed by Lacey and used as the basis for his conclusions was made public, again because of what Lacey described as a lack of sufficient time for official review. Copies instead were bound together in a single volume that was stamped "Top Secret-Codeword," a label corresponding to the highest level of national security classification of any single document in the group.

Lacey provided the secret volume to four congressional committees and to Barr, whose aides are just beginning to explore whether some of the documents eventually can be released.

While dismissing as "errant nonsense" claims that the Bush administration engaged in a conspiracy to obstruct the BNL case, Lacey found ample evidence that Justice Department and CIA officials mishandled a series of CIA cables that implicated officials at BNL's headquarters in Rome in the loans to Iraq. The cables called into question the U.S. government's contention that the loans were solely made by the manager of BNL's Atlanta branch, Christopher P. Drogoul.

Lacey ran into a brick wall when he tried to find out who was responsible for failing to get some of those 1989 and 1990 cables into the hands of the prosecutors. Two officials in the Justice Department's fraud division who Lacey said "appear to have been involved" in handling the cables in Washington told Lacey's investigators they had only hazy recollections about what happened to the cables.

"There is no written record of who, in fact, reviewed the materials, precisely what was found, or what conclusions were ultimately drawn" from the CIA materials, Lacey's report said.

Lacey said in an interview yesterday that this circumstance disturbed him, partly because it obstructed his efforts to make someone accountable for the errors. He said there are "flaws in the system" that must be corrected, but declined to identify any individuals at fault.

Democrats Relent on Speeches

Bipartisan Panel To Consider Limits

Associated Press

Democrats, under fire from the Republican minority for seeking to limit after-hours speeches in the House, backed down yesterday and punted the issue to a bipartisan commission.

The action in a closed-door meeting of the Democratic Caucus came a day after the party had moved to clamp a limit of three hours per day on "special orders," the time after legislative business is completed in which any House member may take the floor to make speeches on any topic.

Under the proposed change, the speaking time would not be allowed to extend past 9 p.m. Democratic leaders said the move was not an attempt to muzzle lawmakers, but to impose some common sense on a practice that often extends late into the night.

Republicans, in the minority in the House since 1954, have made particular use of "special orders" time to advocate their views, and to attack the Democrats. The speeches reach a national audience through C-SPAN.

When Democrats sought to impose a limit of three hours per day, equally divided between the two parties, Republicans bristled.

Minority Whip Newt Gingrich (R-Ga.) warned that such a move would "poison the well" for President-elect Clinton in Congress by creating a partisan atmosphere on Jan. 5, the first day of the 103rd Congress.

Minority Leader Robert H. Michel (R-Ill.) and House Speaker Thomas S. Foley (D-Wash.) met late Wednesday to discuss problems with proposed rules changes.

Democrats decided yesterday to set aside the change and agreed to a suggestion by Michel to turn the issue over to a six-member panel—three Democrats and three Republicans—for more study. Some lawmakers suggested the group will come up with a compromise, perhaps a structured debate period each day on a specific issue.

“He tried denial and that didn’t work. He tried smearing his victims and that didn’t work. He tried alcoholism as a defense and that didn’t work, and now he’s trying this,” said Ginny Burdick, spokesman for Oregonians for Ethical Representation, an umbrella group seeking Packwood’s ouster.

“I think obviously he was trying to save his political life, but I’m not sure he showed an equal concern for the women he hurt,” said Harriett Woods, president of the National Women’s Political Caucus. “I’m pleased he finally said he did something wrong, but I’d have felt better if he met with his victims and asked them to pardon him before going in front of the cameras to ask the world to do so,” she added.

Except by inference, Packwood did not discuss the behavior cited by the women, who said he grabbed and kissed them without warning and persisted until they forcefully resisted or otherwise made clear they were not interested.

Asked if he realized at the time that his conduct was wrong, he said, “No, I can’t tell you what my state of mind was. When The Washington Post first came [to him with the women’s accounts], I couldn’t believe that I would treat women this way when I felt so strongly about equality and fairness.”

He also said he did not recall many of the incidents when The Post asked him about them. When first confronted with the accounts, he said, “I denied it to myself because I didn’t believe it. I denied it to my friends.”

Rumors about Packwood’s behavior toward women had been circulating in Washington and Oregon political circles for years, and Packwood was asked yesterday if friends or associates had warned him about his behavior and the possible repercussions.

“The answer is no,” he said. “I didn’t have any warnings from friends and I wish I had, but I didn’t, so the answer is no.”

Later in the news conference, Packwood was asked specifically if any staff members had warned him about his behavior. He said, “Not that I recall.”

However, Packwood had been warned, according to close associates. In the Nov. 22 Post story, one former aide said, “I cannot tell you how many people sat down with him and said, ‘You are going to come to a bad end. All your career’s work on women’s issues and progressive issues is going to turn to dust.’”

At his news conference, Packwood reiterated his general apology to the women and said he hoped to express his regrets to each in person. “These women were offended, and I am truly sorry . . . It was not done with malice or evil intent,” he said.

Julie Williamson, one of the women who told The Post that Packwood grabbed and kissed her, was quoted by the Associated Press yesterday as saying she was “particularly angry” that he claimed not to remember the incidents. She said she felt Packwood was still “trying to deceive the people of Oregon and the people of this country.”

Packwood acknowledged that the “bond of trust” between himself and his Oregon constituents is “stretched thin right now” but asked for “the chance to earn back your respect.” He asked to be “weighed on my entire record,” including support for women’s causes, and said he could “guarantee that nothing like this will ever happen again.”

While he declined to discuss specifics about his behavior, he implied that he would do so if asked by the Senate ethics committee, which has begun a preliminary staff-level inquiry into his conduct for consideration by the full committee when it is reconstituted after Congress returns in January.

“I’m going to fully cooperate with the ethics committee, period,” he said.

Asked what he thought would be a suitable punishment, he said that should be left up to the ethics panel. The committee can recommend a wide array of sanctions ranging from a reprimand to expulsion, which would have to be approved by the full Senate.

Packwood’s refusal to consider resignation was stated in unequivocal terms. Even if Oregon voters called for him to step down in a referendum, he said, he would not resign. “I am not going to resign under any circumstances,” he said.

He said he supports the proposal of Sen.-elect Patty Murray (D-Wash.) for a sexual harassment policy for senators that would include anti-harassment counseling and will impose it on himself and his office even if it is not adopted by the Senate.

Packwood pledged “to restructure drastically and totally my attitude and my professional relationships. If that requires professional counseling, I will seek it. I guarantee that nothing like this will ever happen again.”

He did not disclose the results of his five-day evaluation by the Hazelden Foundation in Minnesota last week but reiterated earlier statements that he did not intend to use alcoholism as an excuse.

“I will take continuing counseling on that problem but I’m not going to use it as a defense at all in these actions,” he said. Packwood said he was not using alcohol “at the moment.”

Packwood: Behavior Was 'Wrong'

Senator Rejects Calls to Resign

By Helen Dewar and Florence Graves
Washington Post Staff Writers

Sen. Bob Packwood (R-Ore.), in his first public appearance in response to sexual harassment charges, said yesterday he was "just plain wrong" to make unwanted advances to female employees and lobbyists but said he will not resign "under any circumstances."

Packwood, who recently completed a clinical evaluation for alcohol abuse, said he was not claiming alcoholism as a defense and offered no other explanation for his behavior beyond saying, "I just didn't get it. I do now."

Looking pale and tense but showing little emotion, Packwood opened with a statement describing himself as a typical child of the 1930s and 1940s, when "boys took shop, girls took cooking," who grew up to treat women as equals in public life while engaging in personal conduct that was "at variance with these beliefs."

"I am here to take full responsibility for my conduct," Packwood said. "I will not debate the recent accounts of my actions toward my staff and those who worked with my office. The important point is that my actions were unwelcome and insensitive. These women were offended, appropriately so, and I am truly sorry."

Instead, Packwood, 60, who narrowly won election to a fifth term last month, attempted to focus attention on the contrast between the allegations about his personal behavior and his long record of support for women's causes, including the Equal Rights Amendment, abortion rights legislation and the family leave bill.

"I recognize now that my personal conduct has been at variance with these beliefs—not because my convictions are not genuine, but because my conduct was not faithful to those convictions," he said.

Packwood, who was married when most of the incidents for which he took responsibility occurred, was divorced in 1991 after 27 years of marriage.

Under often skeptical questioning at a crowded news conference on Capitol Hill, the lawmaker refused to discuss details of his conduct or of his efforts to discredit some of the 10 women who gave specific accounts in a story published Nov. 22 in The Washington Post.

Asked repeatedly about the women's accounts and about whether he was confirming them as accurate, he refused to answer and grew testy. "I'm not going to get into the specifics of each and every charge," he said at one point. "I'm simply going to say, my conduct was wrong—or pick whatever word you want."

Packwood also repeatedly refused to respond to questions about accepting responsibility for the effort to discredit the women before the story's publication.

"I am not going to respond to any questions about any efforts to characterize these women," he said. "To even respond to the question tries to characterize them."

When Post reporters first interviewed Packwood Oct. 29, he denied the women's accounts of his behavior, which included grabbing and kissing them without warning and persisting until they forcefully resisted or otherwise made clear they were not interested.

During that interview, Jack Faust, Packwood's lawyer and longtime friend, said he wanted time to "conduct an investigation" of the women named in the interview "to see if there may be motivations." Faust also said he wanted time to "see if we can find prior inconsistent statements to judge their credibility."

Two days later and over the next nine days, Packwood sent a total of eight statements about three of the women named to him in the interview. The statements were written by close political friends and contributors or former or current employees of Packwood's.

None of the statements dealt with the disputed incidents or offered any direct explanations about the women's motivations for making allegations. Some suggested several of the women were attracted to Packwood, might have invited his advances, or were untruthful. Several statements contained descriptions embarrassing to the women about their personal lives and purported sexual activities.

Two Packwood Senate employees telephoned Washington Post Executive Editor Leonard Downie Jr. to give him derogatory information about one of the women whose name was given to Packwood but was not named in the story.

These Packwood aides then wrote detailed memos about the woman, including allegations that she was sexually promiscuous, which were faxed to The Post by Packwood.

When Packwood was asked in a second interview with The Post Nov. 17 how he would respond to those who might say the statements were designed to intimidate or silence the women, his Washington attorney James F. Fitzpatrick jumped in, asking, "You don't think some of those statements are relevant to the question of whether there's an unwanted sexual advance?"

And Packwood added, "If those [statements] impeach credibility—not the substance of the story—is that relevant? . . . It certainly is."

On Nov. 20, Packwood told The Post he had "no intention" of releasing the statements publicly.

At yesterday's news conference, which was broadcast live by all network-affiliated television stations in Oregon and nationally on CNN, Packwood said his advances to the women were "not just inappropriate. What I did was not just stupid or boorish. My actions were just plain wrong."

In fact, Packwood described his behavior as "wrong" more than 20 times during the 30-minute news conference, including one response in which he said, "My actions were wrong. Any time you do anything that's offensive to somebody, men or women or boys or girls—call them what you want—it is wrong, period. In or out of office, it is wrong. My conduct was wrong, and I apologize for that. My conduct was simply wrong."

Leaders of women's groups, some of whom have called for Packwood's resignation, expressed dissatisfaction with the senator's response.

Taking Over Finance Panel in Senate, Moynihan Faces Test: Can He Lead?

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By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — The great riddle of Sen. Daniel Patrick Moynihan is whether he's a politician playing the professor or a professor playing the politician.

For better than three decades, his intellect has made him a force in U.S. government, but his whimsical, sometimes erratic nature could undermine the authority he needs to lead in Congress. Now as the incoming Senate Finance Committee chairman, the New York Democrat will be put to the test and must show he can translate ideas into the votes to win — without giving away too much.



Sen. Daniel Moynihan

Texas Sen. Lloyd Bentsen, the current chairman and President-elect Clinton's choice for Treasury secretary, won't be far from Mr. Moynihan's elbow. But no Senate chairmanship is more important than the Finance Committee's to achieving the Democratic Party's promised economic and health-care initiatives.

"He knows in the end you have to produce work," says Sen. Bob Kerrey of Nebraska. "That was our campaign," answers Mr. Moynihan, identifying himself with Mr. Clinton's cause. "We've had enough gridlock."

Health will be harder than taxes. But tax matters have their own set of contradictions. The Clinton program runs square into revisions adopted in 1986, when Mr. Moynihan helped hammer out landmark legislation that lowered rates in return for eliminating incentives, including the very investment tax credit the next president wants to reinstitute. If income tax rates go up as expected on the wealthiest households, there will be pressure to do the same for corporations, already divided on the merits of the costly tax credit. And as an ally of Wall Street, Mr. Moynihan doesn't hide his distaste for the tax engineering implicit in Mr. Clinton's cap on corporate deductions for executive compensation.

More broadly, the senator's appetite for government is checked by his alarm over financing the national debt. Mr. Moynihan, who has proposed cutting Social Security payroll taxes, argues that the trust

fund now masks the true deficit problem and the next three years are a last window in which Washington must act.

"If we don't deal with the deficit," says Mr. Moynihan, "the deficit will deal with us."

At age 65, he's in some ways the oldest and newest of Democrats. An ardent Cold Warrior, Mr. Moynihan calls now for wholesale changes in U.S. intelligence services. A veteran of the poverty wars and Great Society, he first met Mr. Clinton when crafting a landmark welfare reform bill in the last months of the Reagan administration.

His success at the Senate Environment and Public Works Committee, which he took over in September, testifies to his willingness to look beyond the immediate issues that preoccupy his colleagues. While most senators have sought a place on the panel to prove their environmental credentials, Mr. Moynihan quietly took hold of the apparatus overseeing transportation and public works. In a show of force, he then gained a step on the House during last year's massive transportation bill by moving early to fulfill his vision of giving state and local governments new flexibility to distribute the funds most efficiently between highway and transit projects.

"Sometimes he wants to lecture, and so he does," says Rep. Norman Mineta (D., Calif.), the new chairman of the House Public Works Committee. "But there is nobody really who has the same sense of history and background."

His own history includes teaching at Harvard but also the rough-and-tumble world of New York's Hell's Kitchen, and he has emerged with an Irish charm and a penchant too for well-kept grudges. He can be tough on staff, and he once told a reporter that his days as United Nations ambassador caused him to drink more. Friends compare him to John Stuart Mill, the 19th century British economist and reformer. Critics suggest the overbearing Charles de Gaulle. It takes the likes of Rep. Dan Rostenkowski, the gruff chairman of the House Ways and Means Committee, to cut through these allusions with a bit of streetcorner, ethnic gamesmanship. "Dan!" says the Chicago Democrat, who tweaks Mr. Moynihan by shunning the more familiar and Irish Pat. "It is his first name, isn't it?"

Breaking Hold of Southerners

Mr. Moynihan is the first New Yorker in more than a century to chair the finance panel, and his rise breaks the hold of a Southern Democratic hierarchy that has long dominated the committee and enjoys ties to the oil and gas industry. For his part, Mr. Moynihan brings labor connections that could influence future trade legislation before the committee. And if more of a reformer than Mr. Bentsen, he isn't such an ideologue that he will ignore his parochial interests, particularly going into his re-election campaign in 1994.

In the debate over safe harbor leasing, which allowed companies to sell unused tax breaks in the early 1980s, he carved out benefits for mass transit, and before joining the tax overhaul effort in 1986, he demanded that deductions for state and local taxes be preserved. He has been successful since in promoting a provision, due to expire next year, to encourage gifts of appreciated property, such as art or stocks, to private museums and universities. And he is positioned now to use his increased stature to help traders spread

out the burden of proposed new "mark-to-market" rules covering the tax treatment of securities inventories.

Mr. Moynihan's support of tax breaks for companies investing in Puerto Rico is at odds with the incoming Clinton administration. His loyalties run to New York area pharmaceutical companies that operate in the commonwealth, but there's also a commitment to the island that comes from his service at the U.N., when he had to answer allegations of U.S. imperialism in the Caribbean.

Deferential to the White House

Mr. Moynihan's great skill is as a critic, but loyalty to Mr. Clinton is no question for this party—and presidential—man. If anything, the senator is seen as having been deferential to the White House over the years. In various capacities, he had served four presidents—including Republicans Richard Nixon and Gerald Ford—before running for the Senate in 1976, and in the early Reagan Administration, he seemed not only to lecture on history but to bend with it.

Mr. Moynihan voted for the Reagan across-the-board tax cuts that many believe drove up the budget deficit. And as the ranking Democrat on the Senate Intelligence Committee, he strained the patience of House colleagues by accommodating the Central Intelligence Agency's covert operations in Central America. Only in 1984—after it came out that the U.S. was secretly mining Nicaraguan harbors—did Mr. Moynihan explode publicly. And even then, his complaints of broken trust and violations of international law seemed oddly refined, given the administration's devotion to the guerrilla war.

Matched against this deference is a sense of not only ideas but idealism that will challenge the incoming administration. In the early presidential primaries last spring, Mr. Moynihan was drawn not to Mr. Clinton but Mr. Kerrey, a Vietnam War hero. Former Moynihan staffers—such as the Progressive Policy Institute's Robert Shapiro—are a force in the Clinton transition, but their old teacher can be expected to hold them accountable and expose contradictions in the neatly bundled policy papers of the new covenant.

"The probabilities are against that they have everything worked out," he says.

One former aide, William Kristol, chief of staff to Vice President Quayle, watches from the vantage of the outgoing Bush administration.

"He'll certainly want to follow and help the new president," says Mr. Kristol. "But the one thing Pat Moynihan will never be is simply a loyal trooper who follows orders."

Aspin said lying low, expecting defense job

By Rowan Scarborough
THE WASHINGTON TIMES

The loquacious Rep. Les Aspin has been conspicuous by his silence on major defense issues since the election, a sure sign to some that he's the next secretary of defense.

Mr. Aspin's Washington career was built around a public relations machine. His office regularly spits out reams of policy statements on nearly every national security matter from a Navy sex scandal to aid for former communist bloc nations.

But as two major Pentagon debates — homosexuals in the military and Marines in Somalia — swirled around Washington in recent weeks the House Armed Services chairman had nothing to say.

Both are topics that the Wisconsin Democrat would usually embrace with opinion papers, public hearings and TV talk-show appearances.

So, where is Les?

"It's one of two reasons," said a staffer who works for a Democratic member of the House Armed Services Committee.

"He knows he's on the short list and doesn't want to say anything at odds with Clinton's position. Or he knows he's the next defense secretary and doesn't want to show his cards on two issues he'll inherit."

Mr. Aspin's name has been mentioned at the top of a list of candidates for President-elect Bill Clinton's defense secretary. Others are Senate Armed Services Committee Chairman Sam Nunn, who says he prefers to stay in Congress, and Rep. Dave McCurdy, chairman of the House Intelligence Committee who associates say clearly wants the job.

A defense source said Mr. Clinton feels indebted to Mr. McCurdy, a conservative Oklahoma Democrat, because he stuck by him during the Gennifer Flowers controversy.

Retired Adm. William Crowe, whose endorsement helped Mr. Clinton weather the military draft controversy, is pushing Mr. McCurdy for the Pentagon. Mr. McCurdy is also said to have indicated he does not want to head the CIA.

Still, a Clinton-Aspin marriage seems obvious. After all, it was Mr. Aspin's budget plan that Mr. Clinton adopted as his own during the presidential campaign.

Mr. Aspin, who loves to tinker with policy, would also be expected to rethink a post-Cold War defense strategy that focuses on regional as opposed to global contingencies.

It is not clear what specific changes Mr. Aspin would make, but he has faulted the Bush strategy for sacrificing next-generation weapons for a troop level of 1.6 million men and women by 1997.

On Sunday, the congressman received an unexpected endorsement from Defense Secretary Dick Cheney, whose philosophy the chairman repeatedly questions.

"I think Les Aspin would be a good choice," said Mr. Cheney, a former Republican House member. "I'm not certain I help anybody's prospects by endorsing them. But clearly Les Aspin is a very able, talented member of Congress."

An Aspin appointment would leave the Armed Services Committee — long a pulpit for conservative, pro-defense leadership — controlled by liberal Democrats who advocate much lower levels of arms spending and push agendas that call for women in combat and homosexuals in the military.

Eyeing a chairmanship vacancy are two senior committee members: Rep. Ronald Dellums of California, who heads the subcommittee on research and development, and Rep. Patricia Schroeder of Colorado, who chairs the subcommittee on military installations and facilities.

"There's ... a certain sweet justice in the notion that Les Aspin would be secretary of defense, would have to go back and deal with my good friend Ron Dellums as chairman of the Armed Services Committee," Mr. Cheney said.

"But I found Ron Dellums, over the years, although we violently disagree on most of the issues of the day, that he's been a good member of Congress, a straight shooter," Mr. Cheney said.

Democrats soften stand on speech limits

By J. Jennings Moss
THE WASHINGTON TIMES

Congressional Democrats yesterday backed off their effort to limit some speeches on the House floor — an idea that angered Republicans — and decided instead to appoint a bipartisan panel to examine the issue.

One day after it overwhelmingly voted to put time restrictions on the special addresses lawmakers can make, the Democratic caucus opted for a six-member committee split evenly between Democrats and Republicans.

Republicans had denounced the original Democratic plan as a move to stifle the GOP and had vowed to disrupt the 103rd Congress unless the Democrats relented.

House Minority Leader Robert H. Michel of Illinois, who said the first proposal was "outrageous," suggested the compromise to Speaker Thomas S. Foley during a meeting Wednesday. Democratic leaders yesterday took the proposal to their membership.

"It's a step in the right direction," said Michel spokeswoman Missi Tessier. "We're willing to sit down and talk, which is more than they were offering yesterday and it's encouraging to see the Democrats move to not make this a unilateral change."

Neither side has named lawmakers to sit on the panel and it was unclear yesterday if the panel would complete its work before the new Congress convenes next month. If the Democrats had intended to push their original plan, it would have required approval of the full House.

"In the interim, I think they're looking for some sort of vehicle by which Republicans and Democrats can see if there's some common ground between these two positions because no one wants to begin the first day of the first session of the 103rd Congress on one of these introspective issues when the public expects us to be dealing with national issues," said Jeff Biggs, spokesman for Mr. Foley, Washington Democrat.

At issue are two types of speeches lawmakers can make that are not part of regular debate. In the past, representatives were able to make one-minute speeches at the start of the legislative day and special-order speeches of up to an hour after all regular business ended.

Lawmakers from both parties have used the addresses, notably the special orders, to highlight pet issues and have succeeded at times in getting their colleagues or the press interested in them. C-SPAN carries all of the speeches nationwide, although they are often made in a virtually empty House chamber.

Republican Rep. Robert Dornan of California, for example, used a series of nightly speeches in the fall to



Rep. Bob Michel

discuss President-elect Bill Clinton's anti-war activities as a student at Oxford University, a point that eventually became a presidential campaign issue.

Democratic Rep. Henry Gonzalez of Texas used numerous speeches to criticize President Bush's policy toward Iraq before the Persian Gulf war.

Democrats first proposed to place caps on the time that could be devoted to the speeches. Especially galling to Republicans was the proposal to limit special orders to three hours a day, evenly split between the two parties, with none of them taking place after 9 p.m.

Rep. Louise M. Slaughter, New York Democrat, spearheaded the drive to impose the restrictions because she said the costs were too high. In 1991, the expense of printing special orders in the Congressional Record cost \$800,000.

Mrs. Slaughter was unavailable for comment yesterday but a staff member said she still supports the time limits for special orders and one-minute speeches. She had worked on the proposal for more than a year.

Republicans generally find nothing wrong with the current system. Some officials on both sides of the issue said one compromise might be to designate specific issues for special orders and encourage real debate between the two parties.

Mr. Dornan said yesterday Republicans had been trying to "rattle [the Democrats'] cage and put them on notice" to change their minds.

"We are the loyal opposition. You don't crush us when we're down," he said, adding that he could accept some reforms to special orders, such as limiting each member to one special order a week.

Washington Wire

A Special Weekly Report From
The Wall Street Journal's
Capital Bureau

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CLINTON TURNS to diverse outsiders after his establishment economic picks.

More appointments will come today and are likely to include three women: University of Wisconsin Chancellor Donna Shalala as Health and Human Services secretary, Florida environmental chief Carol Browner to head the EPA and University of California economist Laura Tyson as Council of Economic Advisers head. Some minorities, including Democratic party chief Ron Brown, likely will be named next week.

It appears Colin Powell is no longer a contender for secretary of state, making transition chief Warren Christopher the front-runner. Gore reportedly has told intimates Rep. Aspin still is the likely defense chief; Clinton, however, still looks for a prominent Republican or businessman for a cabinet slot. Former State Department aide Anthony Lake is the top contender for national security adviser.

Picking Christopher for State would signal that Clinton doesn't want an influential White House chief of staff, which could be a political mistake.

CLINTON TALKS TOUGH on cutting the deficit, but no specifics are decided.

"We're waiting until after the economic conference" Monday and Tuesday before analyzing options, a transition official says. But skeptics complain that the one-time "summit" is shaping up as more of a public-relations show than a serious policy forum. In contrast to the ballyhooed televised conference, Clinton plans closed-door lunches with participants to discuss economic issues candidly.

New budget chief Leon Panetta and deputy Alice Rivlin, ardent deficit foes, favor a gasoline-tax increase, but Clinton aides doubt he will propose one. Transition officials were surprised that Rivlin accepted the No. 2 budget post.

HEALTH PROPOSALS to Clinton may include a shocker on tax breaks.

His health transition team considers an "option papers" proposal to limit tax breaks for employer-provided health benefits. The idea, which Clinton hasn't broached, is political dynamite, amounting to taxing health benefits. Advocates say it would bring market forces to the health-care system and help finance coverage for the poor. Another likely option to Clinton: capping health-insurance premiums.

Clinton tells House Democrats they will deal directly with him on health policy, not Health and Human Services Department brass. That would leave flexibility for the new HHS secretary to focus on public health and children's issues, and managing the agency's \$600 billion budget.

House health panel head Stark predicts that if a Clinton health bill focuses on managed competition, access and cost issues may have to be revisited.

CONFLICT BREWING: Clinton's likely pick for labor secretary, Harvard's Robert Reich, drew attention for an essay "Who is Us?" that said the government shouldn't favor U.S. firms over foreign ones. Clinton's expected Council of Economic Advisers head Tyson wrote a rebuttal: "They Are Not Us: Why American Ownership Matters."

CUTTING A DEAL? Senate leader Mitchell, unable to find a senator willing to become the Democratic Senatorial Campaign Committee chairman, interests a reluctant Florida Sen. Graham in the post by dangling an incentive: he would get a seat on the Finance Committee.

WHAT, ME LOBBY? With lobbyists in disfavor, Haley Barbour presses his bid for the Republican National Committee chairmanship, by promising to resign from his Washington law-lobbying practice if elected. He contrasts his pledge to Democratic Chairman Ron Brown's continued ties with his lobbying law firm.

EXITING SOMALIA may be even harder than expected, Clinton advisers worry. A major U.S. diplomatic effort will be needed to get the U.N., with funds and troops already stretched thin, to form a credible successor force. Former Pentagon official Lawrence Korb predicts U.S. intervention will last "closer to a year than a month."

BOSNIA VIOLENCE poses early foreign-policy tests for Clinton.

The president-elect got a detailed briefing recently on the worsening situation there. He hints at stronger action, but Pentagon officials oppose tougher U.N. enforcement of the "no-fly zone" over the war-torn area. "It's going to take a presidential directive to blast them off that position," says a Bush administration official.

Clinton also faces division among allies. Britain edges toward some tougher action but remains dubious. Clinton also will likely have to decide whether to back lifting the arms embargo on Bosnians so they can defend themselves against the well-armed Serbs. "I frankly doubt any decision" will be made by Bush, says a Bush official.

Other U.N. steps being discussed include limited air strikes and creation of protected "safe havens" to help Bosnians survive the winter.

MINOR MEMOS: Hoya to Hoya: Basketball coach John Thompson sends Clinton a jogging suit from Georgetown University, the president-elect's alma mater. . . . The Clinton inaugural committee, while offering cut-rate prices for some events, also sells tickets for some inaugural dinners at \$15,000 a table. . . . The Clinton camp eagerly rejects a request to attend the economic conference from the head of a Pittsburgh research firm that said an energy tax advocated in Gore's book would cost jobs.

—RONALD G. SHAFER

Brady Proposes Enacting Tax on Consumption

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — Treasury Secretary Nicholas Brady suggested enacting a broad-based consumption tax as part of a plan to overhaul the nation's tax code.

Mr. Brady unveiled the proposal, which is intended to be seen as one possible option for tax reform, in a speech at Columbia University in New York. The plan had been expected.

"Rather than continuing to rearrange the deck chairs on a sinking ship, the keel of our tax system should be raised and completely overhauled," Mr. Brady said. "We should encourage saving and investment rather than consumption and reward long-term rather than short-term thinking."

In conjunction with Mr. Brady's speech, the Treasury released a white paper describing the tax proposal in detail. Its provisions include boosting the standard tax deduction, integrating the corporate and individual tax systems, repealing the corporate alternative minimum tax and putting in place a business-transfer tax, which would be designed to tax consumption.

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Congress of the Living Dead

Never step on a dead bee, Walter Brennan warned Humphrey Bogart and Lauren Bacall at the end of "To Have and Have Not." Yegor Gaidar knows what he means. The father of Russian economic reform was stung Wednesday by a corpse of the Soviet Communist Party. The old Communists, who dominate the Russian Congress of People's Deputies, rejected Mr. Gaidar's nomination as prime minister.

Nobody should think for a second that this vote was about economic reform. Mr. Gaidar's enemies in the Congress are like slot machines; if they string together three coherent words about economics it is simply luck. We've asked them about their alternative economic reform plans. They hand out two page documents filled with empty slogans.

The Communist system bred them to think exclusively about power. This month's meeting of the Congress, which was billed as a forum on economic reform, quickly devolved into a struggle for jobs, complete with fist fights and the hysterical and paranoid rhetoric that has become the signature of the Russian parliament. All that was missing was the Speaker appearing on the floor once again rip-roaring drunk.

The problem for Mr. Yeltsin is how to modernize the body in a constitutional manner. His clever solution is to offer the people a referendum next month with this choice: Would you like to hold legislative or presidential elections next March? That allows the Russian people to effectively dissolve the Congress.

The risk of his course lies in the anger of the Russian people. Times are terrible and income inequalities are glaring. At the moment, this anger does not have an address; no one knows where it will settle. Mr. Gaidar is unpopular, but economic reform still has public support. A significant minority yearns for Stalin.

The deeper question is how much does all of this political turmoil matter? Poland seems to shed its prime ministers with the seasons, and its parliament too is a hodgepodge of feuding micro-organisms. But we are beginning to see clear signs that the Polish reform process is succeeding. Output is up. The lesson is that unsteady government is to be expected in such circumstances, and that economic transformation can take place as long as the government isn't too awful.

That seems to be the recipe for Russia. Few businessmen pay any attention to the antics of the Congress. They are transforming the economy despite regulatory uncertainties and an overly complicated and punitive tax structure. Already 30 million people are benefiting from some form of private income. Knowing the precariousness of their situation, Mr. Gaidar and his team have spent their energies making reform irreversible. The liberalization of prices was one such move. The current privatization efforts are another.

We have some concerns about the prospects for the massive voucher cum privatization scheme that is under way. So far, only one large enterprise, the Bolshevik Cake and Cracker Factory, has been privatized. But if the Gaidar team in the few months it has left can continue breaking down Communist resistance to private land ownership, privatization will proceed apace outside the old Communist enterprise structure as new farms and businesses spring up on privately owned land.

Our view that privatization will continue is admittedly optimistic. Clearly we in the West have been premature in celebrating the death of communism. Its corpse still perfumes the Russian parliament. But despite Mr. Yeltsin's setbacks, we think he still can win his political battle and bury that corpse once and for all.

Asides

Team Deficit

We watched Mr. Clinton introduce his economic team yesterday, and we got the message: Messrs. Bentsen and Panetta and Ms. Rivlin — all formerly resident in the Land of Congress — said they want to do something about "the deficit." So the Deficit stands as the Clinton presidency's Holy Grail.

That's fine by us. But since America sends Washington about \$1 trillion in taxes each year now, we hope that the day arrives when one of their highly articulate questioners will manage to utter the words "federal spending" in this context. Put it this way: If both revenue and spending were equalized at 25% of GDP, would we have solved "the deficit?"

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REVIEW & OUTLOOK

Bill's Trade Temptation

George Bush felt America's leadership duties in his bones, but Bill Clinton is still something of a winsome unknown. Yet the post-election signs have been encouraging. He swallowed a good deal of campaign guff and pronounced himself in favor of trade with China. And he gave the Bush negotiating team the green light to wrap up the crucial GATT talks in Geneva.

This last was a very presidential thing to do. Loyal friends like Chancellor Kohl and Prime Minister Major had just braved French petulance and the tomato-heaving ire of their own farmers to settle the agricultural impasse. A discouraging word from the President-elect could have scuttled the whole thing. Instead, after six wretched years, a deal is at hand.

Now comes a murmur that some of Mr. Clinton's advisers want him to blow the time-out whistle. Given half a chance, they say, a Clinton negotiating team could jawbone even greater reductions in world-wide trade barriers. The free trade banner would yet wave. Maybe, but it makes us just a teensy bit skeptical when we hear that Protectionist Leader Dick Gephardt is among those urging this course.

If the deal is delayed, fast-track legislative authority would have time to expire, and that would hand Congress a chance to fine-tune world markets on behalf of its favorite business lobbyists. You can't on one day orate about "ethics" and on the next open up vast new opportunities for the Beltway influence machine to crawl all over the government's policy makers.

Among the "old" Democratic interests serviced by the Gephardt wing is the textile lobby. The GATT agreement would strip away the clothing and textile industries' protective insulation over 10 years. They've argued for 15, but they don't want the quotas ever to end. Why would they? These quotas jack up clothing costs an estimated \$25 billion a year, which comes from the pockets of U.S. consumers.

Lo and behold, a new "old" Democratic barnacle is being born. Intel, the big California maker of computer chips, has taken the lead in anti-GATT lobbying since the election. CEO Andrew Grove is a fan of the visible hand. Sematech was largely his doing. So was the policy of buffaloing Japan into buying set numbers of U.S.-made chips. "Not enough is being spent to counter the subjugation of the U.S. by economic means," he complained recently.

In word and campaign check, Sili-

con Valley plumped ostentatiously for Mr. Clinton. Now one of its own, Berkeley's Laura Tyson, is touted as heavy favorite for White House economic adviser.

She's a "strategic trade" theorist. This school holds that by subsidizing high-tech industries, clever politicians can swipe high-paying jobs from the rest of the world — or prevent the rest of the world from swiping them from us. It would be "criminal" to waste the peace dividend by failing to spend it subsidizing commercial technology, Ms. Tyson wrote recently.

Now, it's a rough world out there, as Mr. Grove and Ms. Tyson know. Our friends don't always play fair. But strategic trade is just a gussied-up version of the beggar-thy-neighbor stuff that GATT has spent 45 years rolling back. And with considerable success—burgeoning trade has been a principal force behind the world's post-war economic boom.

Mr. Bush's deal may not be perfect, but it would probably add about \$5 trillion to the global economy in the coming decade. And passing up the opportunity would be more costly than this figure suggests. Backsliding into protectionism, by whatever name, means replacing more efficient sources of supply with less efficient ones, and that will be expensive.

Mr. Clinton has certainly noticed that, among the world's big boys, only the U.S. today has a growing economy. We owe that largely to the developing world's hunger for U.S. products.

A word about Somalia and that same developing world. If the West ever gives Somalia a functioning government and society, it's eventually going to try to export something, obviously at a low cost. So will Bosnia or Haiti or even Iraq. Formerly Communist Eastern Europe is trying to do that right now. How we respond to their trade has both an economic and a moral dimension. If the world's poorest people, in a Somalia or Haiti, are to be excluded from the benefits of a liberal trade regime, then the civilized world should not act so astonished when their people begin killing each other over the crumbs.

A GATT negotiation can indeed be a war of special interests of the sort now tempting Mr. Clinton's aides. Or trade policy can be an opportunity to give meaning to the phrase "world leader." Here's hoping that Mr. Clinton seizes the opportunity.

Mr. Barr's Cloud: Growing Darker

Could Attorney General William Barr be trusted to produce a credible examination of his own Administration's possibly criminal aid to Iraq before the Persian Gulf war? That didn't seem likely two months ago when he appointed Frederick Lacey, a former Federal judge, to conduct an ostensibly independent investigation. Judge Lacey has now issued his report and the answer is worse than no.

Not only is Judge Lacey incredible. He, and his sponsor, seem far more interested in finding scapegoats than in finding facts. Far from allaying public doubts about Bush Administration improprieties, this squalid exercise inflames them.

Judge Lacey heatedly denounces Democrats and the news media for making too much of this case. That does not cover the gaps in his investigation. Yet he supports Mr. Barr's refusal to seek a truly independent counsel. And Mr. Barr persists in defending a straw man — supposed attacks on the Justice Department's "dedicated professionals" — when the real criticism is of the way he has dealt with the scandal.

An impartial inquiry might have calmed suspicion about backdoor aid to Saddam Hussein. This one leaves large questions wide open. For instance, was so-called agricultural assistance to Iraq willfully allowed to become military aid at a time that President Bush was appeasing Saddam Hussein? One way to find out would be to determine whether a mid-level Commerce Department official intentionally falsified shipment records submitted to an

inquiring Congress — and if so, whether the dereliction reached higher.

Without embarrassment, Judge Lacey admits he doesn't even know the whereabouts of that Commerce official, let alone acknowledge a duty to learn whether higher officials are implicated.

He does a somewhat better job of countering suspicions of an indictment that spared the Banca Nazionale del Lavoro, Italy's largest bank and the source of billions in illicit loans to Iraq. The failure to indict the bank seemed suspicious; how could bank officers not know about such transactions? It turns out there were strong, apparently principled differences between Washington and Federal prosecutors in Atlanta. They concluded that the bank had been victimized by a branch manager.

Still, there were other peculiar-looking irregularities — like phone calls from the White House to Atlanta inquiring about the bank investigation's progress. Judge Lacey, a tough-minded former prosecutor, suddenly finds himself saying that if meddling officials say they had no intention of obstructing justice, why, he has to believe them.

It's no crime for apparent conflicts of interest to arise in government. There can be honest explanations for activities that make reasonable observers doubt the Justice Department's impartiality. But it is a sin to try hiding such apparent conflicts in billows of bombast. Attorney General Barr would have served justice by clearing the Lavoro cloud over the Bush record. Instead, he has darkened it.

Hail to the Chef

CUT OUT the Big Macs and fries. Hire a new White House chef. Make the presidency a bully pulpit for all things dietetically correct. That's the advice conveyed to President-elect Clinton in a letter written by a Berkeley, Calif., chef and endorsed by more than 60 of her colleagues, who are promoting what The Post's Phyllis C. Richman describes as "healthy, environmentally conscious" eating.

"Just seeing what Clinton eats is pretty distressing," said the letter's author, Alice Waters of Chez Panisse in Berkeley, Calif. "McDonald's and Cokes. It's a terrible image." She urges the next president to become a spokesman for organically grown food, "food that is delicious, wholesome and responsibly produced." Whoever is White House chef, says Chef Waters—and she acknowledges she doesn't know much about the present occupant of the job—should be someone "who embraces this philosophy."

A fine philosophy it probably is too. But with Mr. Clinton, as with any incoming president, a lot of interesting little personal "facts" have emerged in recent months, some of them press/PR hokery and some real. And as many a member of the great American munching class has observed, with this

man, the food thing is real. That is to say, when a deep-fried, cornmeal-coated, bread-wrapped, onion-smothered, cheese-drowned something or other is proffered from the crowd, this will not be a take-one-nibble-and-hand-it-to-an-aide presidency. It will be a doggie bag incumbency.

The chefs are alarmed that among published recipes said to be Mr. Clinton's favorites are one for enchiladas made with canned peppers and tomatoes and another for a lemon pie that takes two cups of sugar. They shouldn't worry; the unpublished ones are probably much worse.

It's possible, of course, that the president will take some or all of this advice and make an effort to provide what Chef Waters demands of the White House: "a positive statement, a distinctly positive, principled statement" on food. There's nothing in the Constitution about it, but Mr. Clinton has wide ambitions as president. On the other hand, it's also possible that after pondering a few of those austere, artistic plates of half-cooked vegetables that don't quite look or taste like food, he'll conclude that in certain areas there is after all something to be said for a limited presidency and a willingness to share the awful burdens of state.

The Washington Times

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Republicans man the battle stations

The usual suspects have declared Bill Clinton's weak plurality in November's election to have been a popular uprising, one that repudiated the Reagan legacy and the "Decade of Greed." That drubbing, we are told, has left Republicans without a rudder, without a message, rejected, divided and any time now, likely to fall into the hands of the religious right bogeymen.

Rubbish. To begin with, the public's dissatisfaction with George Bush was nothing but an expression of longing for the days when the economy was churning. In other words, for the Reagan years. And rubbish, too, the notion that Republicans are all at sea. The debate going on at the moment within the Republican Party is the best thing that has happened to the GOP for years. The Bush presidency was one without a message; the administration lacked the vision thing. Not so the Republicans out in the political wilderness. Ideas, not offices, are what they have now, and these are ideas that are going to reinvigorate the party.

Nowhere is this more evident than in the election of Rep. Dick Armey to the third-ranking position in the House Republican leadership. The Texan ousted California's Jerry Lewis for the House Republican Conference chair, as he won the overwhelming backing of the freshman members of the House minority. This is a victory for the ideas that will forge the coming Republican majority. Mr. Lewis was of the "good loser" school of politics—that's show us a good loser and we'll show you a loser—and posed no threat to the Democratic fiefdom. Mr. Armey, on the other hand, is a fighter, one whose weapons are the core economic ideas that can unite the Republican Party.

A free-market economist, Mr. Armey recognizes

that for all the side issues that divide Republicans—for example, the libertarian-conservative wing of the party doesn't see eye-to-eye with the Christian conservatives on the question of family values and culture—the ideas that all wings of the party have in common are the ones that are hugely popular with the electorate. "The Democrats have been beating our brains out on our bread-and-butter issues," says an Armey aide. Mr. Armey plans to retake the moral high ground on questions of taxes and spending. No more free ride for the Democrats on "fairness." Fair economics, according to Mr. Armey, is when the country is enjoying overall prosperity.

This commitment to free-market economics (especially in such areas as welfare and health care), lower taxes and lower spending can bring together the Republican Party, and position it for a big gain in both houses of Congress come 1994. This bodes well not only for Republicans but for Congress as a whole.

The new Democratic members in the House have busied themselves currying favor with the powers that be, jettisoning their reform rhetoric now that they have the prospect of a lifetime supping at the Capitol Hill trough before them. No changes in the Democratic House leadership for them—just a rush to beg for tasty committee assignments. The new Republican members, however, by electing Mr. Armey to head their party's House conference, have lived up to their advertising. Republicans, it appears, are not going to splinter and disintegrate. Quite the contrary. The new Republicans may be the best, and only coherent, hope for reform. This may endear them to an electorate that has made crystal clear its druthers on the question of change.

Pruden on
Politics

By Wesley Pruden

Swift Willie's gift
to the Bush recovery

Talk about sacrifice for country: The president from Arkansas gives the plummiest job of all to the senator from Texas.

This is the equivalent of the prime minister of Israel making the president of Syria his private chaplain, but it reassures the financial community and lends credence to the wistful notion that maybe all Bill Clinton wants to do is to put together a Bush administration that works.

And if appointing Mr. Bentsen is not sufficient stroking, Wall Street gets Robert Rubin, the co-chairman of Goldman, Sachs & Co., to chair the National Economic Council. Not only that, Roger Altman, a Wall Street investment banker, will be Mr. Bentsen's chief deputy. Who says a Democratic president can't be bullish on America?

Rep. Leon Panetta of California will succeed Richard Darman, the architect of the tax increase that cost George Bush the election, as the director of the Office of Management and Budget. This may be the most interesting appointment of the day, particularly since everyone in town has known for days — since it was first reported on the front page of The Washington Times — that Lloyd Bentsen would be the top money gun in the Clinton administration.

Mr. Panetta, despite being well liked among the tax-and-spend liberal Democrats on Capitol Hill, is a deficit hawk, willing to cut the deficit by — horrors! — cutting government spending. He is, in fact, thought to be even to the right of Ross Perot on the issue of whacking, rather than nibbling, at the deficit.

The president-elect actually had his best day in weeks, making the "conservative" appointments and getting to bask in the speculation that he would name Colin Powell, the chairman of the Joint Chiefs of Staff, as his secretary of state. This gives Mr. Clinton a "two-fer," whether he actually goes through with the suggestion or not, because at least for a day he's a president eager to appoint a black



Richard Darman

man as his secretary of state, and a general to burnish his credentials, such as they are, to be the commander-in-chief. If Colin Powell is willing to forgive his malingering in the Vietnam War, why can't everyone else?

The appointment of Gen. Powell would buy a little insurance against another risk, too. Though a registered independent, he is thought to be a closet Republican, and fasci-

nated if not necessarily interested in applying for the president's job in 1996. He can't easily do that if he serves in Mr. Clinton's administration, particularly in such a high-profile job, so by making him the secretary of state Mr. Clinton takes him out of elective politics.

Some of Mr. Clinton's nervous supporters on the left, of whom he has many, are no doubt a little nervous after yesterday's turn of events, in the same way that some of George Bush's appointments (such as Richard Darman) made conservatives nervous. The leftmost Clintonians are hardly reassured by the sound of the cheers on Wall Street. They may have to be satisfied when the warmed-over '60s radicals get only the nothingburger Cabinet jobs at the welfare ministries.

"These people are seasoned, skilled, incredibly able and ready to work for the American people," the president-elect said of his day's work. "I'm going to work my heart out with [them] to construct a long-term economic plan."

Fortunately for Mr. Clinton, and certainly for the rest of us, all the new president may have to do is leave well enough alone. He's inheriting a gathering Bush economic recovery — yesterday's announcement of a dramatic drop in jobless claims has persuaded even some of the most skeptical Democratic economists that the recovery is real — and he won't even have to put his own economic recovery plan, if there ever was one, up for a test in the real world.

Mr. Clinton is not known for a self-deprecating sense of humor — policy wonks rarely are — but yesterday even he could mock his campaign rhetoric. Someone in the crowd noted that Leon Panetta had sneered at his economic proposals during the campaign, saying they didn't add up.

Said Swift Willie, with a smile: "I'm going to give him a chance to teach me some math."

The Reliable Source

By Lois Romano



John Heard in "Dead Ahead," and at top right with "Home Alone" costars Devin Ratray and Catherine O'Hara.

Stop Beating Around the Bush, John Heard!

They told us he was press-shy. (We'd like to see what he'd be like if he were aggressive.) He told us he was calling from Alabama. (He was in New York City.) He told us to hold the phone while he righted his inside-out shirt. Then we got down to it.

What, we asked actor John Heard, drew him to his role in HBO's story of one of history's great environmental catastrophes, "Dead Ahead: The Exxon Valdez Disaster"—airing tomorrow?

"Money," he said bluntly. Hmmm—no commitment to the environment or anything like that, since he does play a state environmental official?

"It just doesn't have anything to do with the project," he assured us.

After more than two decades of stage and screen work, it was last year's "Home Alone," where Heard played the slightly dopey dad, that catapulted the Washington native into the realm of household faces. Then came the current "Home Alone 2: Lost in New York," which grossed a whopping \$31 million its first weekend out last month.

"I'm terrible," he rambles of his acting ability. "I enjoy watching myself, but 90 percent of it is a fat guy with wild hair. Now when I make a movie it's mostly just to go somewhere and make some money and do what they tell me."

Heard is not so ambivalent when talk turns to children—especially his own. He fought an ugly custody battle with ex-girlfriend and actress Melissa Leo over their 5-year-old son—Heard says he only has weekend visitation rights—and it seems to have soured him a bit.

Of Leo: "She's a jerk. She lives in Hell."



Of the female judge at the custody trial: "She's a . . . fascist."

Of the violence in the kiddie-targeted "Home Alone" movies: "I think mothers kill instincts in children. Kids relate to violence in a completely different way. [They] have more fun with physical bopping than people give them credit for. . . . Anything that encourages children to be physical, to get away from the mother thing, is good."

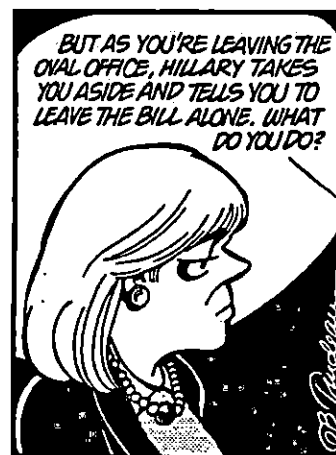
Opinionated or not, the 46-year-old Heard doesn't lack for work. He's in Clint Eastwood's upcoming "In the Line of Fire" ("For years and years, I've asked to be in a movie with Clint. . . . Guess that kills the environmental actor thing"). And he'll star in the world premiere of Arthur Miller's "The Last Yankee," coming to Broadway next month.

Winding things up, he can't resist one last bit of sarcasm.

"Been nice talking to me, huh?"

By G.B. Trudeau

DOONESBURY



CALVIN AND HOBBS BILL WATTERSON

LOOK AT THIS GREAT SNOWBALL! I'D SURE LIKE TO PASTE SOMEONE UPSIDE THE HEAD WITH IT.

BUT I FIGURE EACH SNOWBALL I THROW MEANS I'LL GET ONE LESS PRESENT FROM SANTA.

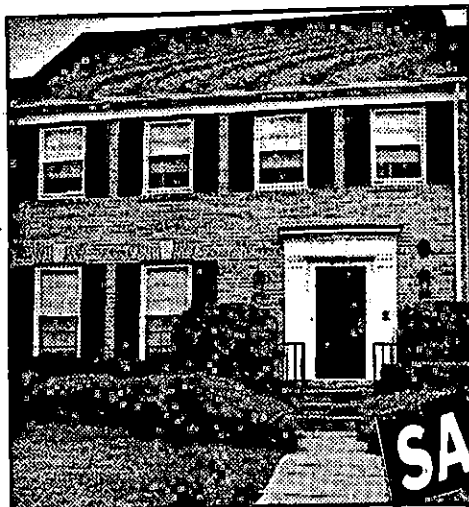
I WISH I KNEW IF SANTA WAS BRINGING ME ANY UNDERWEAR.

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Another Republican On the Move

President Bush's longtime aide Jennifer Fitzgerald, of late the State Department's deputy chief of protocol, has put this Massachusetts Avenue colonial on the market for \$467,500. Ms. Fitzgerald did not respond to a call inquiring about her plans. But the agent tells us that she's a "motivated" seller.

BY LUCIAN PERKINS—THE WASHINGTON POST



WE'VE HEARD THAT...

- WTOP radio listeners tuning in to hear President-elect Clinton's press conference yesterday instead were greeted by a character from the TV soap "Guiding Light" shouting, "I don't want anyone knowing my daughter is a tart." It seems a CBS employee in New York threw the wrong switch, but after 10 seconds or so, the signals were uncrossed and Clinton was on the air.
- Ranny Cooper, Sen. Ted Kennedy's longtime chief of staff and political aide, is leaving the senator's staff to join the Sawyer Miller Group. And another power Democrat, John Orlando, chief of staff for the House Energy and Commerce Committee, will be joining Timmons and Co.
- Villard Books recalled about 100,000 copies of "Penn & Teller's How to Play With

Your Food" yesterday after discovering a "sugar packet" included with each book actually contains a chemical irritant.

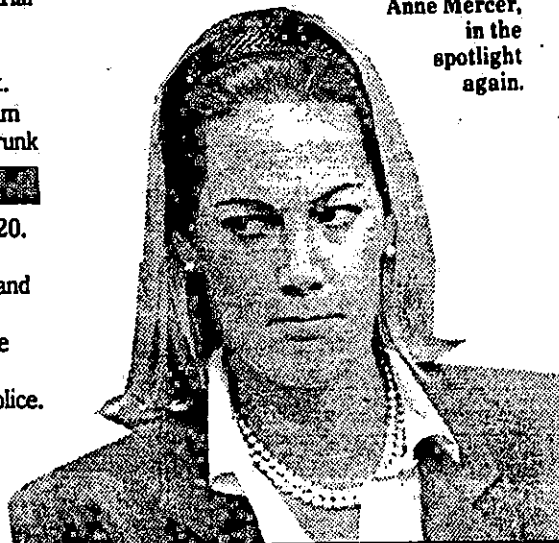
- Daniel Ducruet, father of Princess Stephanie's newborn son, was fined \$750 and sentenced in absentia to 15 days in jail yesterday for beating up a motorist near Nice, France, in January.
- In another first for Brit Tina Brown's New Yorker, the magazine has taken on a staff photographer—veteran fashion and portrait shooter Richard Avedon.
- Newly separated Princess Diana will not attend sister-in-law Princess Anne's wedding in Scotland tomorrow, said Buckingham Palace. However the 92-year-old Queen Mother will be there, the palace added yesterday, despite reports to the contrary.

Palm Beach Revisited: Anne Mercer's Birthday Bust

- A year after the highly charged rape trial of William Kennedy Smith, key (and ill-prepared) witness Anne Mercer apparently hasn't lost her partying spirit. The would-be friend of purported victim Patricia Bowman was found by police drunk

CHECKING IN WITH...

in the back of a cab in Palm Beach Nov. 20. "She had difficulty keeping her head upright" and became "extremely unruly and verbally abusive," according to a police report, quoted by the Boston Herald. She was ultimately arrested for disorderly intoxication, confirms the Palm Beach police. It was the eve of her 34th birthday. Better luck next year.



Anne Mercer, in the spotlight again.

THE FAR SIDE GARY LARSON



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INSIDE THE BELTWAY

Rapper fascination

The Corporation for Public Broadcasting, which brings us our taxpayer-supported public television and radio programs, is seeking more minority producers and their works. So the CPB is putting \$2 million of our dollars into 15 multicultural projects selected from more than 260 solicitations.

Among the projects under the "Cultural" category is "Don't Believe the Hype," a 90-minute documentary on the "positive" social and political consciousness of today's most popular and outspoken rap stars.

"These programs sound fascinating," says CPB President Richard Carlson, "and we're glad to support their creation. It's what public broadcasting is all about: making sure all voices in America are heard."

Freshman spirits

Just recently, House Speaker Thomas Foley and Majority Leader Richard Gephardt took members of the freshman class of the 103rd Congress out for a Potomac cruise aboard the Cherry Blossom, which docks in Old Town Alexandria. The boat ride included a brunch catered by Windows Catering Co. of Rosslyn and, according to Windows' Betty Bradley, "this group is going to have the healthiest kidneys Capitol Hill has seen in a long time."

More than nine cases of cranberry juice were consumed during the three-hour cruise, a pretty incredible accomplishment considering not one drop of alcohol, prominently displayed at the open bar, was poured.

Where credit is due

Last June, a Beltway Irregular who succumbed to a wild craving for Little Debbie Snack Cakes came away with a bad taste in his mouth. While studying the Ronald Reagan Presidential Portrait card that came with his snack cakes (junk-food fans can collect all 40 presidential portrait cards), our correspondent discovered that the political analysts at the Little Debbie company had credited the former president with only one "Notable Event" in the entire course of



Ronald Reagan

1981-1989

Born: February 6, 1911

Died:

Party: Republican

Home State: CA

Occupation: Actor, politician

VP: George Bush

Notable Event: 1st woman appoint. to Supreme Court

Fun Fact: Oldest President to be inaugurated

Little Debbie
Snack Cakes

Little Debbie's writers offer a narrow view of the Reagan presidency.

his years in office, namely: "Iran-Contra Affair."

John Elvin, my predecessor as Inside the Beltway columnist, called on Debbie to get real, reminding her about the collapse of communism, among other major league notables.

We are now happy to report that Debbie was all ears and has re-issued the Reagan portrait with a new notable event: "1st woman appointment to the Supreme Court." Oh well, Debbie's obviously proud of her sex's accomplishments, and it's better than it was before.

We can't wait to see what she has to say about George Bush.

A smoother District

If you traverse the District's streets on a regular basis and think you've lost fewer hubcaps to potholes in recent months, Mayor Sharon Pratt Kelly says you're not hallucinating.

"Citizens can now travel to and from their destinations on smoother roads," the mayor proudly states. "In 1991 and 1992, the District paved 60 and 90 miles respectively — equaling in only two years a total that previously took five years to complete before the Kelly administration."

All of us who still can't find our

hubcaps from "his" honor's days wish to thank "her" honor for the new asphalt. But as one Beltway Irregular notes, these smoother roads still don't justify a commuter tax.

Wasting no time

It's been one month since Rep. Willis Gradison, Ohio Republican, was re-elected by voters from his 2nd District. And wouldn't you know, even before he's been sworn in for his 10th term, he's preparing to say thanks but no thanks.

Mr. Gradison said late Wednesday he was considering an offer from the Health Insurance Association of America to be the group's next president, and our sources say he's all but accepted the job.

Possible candidates to replace him in a special election include: former Rep. Bob McEwen, a leading Republican check-bouncer defeated last month in a district adjoining Mr. Gradison's; Steve Grote, who ran as an independent this year for the other congressional seat from Cincinnati but lost; and Ken Blackwell, former Cincinnati mayor and current U.S. ambassador to the U.N. Human Rights Commission.

Then and now

One forgets that Iran-Contra prosecutor Lawrence E. Walsh has worn many a hat during his 80 years of legal maneuvering. Included in his resume is the 3½ years he spent as deputy attorney general under President Dwight D. Eisenhower.

We all know that Mr. Walsh is a no-nonsense fellow, proof being his unwillingness to "tolerate deliberate deception" on the part of anyone who may have had a role in the Iran-Contra affair. But perusing a State Department publication titled "Foreign Relations of the United States, 1958-1960, Volume VI, Cuba," we find a discussion of differences between various government agencies on the handling of Cubans coming out of Cuba, and whether perhaps a change in the law was not required.

Responding to the question, Mr. Walsh pointed out "there was some point at which you simply had to circumvent the law..."

Need we say more?

— John McCaslin

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What's News—

World-Wide

TROOPS KILLED two Somalis on the second day of a famine relief operation.

The soldiers fired on a truckload of Somalis who broke through a French checkpoint, marking the first bloodshed of the U.S.-led military mission in Somalia. The shooting, which left seven other Somalis injured, came after U.S. and French soldiers had taken control of Mogadishu to protect food shipments. Meanwhile, the country's two main warlords, whose clansmen have ambushed and looted relief convoys, agreed to meet for the first time since they began fighting two years ago.

U.N. chief Boutros-Ghali plans to preside over an informal gathering of Somali leaders in Ethiopia on Jan. 4 to prepare for a national reconciliation conference, a U.N. spokesman said.

YELTSIN SOUGHT a national referendum to decide who should run Russia.

The Russian president gambled his job and the nation's stability by asking the public to make a choice between him and the legislature. Angered by lawmakers' rejection of Yegor Gaidar as prime minister, Yeltsin told Congress he couldn't work with it. He accused the legislature of carrying out a "creeping coup" and appealed directly to the people, calling for a referendum next month. The vote could decide the fate of his economic reforms and lead to March elections. (Article on Page A9)

Yeltsin's supporters and opponents alike expressed fears that his challenge could backfire. While he remains the country's most powerful leader, he has lost a lot of support in the past year.

Transportation officials proposed a sweeping set of rules for alcohol testing of seven million truck drivers, airline pilots and other transportation workers. The regulations, ordered by Congress last year, could cost companies \$1.4 billion over the next decade. (Article on Page A4)

Sen. Packwood apologized for his "unwelcome and offensive" actions amid allegations of sexual harassment but said he wouldn't quit. In the Oregon Republican's first public appearance since the accounts of 10 women were published Nov. 22, he asked that the incidents be weighed in the context of his Senate career.

Indian authorities banned three Hindu nationalist groups and jailed top Hindu leaders accused of inciting Hindu-Muslim riots that have killed over 850 people. The violence began after Hindus razed a mosque on Sunday. (Related article on Page A8)

The French Senate voted not to try ex-Premier Fabius in a scandal over AIDS-tainted blood that has killed 300 hemophiliacs and threatens hundreds more. But lawmakers voted to charge two former deputy ministers. At least 1,200 hemophiliacs were infected in 1985 when officials allowed transfusions of blood known to be tainted.

U.N. officials in Bosnia warned that their emergency food stocks were almost gone, and Sarajevo's bread supplies were said to be running out nine days after a humanitarian airlift was suspended because of fighting near the capital. In Brussels, diplomats said several NATO nations were on the verge of intervening militarily in Bosnia.

Germany intensified its crackdown on rightist violence by banning a second neo-Nazi party, the German Alternative. Police raided over 40 offices and residences of party members, charging that the group was propagating racial hatred. On Nov. 27, officials outlawed the Nationalistic Front.

Ecuador's army chief was killed along with at least six military officers when their small plane crashed into a building in the capital, Quito, police said. Officials in the capital didn't immediately know the cause of last night's crash, which killed Gen. Carlo-magno Andrade, the officers and at least one worker in the building.

Rescue workers late Wednesday found the bodies of seven coal miners killed in an explosion at Norton, Va. But methane gas forced the team to withdraw from the mine before locating the body of an eighth miner. The men had been missing more than a mile underground since Monday's blast.

Australia's prime minister admitted officially that white settlers murdered and dispossessed the country's aborigines during two centuries of settlement. Keating's statements, in line with the conclusions of contemporary historians, were praised by leaders of the aboriginal community.