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# FOIA MARKER

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

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**OA/ID Number:** 90748  
**Folder ID Number:** 90748-002

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**Folder Title:**  
Monday, January 11, 1993 [3]

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1/11/93

Mr. President:

- 1) Orlando would like a letter of recommendation  
To Whom it may Concern --
- 2) John Harper called to see if we had decided anything  
for Jan. 19. Told him we discussed it today but did  
not make a final decision. Told him I'd call tomorrow.

3)

*see ltr  
in 1/13  
daily file*

rz

FROM THE PRESIDENT



1/11/93

Mr. President:

Are you still interested in having an early morning church service at St. John's on January 19th. You had mentioned around 7:30 A. M. for twenty minutes.

If so, are we to come up with guest list or just by word of mouth.

RZ

FROM THE PRESIDENT

*Quitty discuss pzy*

December 11, 1992

1) PHONE CALL FOR THE PRESIDENT  
From: Sec Brady

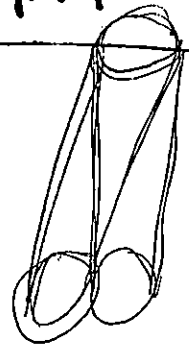
Would like a return call at your convenience. He's in his office.

John Harper of St. John's called. Wanted to know if you'd like to have a private ~~Thanksgiving~~ service before you left town. You could have your staff come for a short 15/20 minute service of prayer -- private.

INTERESTED? YES ☒ NO ☐

*prayer service*  
*20 min*  
*20 minute service*  
*Amazing Grace*  
*American The Beauty*

1) Maybe on Jan 19<sup>th</sup>  
2) 20 minutes  
4:30 PM OR 7:30 AM



BUSH LIBRARY PHOTOCOPY - GEORGE BUSH HANDWRITING



THE PRESIDENT

January 11, 1993

Dear Mr. Salvatore,

Pres forwarded your letter regarding my addressing the American Chamber of Commerce of Mexico. I do appreciate your thinking of me, however, I must regret. Barbara and I will be moving back to Houston on January 20th and my primary focus will be on my Presidential Library at Texas A&M. I hope you understand that I cannot make any other commitments at this time.

Thanks for passing the idea on to Pres. With best wishes,

Sincerely,

THE WHITE HOUSE

Mr. Robert A. Salvatore  
Xerox Mexicana, S.A. de C.V.  
Bosque de Durazues No. 61  
Bosques de las Lomas  
11700 Mexico, D.F.

cc: Prescott Bush, Jr.

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

PRESCOTT BUSH RESOURCES, LTD.  
151 RAILROAD AVENUE  
GREENWICH, CT. 06830

TEL: 203/661-5060

FAX: 203/661-5309

Just in over the  
President's  
personal fax.

To: The Honorable George Bush  
President of the United States  
The White House  
Washington, DC

202/456-2397

From: Prescott S. Bush, Jr.

January 7, 1993

Dear George:

My friend, Bob Salvatore, head of Xerox operations in Mexico, sent me the enclosed letter November 17th. I told him I would wait until after the first of the year to run it by you. I will probably be going to Mexico next week. Would you have any interest in speaking before the American Chamber of Commerce of Mexico during 1993?

All the best.



Xerox Mexicana, S.A. de C.V.  
Bosque de Duraznos No. 61  
Bosques de las Lomas  
11700 Mexico, D.F.  
Tel. 326-3000  
Fax: 326-3034

**Robert A. Salvatore**  
De: Eja: Capitanes Metropolitan

November 17, 1992

Mr. Prescott Bush  
IBD Consultants, Inc.  
110 East 42nd Street, Suite 1300  
New York, N.Y. 10017

Dear Pres:

The loss by President Bush was a blow to the Republican party and certainly a loss for the United States but, we have to pickup the pieces and rebuild the Republican Party once again.

A crazy idea occured to me of having President Bush speak before the American Chamber of Commerce of Mexico during 1993. This is my personal idea and has not been not cleared with the Board of Directors but recognizing how important NAFTA is to Mexico and the United States the President's message to business leaders in Mexico would be a great interest.

The Chamber unfortunately cannot pay for speakers unless some special arrangements for support could be made thru alternatives channels. Could you please give me your reaction as to how viable this idea could be.

Best personal regards and hope to see you in Mexico in the near future.

Bob

P.S. Hope to have President Salinas speak before the Chamber in February'93.

RS'zrf



THE PRESIDENT

January 11, 1993

Dear Karen and Alan,

Thanks so much for the framed print of the lighthouse at Thomas Point. I'm delighted to have it and appreciate your thoughtfulness. I am sure we'll find the perfect spot for it in Maine.

Barbara and I are getting ready for our move back to Houston. It's been a pleasure working with you, Karen. Best wishes to you both.

Sincerely,

THE WHITE HOUSE

Ms. Karen Hosler  
Mr. Alan Friedman  
White House Correspondent's Association  
National Press Building  
Washington, D.C. 20045

cc: (in & out)

Rose Zambora (lcc)

Charles Frea w/photo  
for library



President and Mrs. Bush -

Please accept this gift as a small token of our appreciation for your gracious hospitality in Washington and in Maine. The lighthouse depicted - Thomas Point in the Chesapeake Bay - is the oldest inhabited lighthouse in the U.S. We hope you can find a spot for this at Walker's Point. Best Wishes  
Karen Hosler & Alan Friedman

*The Season's Joy and a  
New Year of Happiness*

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 OPID            PS  
 DOCDATE        890507  
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 MEDIA          L  
 NAME           MS. KAREN HOSLER  
 PSAL           KAREN  
 ORG            THE BALTIMORE SUN  
 STREET        1627 K STREET , N.W.  
 ADDR           WASHINGTON                    DC 20006  
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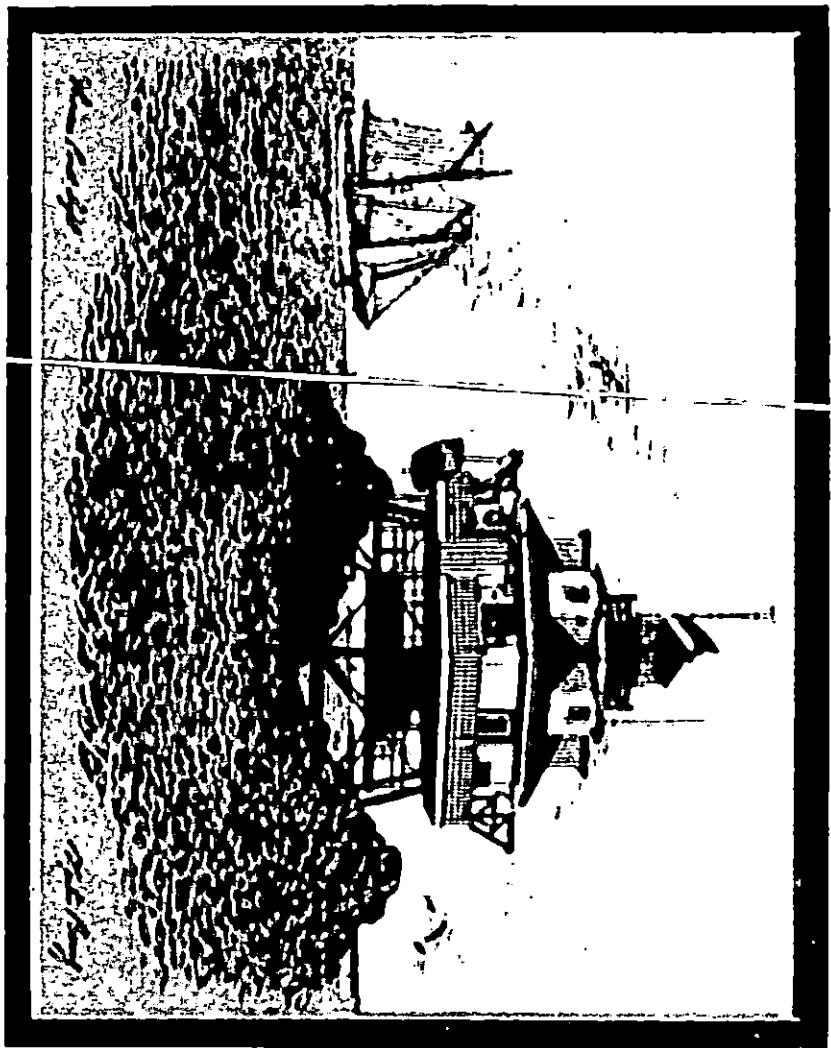
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 RECTYP        OBA  
 MEDIA          L  
 NAME           MS. KAREN HOSLER\*  
 PSAL           KAREN AND GEORGE  
 ORG            WHITE HOUSE CORRESPONDENT 'S  
                 ASSOCIATION  
 STREET        NATIONAL PRESS BUILDING  
 ADDR           WASHINGTON                    DC 20045  
 ADDNAME        MR. GEORGE E. CONDON  
 SUBJECT        THANK YOU SO MUCH FOR YOUR NOTE ABOUT MY  
                 MOTHER  
 SUBCODE        PP010-02  
                 PP005-07  
 INDCODE        4620  
 ACTION        RM DSP 921125 CP2 A 921125  
 COMMENTS      CC: ZAMARIA (2CC)  
                 IN AND OUT

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4BÜ



THE WHITE HOUSE

Mr. Ray L. Hunt  
Chairman of the Board  
Hunt Oil Company  
Fountain Place  
1445 Ross at Field  
Dallas, Texas 75202

cc. (in & out)  
Rose Zamaria (lcc)



THE PRESIDENT

1-11-93

Dear Ray,

The Calendar according to  
Murphy goes to Texas on Jan 20<sup>th</sup>  
with me. May my thanks

I hope you'll come by to  
say "hello" when you come to  
Houston. Our office is at  
10,000 Memorial and I'll be  
there Jan 21 - off to a new  
much quieter life.

I've got some regrets;  
but I've got lots to  
be grateful for, too -

Love to all your family  
R. B.

**RAY L. HUNT**  
FOUNTAIN PLACE  
1445 ROSS AT FIELD  
DALLAS, TEXAS 75202-2785

January 4, 1993

The Honorable George H.W. Bush  
President of the United States  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Mr. President:

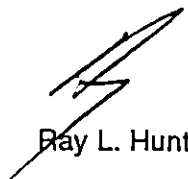
Each year, I send to a select group of friends a Murphy's Law Calendar for the upcoming particular year. One universally applicable rule of life is that one must always recognize the humor associated with life's foibles and aggravations and this particular calendar does an excellent job on a daily basis of putting things into perspective.

Mr. President, I know that the year just concluded has been one of high high's and low low's. I'm also confident that history will not diminish the high's and, further, will put the low's in their proper perspective.

1993 will obviously be a year of significant change for you, Barbara and the family, and I hope that the enclosed calendar will provide a bit of humor with which to start each new day.

I hope this short note finds everything going well with you, and I look forward to seeing you again soon.

Sincerely,



Ray L. Hunt

RLH:cs  
Enc.

DATE: JANUARY 11, 1993

CONTACT: KEITH WRIGHT

PRESS: 863-8550

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# THE DAILY NEWS SUMMARY

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# Nice guy

## Bush takes great pains to ease Clinton transition

By Paul Bedard  
THE WASHINGTON TIMES

When baseball legend Leo Durocher coined the phrase "Nice guys finish last," he might have had someone like President Bush in mind.

Even in anguished defeat, the lame-duck president, who lives by his mother's lesson that "if you don't have something nice to say, don't say anything," is taking unusual pains to talk up his conqueror, President-elect Bill Clinton.



Bush

"It's like they've been dating or something. He's been glorious to Clinton," a senior administration official said.

Not in recent history has there been such an amiable transition, whether between opponents or allies.

In the last transition, when Mr. Bush took over from two-term President Reagan, the two sides sniped at each other. Bush officials criticized Mr. Reagan's work habits and called him lazy and ill-informed until Mr. Bush scolded the aides and called his former boss to apologize.

"Fraternal fights are the worst. You always fight with people you sleep with," a Bush adviser said. He said the bad-mouthing in 1989 was

far worse than the bickering when Mr. Reagan took over from President Carter.

The only detours in this transition have been Budget Director Richard Darman's attack last week on Mr. Clinton's deficit-cutting plan and Education Secretary Lamar Alexander's charge that Mr. Clinton is a "hypocrite" for embracing public schools during the campaign but deciding to send his daughter to an expensive private school in Northwest Washington.

Some aides say Mr. Bush is going too far to help the new team move into Washington.

"It's getting sick," said an administration conservative who believes Mr. Bush didn't strike hard enough in the election.

The official, speaking on the condition of anonymity, said Mr. Bush and Chief of Staff James A. Baker III have held up efforts to change policies, such as limiting regulations tied to the Clean Air Act, out of deference to the Clinton transition team.

And, the official said, Mr. Bush and Mr. Baker rejected staff recommendations to make several recess appointments to administration boards and panels after the Clinton team complained.

"Normally, you try to make as many recess appointments as you can so that you can have some lingering influence, even if the appoint-

ments only last a year," the official said.

"But this time, when several appointment recommendations went up the chain of command, even to Bush, they were rejected. Clinton's folks said, 'You can't do that,' and they agreed," the official said. "Things are being resolved to the Clinton administration's liking."

The president set the tone shortly after his defeat in November when he told senior aides to spread the word that he would not tolerate criticism of the new administration.

"He sent word down through the troops to make this an easy transition. He said, 'I want a good place in history, and I don't want to rock the boat,'" a senior administration official said.

Stephen Hess of the Brookings Institution said Mr. Bush, unlike his aides, understands that he is about to enter the most exclusive club in America: former presidents.

"There is certainly a sense of solidarity and sympathy. They are the ones who know about the splendid isolation of making major decisions," he said.

Mr. Hess said the president may be using a kind, gentle approach to Mr. Clinton because "he wants to be treated well as a former president and to be consulted on things like foreign policy."

Close aides said the president's warmth toward his replacement is vintage Bush.

"The one thing everyone knows is that Bush is a nice guy. He's tough in battle, but once it's over, it's forgotten. And he believes that this is good for the country," a top adviser said.

In 1988, the Bush campaign was especially critical of the Rev. Jesse

Jackson and his positions. But afterward Mr. Bush invited the two-time Democratic presidential hopeful to the White House to break bread.

"George Bush is a gentleman, except when he runs for the presidency," Mr. Hess said.

Mr. Bush has offered any help the Clinton transition team wants to set up the new administration, White House officials said.

In return, the Clinton team has done little to indicate the changes it will make. "They've kept us in the dark," an administration official said.

In the one area where Mr. Clinton seems most vulnerable, foreign affairs, Mr. Bush has taken the lead in calling the former Arkansas governor an experienced and trusted world leader.

During his farewell foreign journey, Mr. Bush told the leaders of Russia and France that Mr. Clinton will be a good U.S. president.

The candidate who Mr. Bush once said gets his foreign policy advice from the International House of Pancakes is now described by Bush foreign policy aides as "prepared to take over and to do a good job."



# DOE Chief Cites Mixed Successes

## End of Cold War Altered Agency Goals

One in an occasional series

By Thomas W. Lippman  
Washington Post Staff Writer

Outgoing Energy Secretary James D. Watkins is in the odd position of giving himself a decent grade even though many of the high-priority missions that faced him nearly four years ago were never carried out.

At the beginning of his tenure, the most urgent task facing the former chief of naval operations was to get the United States back in the business of manufacturing nuclear weapons, the mission that consumes about two-thirds of the Energy Department's budget.

To restart operations in the 12-state network of arms factories, crippled by safety problems and environmental violations, Watkins needed to resume plutonium milling at the Rocky Flats, Colo., plant, open a plutonium waste repository in New Mexico, build a plutonium separator in Idaho and develop a reliable method of producing tritium, a radioactive gas used in warheads.

None of those things happened, and the United States today is not capable of producing nuclear weapons. But the end of the Cold War and the sweeping arms reduction agreements between Washington and Moscow took Watkins and his department off the hook.

As he prepared his final report—which he will present to Congress today—and evaluated the problems Secretary-designate Hazel R. O'Leary will face, Watkins, 65, talked more about the department's responsibility for cleaning up the environmental mess around the weapons plants, its role as a repository of technology and its future as a promoter of scientific education than about its mission of mass destruction.

"World events have changed things tremendously, and actually helped me in a situation that would have been really something," he said in an interview last week. Had the need for new warheads not abated, he said, President Bush would have had to use emergency powers to override safety regulations and environmental laws to allow production to resume at facilities that would have been "safe enough, but not at a desirable level."

But the end of the Cold War dissipated the "produce or else" mandate that had driven the nuclear

weapons complex for 40 years, allowing the Energy Department to close some facilities, mothball others and begin a long-term evaluation of weapons production needs. With the nuclear arsenal shrinking rapidly, the Energy Department has several years of breathing room while its evaluation continues.

In his final report, Watkins describes a department still trying to climb out from an abyss of mismanagement and incompetence. He does not claim to have solved the myriad problems that beset the department when he took office, but he says O'Leary "will inherit a department that has become one of the finest in all of government."

That assessment is not shared by his most persistent critics, the environmental and anti-nuclear groups who have long complained that the production-first, secrecy-oriented "culture" Watkins pledged to eradicate still prevails and that the department's environmental cleanup program is inadequate.

"He was not able to fundamentally reform the Department of Energy," they said in a report entitled "Rhetoric vs. Reality."

Despite high-minded declarations from the department's headquarters in the Forrestal Building, their report said, the department is still characterized by secrecy, mismanagement, failure to control its contractors and wasteful spending. Four years into the 30-year, \$100 billion-plus program to clean up dangerous wastes and restore the environment around the weapons plants, "tangible results are minimal," the report said.

"We're better than the 'F' given to us by the special-interest groups," Watkins said in the interview last week. He opted for 'B-minus.'

In many ways this is a glass-half-full/glass-half-empty argument.

As depicted by Watkins, the Energy Department was in such trouble that an intensive four-year effort by dedicated people, backed by huge amounts of money, has not been able to overcome all the problems. As depicted by its critics, the department is better than before but still resistant to change and inadequate to its task.

Watkins maintains that the department's performance is better than its reputation. He said the department lacks credibility with the public because the news media pay too much attention to criticism from environmental activists with anti-nuclear agendas and not enough to the Energy Department's achievements.

"Nobody gives us any credit," he said, referring to the department's educational mission. Watkins has taken seriously the Bush administration's goal of making American students first in the world in science and mathematics achievement by 2000, and has developed several educational initiatives: a nationwide "Science Bowl" competition, cooperative programs with universities and programs for high school students at the national laboratories.

He also said the public has underestimated the importance of the "National Energy Strategy" developed by the department in 1991 and the major energy bill that resulted from it last year. The bill is

expected to restructure the electric utility industry and lead to greater use of domestic natural gas as a replacement for oil.

"This energy bill was no mean feat," he said. The bill signed by the president, coupled with administration energy policy actions that did not require legislation, "is a tremendous legacy in itself." Although the bill was widely criticized for emphasizing energy production instead of conservation, Watkins said "the outcome in my opinion was better" than the administration's initial proposal or Congress's initial form of the bill.

The Energy Department is unique in that most of its work is done by private contractors. The department has about 20,000 employees, but about 140,000 work for contracting firms that soak up most of the department's budget.

Last week the General Accounting Office said this system led to widespread abuse over many years. The department has undertaken reforms, GAO said, but implementing them "will take years, and will require commitment from DOE's managers, employees and contractors."

Watkins did not disagree. "We are not there yet," he said. "We know it's a problem and we're getting there. Have we solved it all? No."

# Republicans duke it out over national chairman

By Ralph Z. Hallow  
THE WASHINGTON TIMES

A bitter five-way race is under way to replace Rich Bond as chairman of the Republican Party at a Jan. 29 national committee meeting in St. Louis.

None of the candidates is widely known for political ideas, policy innovations or speaking skills.

"It's a race of technicians mostly, because party leaders don't want anyone who might steal the microphone from the prospective [presidential] candidates," says an angry Glenn C. Kenton, a former Delaware secretary of state.

The contenders are retiring Missouri Gov. John Ashcroft, former Michigan Chairman Spencer Abraham, Mississippi National Committeeman Haley Barbour, former Army Secretary Howard "Bo" Callaway and Oregon GOP Chairman Craig Berkman.

"None of them completely satisfies our profile of a party chairman," complains Wisconsin GOP Chairman David Opitz.

The two leading candidates for chairman at the moment, most delegates agree, are Mr. Abraham and Mr. Barbour. Both are more technician-operatives than grand presences and philosophical leaders.

For some RNC members, that is not a problem. "In the Midwest, we feel the most important thing is the 1994 elections, which means we need someone who understands grass-roots, nuts-and-bolts politics," says Ohio GOP Chairman Robert T. Bennett.

Texas GOP Chairman Frederick R. Meyer says: "We controlled the Congress and the White House for only two years in the last 60 years, and that was the end of Eisenhower's presidency. If we don't get reform and start building the party from the precinct and county up, it doesn't make any difference who we elect as national party chairman."

Mr. Kenton disagrees. "The party needs to be organized differently and have an eloquent spokesman for its views. Our party needs to stand for values and articulate the future."

But many members of the Republican National Committee say they want a chairman with proven party-building skills at the precinct and state level more than they want an

inside-the-Beltway luminary.

They also want someone who won't use the chairmanship to enhance his or someone else's bid for the presidency in 1996, who has not sold his services as a consultant to people who want favors from the government and who has not lobbied for foreign governments.

Even RNC members leaning toward one or another of the candidates say Mr. Abraham has the most experience at party building. Under his leadership over the last two years, the National Republican Congressional Committee helped Republicans win a net 10-seat gain in the House despite the loss of the White House.

Nor was Mr. Abraham a Washington consultant or foreign lobbyist. His problem, say some RNC members, is that he once served as an aide to Vice President Dan Quayle, who may run for president in 1996.

"The hue and cry of the national committee has been that we don't want anyone who's somebody else's guy, and Spence, rightly or wrongly, has been hurt because he's seen as Quayle's guy," says Connecticut GOP Chairman Richard Foley.

"Gov. Ashcroft has the same problem, since he has all the qualifications for president — good record at getting elected to public office and strength on public policy issues. So he may be his own man for '96," Mr. Foley adds.

Finding a candidate free of all the prohibitions laid out by RNC members seems impossible. Mr. Barbour, for example, also has the backing of conservative Wisconsin Gov. Tommy Thompson, a possible presidential candidate.

Mr. Barbour's problem as some members see it is not presidential ambition but the way he earns his living. Mr. Barbour should not be chairman because he has spent years, as Virginia RNC member Morton Blackwell put it, "earning his money by trying to get the government — that is, the Bush administration — to make good things happen for his clients."

Another problem for the RNC is Sen. Bob Dole of Kansas. As Senate minority leader, he is himself a potential 1996 presidential candidate who wants to extend his power to the RNC. To do that, he has proposed making an ally, Sen. Mitch McConnell of Kentucky, general chairman.

## Feeling at Home, Republicans Plan for Exile by the Potomac

DATE: 1-11  
PAGE: 1

By MICHAEL WINES  
Special to The New York Times

WASHINGTON, Jan. 10 — They descended on Washington in January 1981, snarling at the inside-the-Beltway crowd of fixers, bureaucrats and opinion-makers and pledging to return power to the "real America" beyond the banks of the Potomac.

That was before Republicans discovered that their captured citadel could also be an exciting and exceedingly comfortable place to live and work. So, when a dozen years of Republican hegemony ends next week, the Bush Administration's conservative elite will, by and large, wander but a few blocks into political exile.

Many, in fact, will unpack their files, wall plaques and thousands of Presidential photos — each autographed and inscribed with warm personal greetings — in freshly painted offices of fixers, bureaucrats and pundits, virtually in sight of the White House.

In a city where people always come to do good and stay to do well, this is accepted practice. Some even call it healthy. But it also is undeniably ironic. For more than any previous political movement, the revolution begun by Ronald Reagan a dozen years ago and passed on to George Bush was fueled by a dislike for Washington power and self-importance, and respect for the world beyond the capital's affluent suburbs.

There are exceptions, largely at the top: George Bush is retiring to Houston, and Dan Quayle will return to Indiana, probably to head his family's newspaper business and plot a political comeback.

Some senior officials will also return to the hinterlands. Gail R. Wilensky, the senior Bush expert on health and welfare, will rejoin Project HOPE, the international charity where she worked until 1990. Labor Secretary Lynn Martin and Health and Human Services Secretary Louis W. Sullivan have not announced plans, but are expected to take academic posts in Illinois and Georgia, respectively.

But James A. Baker 3d, the erstwhile Houston lawyer who came to epitomize Republican dominance of government, is becoming a Washington lawyer and writing a book. Margaret Tutwiler, Mr. Baker's confidante who comes from Alabama, hopes to open a Washington public relations firm. Michael Boskin, the Stanford scholar who kept the flame of free-market economics at the White House, is joining a Washington research organization.

A surprising number of others have no place to go. But even they are facing unemployment largely because they hope to find work in Washington that, so far, does not exist for them.

Washington takes two views of this phenomenon. One is that Ronald Reagan's conservative revolution, fueled by the notion that the free market, not government, should make most decisions, has been domesticated by the creature comforts of a dozen years in power. Another is that the Republicans are finally doing what Democrats have done for decades, and it is about time.

"What this means is that there's going to be a lively counter-government — a government in exile, if you will," Stephen Hess, a Brookings Institution scholar and first-order opinion-

maker, said last week. "The Eisenhower people, by and large, were old and left in retirement when his term ended. The Nixon people left in disgrace. This group is leaving, but wanting to come back — at least the younger ones."

Mr. Hess was mostly referring to decisions by some leading Administration figures to postpone the usual fates of former politicians — lawyering, lobbying and Wall Street — so that they can join research organizations and wage the bloody fight for control of Republican political philosophy.

Chief among them is Housing Secretary Jack F. Kemp. This week, he will join two like-minded allies — William J. Bennett, the former Education Sec-

### After 12 years, Washington isn't bad after all.

retary and director of drug-control policy, and Vin Weber, a former Minnesota Congressman — to form a new research organization that will study (and promote) the brand of "bleeding-heart conservatism" Mr. Kemp likes.

#### Still Tough on Criminals

One more traditional conservative, Attorney General William P. Barr, will return after the inauguration to the prestigious Washington law firm from which he arose. But he also plans to establish an institute to promote the sort of tough-on-criminals legal philosophy Mr. Bush honed as a theme.

Mr. Quayle's chief of staff and the Administration's house intellectual, Bill Kristol, will spend the next year in Washington leading a nonpartisan program, sponsored by the conservative Bradley Foundation, to review American priorities. Mr. Kristol says that removes him from party politics for a while. On the other hand, it also provides him a springboard.

"It's not that I'm not interested in helping shape the future of the party; sure I'm interested in that," he said. "My one conclusion in the last two months is that we do need fresh thinking. We can't simply cobble back together something that has broken apart" with Mr. Bush's defeat.

#### Both Fish and Fowl

Half research outfit and half advocate, organizations like Mr. Kemp's and Mr. Barr's are something new for Republicans, say Mr. Hess and others. They parrot groups like the Progressive Policy Institute and the Democratic Leadership Coalition that moderate Democrats used in the last decade to create an image of the party that voters would approve of.

"It's the taste of defeat that leads to various kinds of institutional responses," said Thomas Mann, another Brookings student of the Presidency. "There's a real need for some rethinking in the Republican Party, and now there are some bright, aggressive and more ambitious people coming together to do it."

Other Administration leaders, some with no less burning ambitions, are taking refuge in more traditional, non-political research units. Defense Secretary Dick Cheney, whose desire to run for President is unvarnished, will join the conservative American Enterprise Institute, as will his wife, Lynne, who headed the National Endowment for the Humanities until recently.

#### Plenty of Scholars

Veterans Affairs Secretary Edward J. Derwinski will also go to the enterprise institute. Constance Horner, a onetime high-school teacher who rose to become director of Presidential personnel, will go to Brookings as a scholar in governmental studies.

As for the rest of Mr. Bush's senior aides, their lot is varied. Secretary of State Lawrence Eagleburger has not disclosed his plans, but friends expect him to serve on some corporate boards and conduct some intellectual pursuits. Robert M. Gates, the Director of Central Intelligence, is similarly mum; associates who note his recent flurry of television morning-show appearances say he appears to be building up name recognition for a public-speaking tour. Treasury Secretary Nicholas F. Brady, wealthy enough not to need a job, has told friends he will find one anyway, but that he does not know yet what it will be.

A whole sheaf of soon-to-be-former officials are planning books. Among them are Richard G. Darman, the budget director, who is also said to be

contemplating a career on Wall Street, and Marlin Fitzwater, the White House press secretary.

The Administrator of the Environmental Protection Agency, William K. Reilly, has said he is going to Brazil for a month to forget about Government and politics.

And at least a dozen senior White House officials are still plotting their futures, some because they must choose among offers and some because opportunities for Republicans, in a Washington free market where the demand runs Democratic, is scant.

Those who have already made the transition say parting is not all that sweet. "The nostalgia will set in this weekend for those who are still there," one said. "You don't have the luxury of peering into the Oval Office in the evening, on the way out of work. Suddenly, you've got to peer through the iron gates on Pennsylvania Avenue, like everybody else. Sure, you'd be crazy not to miss it."

# Clinton's Bright Ideas Get to Meet the Ugly Facts

By DAVID E. ROSENBAUM

WASHINGTON

**I**N campaigning for President, Abraham Lincoln promised not to abolish slavery. Franklin D. Roosevelt vowed to balance the budget. Lyndon B. Johnson said he was not "about to send American boys 9,000 or 10,000 miles away from home to do what Asian boys ought to be doing for themselves." Richard M. Nixon had a secret plan to end the war in Vietnam. Jimmy Carter said he would remove price controls on natural gas. Ronald Reagan said he would never negotiate for the release of hostages. And, of course, George Bush promised not to raise taxes.

So when Bill Clinton seemed to back off last week from his campaign pledge to cut the Federal budget deficit in half over the next four years, hardly anyone was surprised. As Mr. Bush said in 1990 when he announced he had changed his mind about taxes, "That's the American system."

It is not so much that candidates mean to lie. Most of the time, they honestly think they can keep their campaign promises. But the problems of government turn out to be more intractable as one gets closer to being responsible for solving them.

Presidential candidates can make the world stand still. They are free to develop promises and proposals at the outset and stick with them through Election Day. For a President, the world spins round and round, and what seemed like wise policy yesterday is often overtaken by events by tomorrow.

Peter B. Teeley, the United States Ambassador to Canada, who is a friend and political adviser of Mr. Bush's, put the matter this way: "You get into office and you get very hard information for the first time. It can be economic figures or it can be intelligence on foreign policy or defense problems, and it becomes a very cold shower that wakes you up from the campaign."

That is what has happened to Mr. Clinton. Last January, the Bush Administration's Office of Management and Budget and the Congressional Budget Office, the Government's two main economic forecasters, both reported that a strong economy and the completion of the savings and loan bailout would allow the deficit in 1996 to be about half what it was in 1992, even if no tax and spending policies were changed. So Mr. Clinton's promise was somewhat empty. All it meant was that if somewhere he cut taxes or increased spending, else-

where he would have to raise taxes or reduce spending.

By July, circumstances had changed. The economy was growing more slowly than expected. Medical costs were rising faster. Some expenditures for the savings and loan bailout had been put off for another fiscal year. Budget officials reported in their midyear review that the 1992 deficit would be slightly lower than had been forecast in January but that in 1996 it would be quite a bit higher.

But while his advisers cautioned him during the summer that his promise to cut the deficit in half over four years would be much harder to keep, Mr. Clinton, at least publicly, paid them no heed. "A candidate can't afford to keep changing positions," said an aide who regularly traveled on the campaign plane. "He would have been accused of flip-flopping, and no candidate can stand that in the middle of a campaign."

Last week, Mr. Bush's budget office released its official economic forecasts, and they painted a picture that was worse than ever. The deficit in fiscal year 1992, which ended in September, was \$290 billion, and without any changes in policy, the Administration reported, the

deficit will be \$266 billion in 1996 and \$335 billion in 1997.

In Little Rock, Mr. Clinton called the new figures an "unsettling revelation." His assistants accused the Bush Administration of cooking the books in a way that actually understated the probable deficit for 1996 and 1997 by as much as \$60 billion each year, an assertion that Richard G. Darman, Mr. Bush's budget director, denied.

## Off Balance

Mr. Clinton's surprise was surely exaggerated, and Mr. Darman's figures were probably unrealistic. But they agreed on one basic point: Mr. Clinton cannot cut the deficit in half and still fulfill his promises to increase spending for public works, education and job training, to allow college students to work off loans by joining a national service corps, to overhaul the welfare system, to cut taxes for middle-income families and businesses that invest in new equipment and to raise taxes on no one but families with annual incomes above \$200,000.

"The math does not work," said Mr. Darman.

In a way, Mr. Clinton seemed to relish the news. It gave him a trap door to escape some campaign promises, and it helped prepare political ground for unpopular

tax and spending measures.

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There was other bad news last week as well. The Commerce Department reported that spending on health care rose to 14 percent of the nation's total economic output in 1992, the highest ever, and that medical spending would continue to go up 12 percent to 15 percent a year "unless significant changes in the health-care system occur."

The chief Federal auditor, Comptroller General Charles A. Bowsher, a Reagan appointee, warned the new Administration that the Government's books had been seriously mismanaged in recent years and that it had tens of billions of dollars of hidden liabilities for such matters as cleaning up toxic waste and paying off depositors of failed banks and savings and loan associations.

Overseas, tensions worsened in Iraq and Somalia. The war and human tragedy in Bosnia continued with the Clinton team seemingly undecided about what course to follow. Mr. Clinton and his advisers have worried aloud since the election that international problems, basically ignored during the campaign, might be so demanding that Mr. Clinton would not be able to pay full attention to economic issues at home.

## Tax and Charge

So far, the economy is still topic A. No one divulged exactly what was discussed at Mr. Clinton's meeting Thursday with his economic advisers. But a good bet is that they talked about how the only way to limit the deficit is to increase the taxes of middle-income Americans, cut popular programs or both, and how the only way to get a handle on medical costs is to change the system under which most people get whatever treatment they want wherever they want, at little or no out-of-pocket cost.

Mr. Clinton clearly understands this. During his two-day economic conference in Little Rock last month, he displayed a dazzling grasp of economic and social policy issues. But not once during the campaign and not since has Mr. Clinton let on that ordinary Americans might have to sacrifice anything they now enjoy.

In other words, he has still not addressed the fundamental questions he ducked during the campaign but will have to face squarely as President: Who will have to give up what, and when will he tell them so?

# Go slow, Clinton advised

## Stall on pledges, Hill leaders say

By Carleton R. Bryant  
THE WASHINGTON TIMES

Senate Majority Leader George Mitchell and House Speaker Thomas S. Foley yesterday said President-elect Bill Clinton should rethink how many of his ambitious programs to implement — and how fast.

Mr. Foley suggested that Mr. Clinton might even want to renege on some campaign pledges, denoting a lowering of expectations for the upcoming administration.

Yet the call for a go-slow approach merely echoes that of Mr. Clinton himself, who has signaled a delay in announcing his highly touted economic recovery proposals.

Having vowed on the campaign trail to unveil a jobs program on Inauguration Day, Mr. Clinton is reconsidering whether to include economic specifics in his inaugural speech, senior Clinton officials have said.

"It's a mistake for any president to say, 'I'm going to keep my campaign promise no matter whether it hurts the country or helps the country,'" Mr. Foley said on NBC's "Meet the Press."

"President Bush was right — not wrong, right — to sign up with Congress for the 1990 budget agreement, thereby changing the promise that he had made not to raise taxes," the Washington Democrat added.

In calling for a revision of Mr. Clinton's "Putting People First" agenda, the Democratic leaders agreed that reducing the budget deficit should be of primary concern, noting that Mr. Clinton prom-

ised to halve it in four years.

"The task of reducing it by half has been made much more difficult by the revelation that the deficit is much higher than the Bush administration has previously stated," Mr. Mitchell, Maine Democrat, said on "Meet the Press."

The Bush administration estimated last week that the deficit will range from \$292 billion in 1994 to \$305 billion in 1997.

Mr. Clinton called the higher deficit projections an "unsettling revelation."

He is reworking his economic recovery proposals in response to the latest deficit numbers, delaying an announcement until sometime after Jan. 20, deputy communications director Jeff Eller said yesterday in Little Rock, Ark.

"Primarily because he's still working on it — nothing more, nothing less," Mr. Eller said when asked about the delay.

"What he's said is the numbers have changed, and that's why he's re-doing it," Mr. Eller said. He added that the original plan laid out in "Putting People First" would guide Mr. Clinton.

The Washington Times reported last Monday, before those new deficit projections were issued, that a senior Clinton transition official said advisers already were leaning toward delaying economic specifics until after the inauguration. The idea is to address the details in a speech to the nation around Feb. 1.

Among the specifics being considered are worker training programs, health care reform, plans to rebuild the nation's crumbling infrastructure and a national service program.

"Some of [Mr. Clinton's promises] may have to be deferred. Some of them may not be carried out in the time frame that was originally thought," Rep. Vic Fazio, California Democrat, said on ABC's "This Week."

"But the question of the pace of economic recovery isn't fully understood either, and it's going to be a few more months before we really know whether this is a sustained increase in GNP growth or whether it's just another blip," Mr. Fazio said.

Consensus on how to reduce the deficit was lacking among the Democrats yesterday.

Although both Mr. Mitchell and Mr. Foley said they would be "willing to consider" raising the eligibility age for Medicare from 65 to 67, the House speaker said there is no desire in Congress "to move against Medicare."

Furthermore, Mr. Foley and Mr. Mitchell disagreed on imposing a gasoline tax increase.

"I don't think an increase in the gasoline tax is going to be enacted this time," Mr. Mitchell said.

But Mr. Foley, a longtime advocate of a gas tax increase, said, "We ought to raise the gasoline tax ... and I think we should have applied that gasoline tax increase to developing the infrastructure of the country."

He said he hasn't spoken with Mr. Clinton specifically about a gas tax increase.

Senate Minority Leader Bob Dole, interviewed on the CBS program "Face the Nation" yesterday, said a

gas tax would run counter to Democratic promises of a middle-class tax cut.

• Frank J. Murray in Little Rock contributed to this report.

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# Top Democrats Say Tax Cut Seems Doubtful

## Clinton's Campaign Pledge For Middle Class Relief Faces Growing Hurdles

By LUCINDA HARPER  
And MICHAEL K. FRISBY  
Staff Reporters of THE WALL STREET JOURNAL  
WASHINGTON — The two top congressional Democrats said Bill Clinton's promise of a tax cut for the middle class may have to be broken.

Appearing on NBC News's "Meet the Press" yesterday, House Speaker Thomas Foley said, "I'm not sure, in light of the present circumstances, that [a middle-class tax cut] shouldn't be rethought." He added that if a tax cut does go through, "it should be focused on families with children," and not across the spectrum of middle-class Americans.

Senate Majority Leader George Mitchell of Maine, appearing on the same pro-

### Picking Economic Advisers

President-elect Clinton, criticized for his choice of chairwoman of the Council of Economic Advisers, is expected to name several well-regarded economists to other posts. Article on page A18.

gram, suggested that Mr. Clinton may not be able to cut taxes on the middle class right away because of the bulging budget deficit. But Sen. Mitchell said Mr. Clinton should do it "at the earliest opportunity."

The Democratic leaders' comments came as President-elect Clinton begins tailoring his economic plan to reflect the deteriorating outlook for the federal deficit. What seemed unlikely before, now seems impossible — that Mr. Clinton can keep his campaign pledges to halve the deficit in four years while increasing federal spending for infrastructure and giving the middle class a tax break. Mr. Clinton hasn't publicly abandoned the promised tax cut, although several of his advisers expect it to be scaled back or perhaps dropped altogether.

Messrs. Foley and Mitchell also suggested that Mr. Clinton may not be able to halve the deficit in his term. Mr. Foley said Mr. Clinton shouldn't be blamed if he has to break campaign pledges. "It's a mistake for any president to say, 'I'm going to keep my campaign promise no matter whether it hurts the country,'" the Washington state Democrat said.

Both leaders said they would "be willing to consider" postponing the eligibility for Medicare benefits to age 67 from 65, in order to shrink the deficit. Current law calls for the Social Security retirement age to climb to 67 in 2027.

Raising the eligibility age for Medicare would eventually save the federal government a substantial sum by forcing workers

## Clinton May Have To Break His Pledge On Cutting Taxes

Continued From Page A2

and their employers to pick up health-insurance bills for a couple more years. Even before the baby boomers retire, the Medicare hospital-insurance trust fund that is financed by the payroll tax is going to run dry, according to President Bush's budget report. "The funding chasm is now less than 10 years away," the report said.

Meanwhile, President-elect Clinton moved toward finalizing the North America Free Trade Agreement by announcing that he will appoint someone to oversee the side agreements that he insists are needed before fully backing the pact.

After a meeting with Mexican President Carlos Salinas de Gortari in Austin, Texas, on Friday, Mr. Clinton also offered a larger vision of his trade policies. Mr. Clinton said that once the trade agreement is complete, he would seek to open markets with other Central and South American nations — with the next agreement probably made with Chile as a reward for solidifying its government.

Mr. Clinton's decision to move forward on the North American Free Trade Accord was at least a gesture to Mr. Salinas, who needed to take home some sign of progress for the pact, and likely shows that Mr. Clinton wants to remove the cloud that has existed since October: In the heat of the fall campaign, Mr. Clinton offered only conditional approval of the agreement creating freer trade between Mexico, the U.S. and Canada.

In seeking to appease both supporters and opponents, Mr. Clinton has often said that he will support the measure if it includes additional agreements involving environmental and labor issues.

On Friday, Mr. Clinton also said that "I would put one person in charge of organizing these issues." It was unclear whether Mr. Clinton has chosen someone for the role, but one possibility raised immediately was New Mexico Rep. Bill Richardson, who had been a leading candidate to be secretary of the interior. Others speculated that the job would be handled by someone from the White House or the trade representative's office.

To date, the belief in trade circles has been that Mr. Clinton hasn't formed hard positions on his trade views. While his meeting with Mr. Salinas did little to change that, Mr. Clinton did reaffirm that he envisions freer trade in the hemisphere, and like President Bush, sees Latin America as a gateway to new markets for U.S. industry. Mr. Bush also has had thoughts of a Chile pact, but was convinced by Texas Sen. Lloyd Bentsen and other congressional leaders that the political process would be "overloaded" by two trade agreements.

# Clinton Confronts Dilemma Over Federal Budget Deficit

## Revised Forecasts May Jeopardize Pledges

By Steven Mufson  
Washington Post Staff Writer

From the beginning, Bill Clinton's campaign pledge to cut the federal budget deficit by half by the end of his term involved some sleight of hand.

When he first set that goal during the primaries, the deficit already

### NEWS ANALYSIS

was expected to drop by nearly half on its own. An end to the recession would increase tax receipts, payments to depositors of failed savings and loans would be replaced by proceeds from the sales of S&L assets and some big projected increases in health spending would not emerge until 1997.

But two changes in budget forecasts—one three months before the election that Clinton chose to ignore and one last week that he has chosen to highlight—have made that pledge vastly more difficult to carry out.

The first revision came in August when the Congressional Budget Office raised its deficit projection of \$193 billion by \$61 billion for fiscal 1996, which ends about a month before the next presidential election.

Then the Office of Management and Budget, in its own projection for fiscal 1996, last week issued a forecast that was \$12.4 billion higher than the CBO revision.

"You were going to get a lot of it [deficit reduction] for free," a Clinton adviser conceded. "Now you're going to have to work for it."

With these increases Clinton's campaign program now would miss his 1996 deficit target by at least \$130 billion. It seems impossible for Clinton to keep his campaign pledges to cut the deficit by half, increase spending on education, job training and public works projects and not increase taxes on the middle class.

To listen to Clinton tell it, the bigger deficit projections have come as a giant post-election surprise. Last week, Clinton called the OMB's new numbers an "unsettling revelation... the final warning bell" for the nation's economy. And even those figures, Clinton aides asserted, were understated.

But some budget experts said the Clinton camp is feigning surprise about deficit projections, much like the French police captain in the film "Casablanca," who closes a nightclub after declaring himself "shocked, shocked" to discover gambling there—and then is handed his evening's winnings.

"It's highly predictable that they would seek to express surprise because then they don't have to reconcile what Clinton was saying earlier with what most people knew to be the case," said Frederick N. Khedouri, a managing director of the investment brokerage Bear Stearns & Co. and a budget official under President Ronald Reagan.

"I'd be astonished if people around Clinton, who appear to be intelligent people, could not have figured out at least by July what they say now they have just discovered," Khedouri said.

"This is news that's come on, not all at once, but at least in two pieces," said Charles Schultze, a Brookings Institution senior fellow and a former OMB director for President Lyndon B. Johnson.

Clinton aides vigorously deny that they covered up anything during the campaign or that they are exaggerating deficit projections now to wiggle out of campaign pledges. They said they are honestly trying to come to grips with a budget problem that keeps on getting worse.

"The objective all along has been to increase public investment... and to bring down the budget deficit," another Clinton adviser said. "The problem has been that every time we turn around the baseline [expected deficit] gets bigger."

For five hours last Thursday at the governor's mansion in Little Rock, Ark., Clinton listened as his top economic advisers spelled out the dilemma.

For example, last week's increase in the OMB's fiscal 1996 deficit projection alone was big enough to swallow up a 40-cent-a-gallon increase in the federal gasoline tax and full taxation of Social Security benefits, two politically sensitive measures.

At Thursday's meeting Robert E. Rubin, the former Goldman Sachs & Co. co-chairman and Clinton's choice to head the new National Economic Council, pushed the presentations along leaving little time for debate as Clinton listened to options ranging from timid to aggressive deficit reduction, participants said.

Clinton asked questions without hunting at which direction he would go—whether he would scrap the deficit-cutting pledge, abandon some of his promised spending programs or choose some combination of the two.

Publicly, Clinton aides are sanguine. "The governor stands by his campaign commitments," George Stephanopoulos, his communications director, said last week. "But we are reviewing all of these options right now."

Privately, however, they are sobered. "The budget numbers, when you do them right, look grizzly," said one participant in last week's meeting. Clinton "certainly wasn't pleased with the outlook for the deficit. Who is?"

How tough will it be to meet his campaign pledge to halve the deficit?

If Clinton raised taxes on the rich, abandoned his opposition to a gasoline tax increase of 50 cents a gallon, subjected all—instead of half—of Social Security benefits to taxation, made deeper military cuts than those proposed by President Bush, cut government waste, abandoned all his proposals on infrastructure, education and training, he would still barely meet his goal.

And in the process, Clinton could end up looking a lot like Ross Perot, who campaigned on strong measures

*"This is news that's come on, not all at once, but at least in two pieces."*

— Charles Schultze,  
Brookings Institution

to slash the deficit. A middle-of-the-road route could leave Clinton looking like Bush, settling for modest deficit reduction and few new initiatives.

Increasing spending on projects from highways to high-technology fiber-optics projects "is absolutely key to the whole Clinton strategy," a top Clinton adviser said. "That's what distinguishes it from trickle-down economics."

Clinton advisers are expecting the president-elect to make some choices in the coming days. "We're waiting for some broad-brush decisions," one adviser said.

Those decisions are bound to include departures from Clinton's campaign document, "Putting People First." That was put together by Clinton advisers in early 1992 using CBO and OMB budget projections stipulating that with no changes in policy, the deficit would shrink from what was then expected to be \$330 billion in the fiscal year that ended Sept. 30 to just \$193 billion in fiscal 1996, which ends a month before the presidential election.

The Clinton program included a variety of tax increases and spending cuts, but they mostly went to pay for new spending programs.

Shortly after the Democratic National Convention, with "Putting People First" already printed, the OMB and CBO revised their projections. The CBO raised its fiscal 1996 deficit forecast by about \$60 billion to \$254 billion, citing delays in the savings and loan clean-up, slower economic growth and tax-receipt estimates that were lower than expected.

That threw off the Clinton figures and aides knew that some proposed measures, such as increased tax enforcement against U.S. subsidiaries of foreign corporations, might be overstated.

But in the midst of the campaign, no one in the Clinton camp wanted to change his positions. "It would have been asking a lot of them to redo their



whole plan at that point," one adviser said.

Another adviser said that in the heat of the campaign the new CBO numbers "just didn't rise up on the radar screen."

As Clinton's prospects for winning grew, some advisers began to talk about lowering expectations, partly for political advantage and partly to make room for the August CBO changes.

But Clinton advisers said that transition talks with OMB technicians revealed the deficit outlook was even worse than the August numbers indicated.

On Dec. 7, half a dozen Clinton aides met with the president-elect at Blair House across Pennsylvania Avenue from the White House to discuss the deficit outlook.

Clinton knew there was criticism over his proposed budget savings. But his advisers painted a darker picture ahead. They also noted that the CBO would not allow Clinton to count certain disputed items. To their surprise, Clinton did not seem daunted.

"He was kind of saying it was a great challenge. He didn't have a dark attitude at all," one person at the meeting said.

To break this news to the public, Clinton advisers urged former Carter administration budget official and one-time Perot adviser John White to present realistic deficit forecasts. He used numbers provided by Clinton's advisers at the Little Rock economic conference last month.

Then last week the OMB revised its forecasts again, citing changes in expected tax receipts and faster increases in Medicare and Medicaid costs. This time the Clinton advisers really were surprised.

"It's like a punch in the head," one aide said. "It's going to make everything we want to do more difficult. We may not be able to do everything to the extent we wanted to."

"It's useful for them to be surprised," Khedouri said. "They can use their surprise in one of two ways: to abandon some costly items that would make the deficit larger or to abandon the goal of cutting the deficit in half. Unfortunately, the deficit is so large that they may have to do both."

# Clinton Says Goodbyes In Arkansas

## Church Service Marked by Tears

By David Von Drehle  
Washington Post Staff Writer

LITTLE ROCK, Ark., Jan. 10—Bill Clinton is saying his long goodbye to the state of Arkansas bit by bit, in chuckling dribs and tearful drabs. This morning, the president-elect said an emotional farewell to the congregation of Immanuel Baptist Church, where he has worshiped and warbled in the choir since 1980.

"I want to thank the staff here and all the members of this church for enduring the protests and the spotlight that go with national politics today, and for always making me feel at home here even in the darkest days of my campaign," Clinton said.

During the campaign, some theologically conservative members of the Southern Baptist Convention called for Clinton to be expelled over such issues as his support for gay rights and legal abortions. In his brief remarks today, Clinton spoke of the need for "great humility when bringing moral judgments to others in public life."

Clinton really loves Arkansas: Except for college and law school, he has never lived anywhere else. Even a thoroughly rotten day in Little Rock—like Saturday, which was gray and cold and drizzling—beckons him outside. With five friends and relatives, Clinton took one last tour of a local golf course, despite conditions so wet the clubs were slipping from their hands at the end of vigorous tee shots.

"My beloved state," he called it during brief remarks at a ceremony in the capitol this afternoon that was part of the remembrance of slain civil rights leader Martin Luther King Jr.

Clinton said a special goodbye to his old comrades in the Immanuel church choir, and admitted to the whole congregation that the choir was better off without him last year, given his froggy campaign voice. When the singers raised their voices in a soaring rendition of "The Battle Hymn of the Republic," he began weeping.

"I ask you now to pray for me," Clinton said at church. "You know the world is still a very dangerous and uncertain place, and our country is mired in deep difficulty. . . . With God's help and your prayers, I will do my best."



# A Message to Clinton On Cutting Government

*Heritage Foundation Urges Freeze, 3% Trim*

By Stephen Barr  
Washington Post Staff Writer

In a memo to the president-elect, the Heritage Foundation has urged Bill Clinton to order a freeze on federal hiring on Inauguration Day and to accompany it with a 3 percent across-the-board administrative cut.

The Heritage memo also recommends that Clinton show his commitment to the career civil service by calling for repeal of the Ramspeck Act, a 1940 law that critics charge is being used to subvert the

## IDEAS AND FINDINGS

career system by providing political appointees with a way to "burrow in" to the government.

The 13-page memo was written last month by Donald J. Devine, a political and management consultant who served as Ronald Reagan's director of the Office of Personnel Management from 1981 to 1985. Devine's tenure was marked by controversy as he repeatedly criticized what he saw as a bloated, costly bureaucracy and worked to help Reagan slash the size of government.

Devine, a conservative, wrote that he wants Clinton to learn from the Reagan era for two reasons. By explaining how he will carry out his campaign pledges, Devine said, the new president can be held accountable by the voters. "The second reason is that a serious threat to your strategy to reform government will come from inside the federal bureaucracy—as it did when Ronald Reagan came to power."

During the campaign, Clinton promised to cut 100,000 jobs in the bureaucracy by attrition, cut the White House staff by 25 percent, eliminate wasteful spending programs and require federal managers to achieve 3 percent in administrative savings in every federal agency. A transition official said he expected Clinton to act on such

high-profile campaign promises early in his administration.

In an interview, Devine said the most important thing for Clinton to do is "put the [hiring] freeze in immediately or he'll lose control. It's like a clock, what you lose you lose, the time ticks away," he said. "He's got to act quickly and decisively."

The Heritage memo argues that a quick hiring freeze "is the kind of blunt instrument approach needed if your goal is to be accomplished. Because it allows no exceptions, bureaucratic gaming cannot frustrate the achievement of the bulk of your personnel reduction target. . . ."

As some scholars have noted, Clinton can achieve his goal by counting civilian defense employees who will lose their jobs in the current Defense Department "downsizing." The Heritage memo, however, asks whether that really means Clinton is honoring his pledge "if it does not cover anything other than what is already planned."

To achieve his work force cuts, Clinton might have to resort to furloughs and reductions-in-force, popularly known as RIFs, according to the Heritage memo. It recommends that Clinton seek to change the rules on RIFs to give more weight to job performance rather than seniority. If high-level officials could not routinely "bump" down or out lower-ranking employees, the memo said, "women and minorities would not be disproportionately affected by RIFs simply because they tend to have the least seniority."

In suggesting that Clinton seek repeal of the Ramspeck Act, the Heritage memo noted the importance of recognizing the protected status of the civil service and balancing that against the legitimate functions of political appointees.

The law allows congressional and judicial employees to move into an executive branch job without going through regular competitive service procedures. Persons hired by a federal agency under Ramspeck immediately gain career status and do not serve a probationary period.

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# Resume-Sorting Computer Helps Clinton Team Screen Thousands Seeking Administration Jobs

By JAMES M. PERRY

Staff Reporter of THE WALL STREET JOURNAL  
WASHINGTON—Resumes, they get resumes. Hundreds of them every day from people seeking more than 4,000 political jobs with the new Clinton administration.

There's the zoo keeper who says he was mauled by a hippopotamus. He insists he's all right now. Or the mother who sent in a color photograph of her daughter dressed for Halloween as a Clinton campaign bus. She's willing to take almost anything.

"Bob" is a personal favorite of the 55 volunteers who, working in two shifts from 7 a.m. to midnight seven days a week, feed the resumes into a highly sophisticated computer system here at transition headquarters. Bob sends in a new photo of himself every day.

But for every photo from Bob, there are a dozen solemn resumes from serious men and women, most of them with a string of graduate degrees, seeking serious work in the first Democratic administration in 12 years. On the 12th floor of a nondescript office building on Vermont Avenue, Mr. Clinton's transition staff is putting together the team that will run this country for at least the next four years.

## 'Sense of Urgency'

"There's a sense of urgency to this transition we haven't sensed before," says Stuart Eizenstat, who was a key adviser to Jimmy Carter and who is now an active participant in the Clinton transition. "We know if we don't do it right, as Democrats we'll be right back where we started — on the outside again looking in."

Names to fill the cabinet posts, of course, didn't jump out of a computer. Those jobs went to people known to Bill and Hillary Clinton, or to close associates of one or the other, or both. "The Clintons have the deepest network of anyone outside Washington I've ever known," says Mr. Eizenstat. "It's just layers on layers. It's much more extensive than anything we ever had."

The Clinton transition team hopes to fill 100 top jobs by Jan. 20, Inauguration Day. That's a little slow by traditional standards, but not far off course. In a presidential democracy these things take time, because there are so many jobs to fill. In a parliamentary system, the transition is instantaneous, but it works only because most of the senior jobs are held by career civil servants, who every few years patiently explain to a new group of ministers how things really work.

With so many jobs to fill — not to mention 2,000 more appointments to a bewildering variety of boards and commissions — the danger for any new administration is becoming overwhelmed. "You have to focus sharply on what you want to do first, and proceed thereafter step by step," says Atlanta lawyer Jack Watson, who ran

## To the Victors...

Non-career political appointments available to be filled by the new administration:

|                                                              |              |
|--------------------------------------------------------------|--------------|
| Presidential appointments subject to Senate confirmation     | 1,163        |
| Presidential appointments not subject to Senate confirmation | 561          |
| Senior Executive Service appointments                        | 800          |
| Schedule C appointments                                      | 1,794        |
| <b>TOTAL</b>                                                 | <b>4,318</b> |

Source: Office of Personnel Management

the Carter transition and who has been consulted by the Clinton people about this one. "If you don't look out," he says, "you become inundated."

## Nine Copies and Counting

The computer system helps. Every resume—even for the zoo keeper who had the problem with the hippopotamus — gets stuffed into it. The goal is to computerize 1,000 resumes a day, out of about 2,000 that come in most days. One problem is that about half of the resumes the office receives are duplicates of resumes that have already been entered, and they have to be culled.

"One guy," says Shirley Clarkson, leader of the detail, "has sent us nine already, and I guess we'll get more."

So far, the resume-scanning detail in the transition office has received resumes from about 20,000 people — progress is marked on a wall thermometer, like a United Way drive — with perhaps 80,000 more to come. "We get everything," says Ms. Clarkson, the detail commander. "Book-length biographies, videos, photographs, drawings."

The computerized system, designed by Resumix Inc. of Santa Clara, Calif., will become more useful as the Clinton people dig deeper and deeper to fill the hundreds of sometimes obscure jobs that must be operational to get the new administration under way.

## Scanning the Prospects

Each day's batch of resumes is fed, page by page, into optical machines that create images of what they have scanned for the 35 computers being operated by the detail. The fact that none of the data are entered manually eliminates human error, according to Ms. Clarkson, who is on leave as assistant to the president of the University of Michigan. It also eliminates human bias. In earlier transitions, Ms. Clarkson says, volunteers who didn't like a candidate's qualifications would occasionally

edit an offensive resume. She says, "We have also eliminated an enormous amount of paperwork."

A limited number of professionals — they are called search consultants, each with specific professional interests — look through the files to match up jobs and candidates. They are all assigned passwords to enter the system.

The computer system can scan thousands of resumes and come up, if needed, with what the designers of the system say is the most highly qualified candidate for almost any available job.

For example, if the Clinton people want to find someone qualified to serve as director of the division of molecular and cellular biosciences at the National Science Foundation, the computer can pluck out everyone with a background in those specialties and add up from the available information how many years each of those people went to school. It can also differentiate Harvard College from Harvard Street.

Mark Gearan, deputy director of the transition team, says the computer system makes it possible for "someone sending in an unsolicited, unsponsored resume to get a job. If you're the city manager in Gardner, Massachusetts, you have a chance."

But the party that gave the nation Andrew Jackson and the spoils system isn't going to leave the awarding of all these jobs to a recommendation that comes out of a computer. Something else goes into the computer system — letters of recommendation. And some letters count more than others. A letter from one of Arkansas's Democratic senators, Dale Bumpers and David Pryor, is widely believed to count more than a letter from the dean at the alma mater.

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# Clinton to Tap Top Economists For His Team

By DAVID WESSEL

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — President-elect Clinton, the target of some early grousing from economists for his choice of Laura Tyson as chair of the Council of Economic Advisers, is expected to name several well-regarded economists to other posts.

Transition aides said Joseph Stiglitz, 49 years old, a highly respected economic theorist at Stanford University, is a strong contender for the seat on the three-member board that focuses on regulatory issues.

Mr. Stiglitz, who became a full professor at Yale at age 26, is known for his work on how markets work when participants have less than full information. He has also taught at Oxford and Princeton. His candidacy for a seat on the CEA was first reported in the New York Times.

He would join two other big-name economists in the Clinton administration, subject to Senate confirmation. Princeton Prof. Alan Blinder is to handle macroeconomic issues on the council. And Lawrence Summers, who is on leave from Harvard to be the World Bank's chief economist, is to be the Treasury's international undersecretary. In that role, he is expected to be Treasury Secretary-designate Lloyd Bentsen's top deputy for the Group of Seven industrialized nations, which attempts to coordinate economic policies.

"While I disagree with some of their views," said President Bush's economic adviser, Michael Boskin, "each of them is properly extremely highly regarded in the economics profession."

"There is no doubt that list of names—and I include Laura Tyson—is a very, very strong group," said Robert Solow, a Nobel laureate in economics at the Massachusetts Institute of Technology and a Clinton supporter. "These are people of talent, ability and considerable prestige."

Separately, as aides grow edgy awaiting their fate in the new administration, Mr. Clinton continued to piece together a White House staff. He was expected to finish by the weekend, but is still working on a plan that will include women and minorities, while still rewarding many of his white male friends and campaign workers. Mr. Clinton also is seeking a structure that doesn't pit staffers against each other.

For the economists being named to the administration, it's too early to tell how much influence any of them will have on Mr. Clinton himself, his policies and the federal bureaucracy, but their selection adds credibility to the new administration among economists. "The important thing," Mr. Boskin said, "will be translating their professional expertise into a much more sensible market-oriented economic policy than the original social-engineering, big-government approach of the original Clinton program."

Ms. Tyson has drawn fire from some academic economists because her stature doesn't match that of Mr. Boskin, Mr. Summers or Mr. Blinder and because she has advocated a more aggressive role for government in trade and industrial policy than many other economists. Although he acknowledged that some of Ms. Tyson's

views are controversial, Mr. Solow said the attacks on her nomination have been "unwarranted and undeserved."

Labor Secretary-designate Robert Reich, who is regarded with suspicion by some economists for treading on their turf without a Ph.D., has created a chief economist's post for the department and has chosen Harvard Prof. Lawrence Katz, a respected labor economist, to fill it.

David Cutler, a young protege of Mr. Summers whose undergraduate thesis on the effects of the 1986 Tax Reform Act was published by the American Economics Association, is expected to be a liaison between the Council of Economic Advisers and the new National Economic Council in the White House. The National Economic Council is to be headed by Robert Rubin, who is co-chairman of Goldman, Sachs & Co. and isn't an economist.

Clinton aides said Mr. Rubin is also expected to hire Sylvia Matthews for his staff. Ms. Matthews, a Rhodes scholar, worked on economic issues during the campaign. He also is expected to have two deputies: Gene Sperling, who coordinated economic issues for the Clinton campaign, and Bowman Cutter, a budget official in the Carter administration.

Professors Tyson, Stiglitz, Blinder, Katz and Cutler all earned their doctorates at M.I.T.

Mr. Clinton already has named Alice Rivlin, a former president of the American Economics Association, to be deputy director of the White House budget office. As reported, transition officials say Alicia Munnell, senior vice president and research director of the Federal Reserve Bank of Boston, is likely to be nominated for assistant Treasury secretary for economic policy. Other top economic appointments at the State and Commerce Departments and the White House budget office have yet to be announced.

# Campus Activist to Insider: C.I.A. Choice's Inner Journey

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By MICHAEL R. GORDON  
Special to The New York Times.

WASHINGTON, Jan. 10 — Friends of Jim Woolsey, President-elect Bill Clinton's choice as Director of Central Intelligence, like to talk about the time after the 1968 election when he found himself in an argument with the Deputy Secretary of Defense about the Vietnam War.

Like many in his generation, the 27-year-old Army lieutenant, though fulfilling his R.O.T.C. service requirement at the Pentagon, strongly opposed the war. But the deputy, Paul H. Nitze, had backed Mr. Woolsey into a corner of the exclusive F Street Club, insisting that Eugene J. McCarthy's Presidential campaign had hurt the peace talks.

## Refusing to Back Down

Mr. Woolsey, a founding member of the Yale Citizens for McCarthy, refused to yield.

Twenty-four years later, at the age of 51, Mr. Woolsey has more in common with Mr. Nitze than with that young lieutenant. After a career in both Democratic and Republican administrations, Mr. Woolsey has become a conservative voice on Mr. Clinton's national security team, completing an evolution from campus activist to Washington insider with solid credentials on military issues.

R. James Woolsey's detractors portray him as an ambitious man who saw a professional advantage in being to the right of most of his Democratic counterparts, becoming the Republicans' favorite Democrat and the ideal candidate to protect a Democratic White House from charges that it plans to cut military spending too much. They say his thinking is too heavily rooted in the cold war, when he sounded alarms about the Soviet missile threat, and that he is not the man to help the American intelligence agencies adapt to a new world.

## Experience Clinton Needs

But after more than two decades in Washington, Mr. Woolsey appears to have many more supporters in high places than opponents, including Brent Scowcroft, President Bush's national security adviser, and Ret. Adm. Bobby Inman, the former Deputy Director of the C.I.A., who recommended Mr. Woolsey's appointment as the agency's Director to Mr. Clinton.

His backers say he is just what the Clinton Administration needs: a non-dogmatic conservative who has experience in overseeing intelligence programs and also has a sense of the strengths and weaknesses of intelligence reporting from his days as an arms negotiator. To his supporters, he is a accepted member of the national security establishment who is likely to be politically acceptable to intelligence agencies while having the intellect and energy to change them.

While he is conservative on military issues, Mr. Woolsey has demonstrated in his recent work for the agency that he is prepared to cut the intelligence budget. And as the focus of the national security debate has changed, Mr. Woolsey has also been engaged in some areas that the incoming Administration has identified as among its national security priorities. He has talked of focusing on the problems of the spread of nuclear and chemical weapons and ethnic conflict, the new threats to peace and American security also identified by Mr. Clinton. And he has participated in studies on having the United Nations enforce peace using U.N. troops.

ed Nations enforce peace using U.N. troops.

Mr. Woolsey, a Rhodes scholar and Yale Law School graduate who in his Washington practice has represented major military contractors and international contractors, is taking over the American intelligence apparatus at a critical moment. Not only will he help guide the Administration at a time of turbulence around the world, he also faces the task of redefining the role of the C.I.A.

The new director will face a challenge of striking a balance between highlighting the new threats to American security and avoiding the temptation to sound the klaxon at every potential crisis to protect the agency from criticism that it let its guard down.

In a Dec. 2 address to the World Affairs Council in Washington, Mr. Woolsey stressed the need to focus on an arc of unstable and heavily armed nations that stretch from North Africa, across the Middle East and the lower reaches of the former Soviet Union to North Korea.

Though American intelligence organizations have already begun to focus more on the spread of weapons and regional tensions after the cold war, Mr. Woolsey is likely to go further by directing that more reconnaissance satellites, electronic interception capabilities and human intelligence sources be focused on that broad swath of nations.

A committee that he headed did a classified study this summer at the request of the C.I.A. That study on reconnaissance capabilities proposed a new set of priorities for intelligence gathering and outlining substantial budgetary cuts.

"This world that we are beginning to see — with the 'This is the first time a President is younger than Mick Jagger,' said Mr. Guber 'This is the first time a President is younger than Mick Jagger,' said Mr. Guber addition of nuclear weapons, ballistic missiles, chemicals, bacteriologicals and the rest — begins to look more and more like a more lethal version of the old world that existed before 1914, when a range of nationalist sentiments produced the holocaust of World War I," Mr. Woolsey said in the speech last month.

## Change in Emphasis

At the same time, the agency can be expected to reduce its emphasis on covert operations, which many analysts think have become less necessary after the end of the cold war.

To reach the point of becoming C.I.A. director, Mr. Woolsey went through a personal odyssey. Born in Tulsa, Okla., he went to Stanford University, where he earned a Rhodes Scholarship.

After Oxford, Mr. Woolsey went to Yale Law School and worked in the Congressional election campaign for Allard Lowenstein, the liberal Democrat and social activist, though friends say that Mr. Woolsey was never a radical.

He was then asked to work at the Pentagon by the chief systems analyst for the Defense Department, where he

was working when he had the heated exchange with Mr. Nitze. As he left the F Street Club, Mr. Woolsey remarked to his wife that it was a good thing that Mr. Nitze would be leaving his post at the end of the Johnson Administration.

But several months later Mr. Nitze came back as the Defense Secretary's representative at the Strategic Arms Limitation Talks during the Nixon Administration. Ivan Selin, then the director of the systems analyst office, suggested that Mr. Woolsey work for Mr. Nitze. Before doing so, he checked with the arms negotiator. Mr. Nitze said that Mr. Woolsey did not know what he was talking about, but at least he was not afraid to speak up.

Connection begat connection. While working for Mr. Nitze, Mr. Woolsey met Richard Perle, the hard-line aide of Senator Henry M. Jackson, the Washington Democrat on the Senate Armed Services Committee, and later worked for three years as the general counsel for the committee, which at the

time oversaw intelligence programs. He then went to Shea & Gardner, a Washington law firm, where he represented aerospace and international corporations.

He supported Mr. Jackson's candidacy for President, but when Mr. Jackson lost in the primaries, Mr. Woolsey went to work for Jimmy Carter. After Mr. Carter's election, Mr. Woolsey landed a position as Undersecretary of the Navy, where he managed Navy intelligence programs and got to know Admiral Inman.

Leaving the Pentagon 1979, he returned to his law practice. He has recently represented the McDonnell Douglas Corporation and the General Dynamics Corporation in a lawsuit seeking to recover damages from Defense Secretary Dick Cheney's cancellation of the A-12 for the Navy because of its excessive cost. A little over a year ago, he joined the boards of the Martin Marietta Corporation, the giant defense company that made the MX missile, and British Aerospace, the North American arm of the British-owned company. He is required to resign both posts before assuming the C.I.A. directorship.

Mr. Woolsey also registered as a foreign agent in the late 1980's for a Swiss company, Société Générale de Surveillance, which inspects goods that are exported. He did this when he visited Lloyd Bentsen, the Texas Democrat who was chairman of the Senate Finance Committee and has been picked to be Treasury Secretary, to ask that hearings be held on possible trade legislation. Since the Swiss company was working for Bolivia, Ecuador, Guatemala, Paraguay and Venezuela, that technically made Mr. Woolsey an agent for those governments in that case.

Even with his impressive résumé, Mr. Woolsey has never held a post as challenging as that of Director of Central Intelligence. Still, with his Washington credentials, he is expected to sail through the confirmation process and take on a job that he has described as presenting a "complex and difficult agenda."

# Transition Momentum Bogs Down at Sub-Cabinet Level

By Stephen Barr and Al Kamen  
Washington Post Staff Writers

The Clinton transition team, which has promised a quick start on economic and other policy issues, appears to have lost its momentum at a crucial stage in its effort to staff the government.

While transition officials just barely met their deadline of naming the Cabinet by Christmas, President-elect Clinton and his key aides are finding the selection of a sub-Cabinet an even more daunting task. There are "too many lists, too many names," said a transition source, and that "is bogging down the process."

The sub-Cabinet includes almost all of the policy-making jobs in the executive branch. Depending on how it is defined, the sub-Cabinet can range from 650 to 1,800 jobs, from undersecretaries to non-career Senior Executive Service positions.

Clinton transition officials earlier had said they had hoped to have as many as 200 sub-Cabinet officials named by Inauguration Day. They since have dramatically scaled back their goals.

Mark D. Gearan, deputy transition director, said the transition team expects to have about 100 sub-Cabinet appointments "near completion" by Jan. 20.

At the moment, he said, the transition team is focused on filling the most critical jobs—deputies, undersecretaries and, in some departments, assistant secretaries.

Gearan said the sub-Cabinet search "seeks excellence, diversity and outreach" and that new Cabinet members would be able to "jump-start" their departments because of the transition team's work over the last several weeks in preparing lists of potential appointees.

Clinton also appears to be having trouble putting together his own White House staff. Working with chief of staff Thomas F. "Mack" McLarty, Clinton was expected to announce the rest of his top-level White House assistants last week.

But there were indications on Friday that Clinton might be rethinking some of his tentative decisions as he sought to balance a desire to reward key members of his campaign with his pledge to bring diversity to the White House staff.

For sub-Cabinet appointments, the Clinton transition, apparently using the Reagan administration as its model, has worked to maximize its control over the appointments process. The centralized operation, transition sources said, begins with a group headed by former South Carolina governor Richard Riley, the education secretary-designate, taking hundreds of names—solicited

and unsolicited—and winnowing them to lists of five to 10 potential candidates for each sub-Cabinet job. That list, which is developed in consultation with the designated Cabinet secretary, is then sent to Little Rock, Ark., where names can be added, subtracted or a decision made.

A centralized appointments process, as Reagan personnel chief Pendleton James said, "prevents people doing end runs on you."

Clinton's "biggest problem right now is staffing the administration," James said. "What controls the government is the sub-Cabinet. It is the sub-Cabinet that prepares the issue papers, frames the debates, sets the agenda that filters its way up to the Cabinet and Oval Office."

Studies of previous transitions generally agree that President Jimmy Carter failed to control the sub-Cabinet appointments, leaving it primarily to his Cabinet members, and ended up in several agencies with appointees who pursued goals that diverted the Carter White House into costly political fights.

As the government's size and missions have increased over the last two decades, transitions have become more difficult periods to navigate.

"We've gotten to the point where it's impossible for a transition to succeed," said Paul Light, a professor of public affairs at the University of Minnesota's Hubert H. Humphrey Institute of Public Affairs.

By Light's count, Clinton must find appointees for 15 layers of government, nine more layers than President John F. Kennedy-filled.

Light suggests that Clinton "could do future administrations a favor by layering the political and senior career ranks."

But there is more to a transition than worries about process and the numbers game, said Mark A. Abramson, president of the Council for Excellence in Government, a non-profit group of former federal managers and executives.

"The success of the Clinton administration will depend on the quality of its sub-Cabinet," Abramson said, adding that Clinton appears to recognize the importance of teamwork. "The thing that government gets stalled on is turf battles," he said. "Government comes to a grinding halt without a sense of team."

Gearan said the Clinton transition had constructed its appointments process "to make sure it is serving the interests of Governor Clinton and Senator Gore."

Transition sources said the lists of names being developed are based on merit and job qualifications. But the lists also are checked to ensure they reflect:

- The campaign's pledge to support diversity (appropriately representing women, minorities and regional interests).

- The desires and interests of Clinton and Vice President-elect Gore.

- Whether the job applicant worked on the 1992 campaign.

- Concerns of special interest groups.

- Other political considerations, such as work on Capitol Hill or the backing of a Clinton supporter.

In attempting to meet all these goals, the Clinton transition team has dramatically complicated and slowed the selection process.

Transition sources said that Riley has been consulting with the new Cabinet secretaries on the lists being drawn for each department, hearing any objections that may be raised. "Riley has described his own role as to watch out for Clinton," one source said.

When the lists are presented in Little Rock, Clinton becomes "very actively involved" in the selection process, another source said.

Clinton's involvement, the sources said, slows the pace of making appointments, in part because he also must attend to foreign policy briefings involving Iraq, Somalia and Bosnia, meet with economic advisers, and travel, such as his trip to Texas last week to meet with Mexican President Carlos Salinas de Gortari.

Although the Clinton team has adhered to the Reagan principle of centralized control, Reagan to a great degree relied on his staff in 1979 and 1980 for decisions on staffing the government. That leeway allowed his administration to capitalize on its opening days, getting much of the legislation it wanted through Congress.

Gearan said personnel duties would shift from Riley to the new White House personnel chief when that person is named, perhaps as early as this week.

But transition officials appear to be worried that a too-lengthy appointment process, followed by confirmation hearings, where mandated, could weaken their control.

"The special interests are going to be lobbying to get their people into those jobs," said James, who now runs an executive search firm in New York. "That's where the power is."

Lobbyists, he said, "don't care that much about Cabinet officers. They're interested in who the sub-Cabinet appointments are. . . . If you're trying to influence legislation, where you want to get involved is in the beginning of the process."

Staff writer Dan Balz contributed to this report.

# Christopher Files Cover 68 Spying Anti-War Activists Targeted by Army

Associated Press

Secretary of State-designate Warren M. Christopher's personal papers indicate he was informed in 1968 that Army "operatives" were gathering intelligence on civil rights and anti-war activists. But in 1977 he told Congress that as deputy attorney general, "I did not authorize and I did not know about it."

Those remarks came before the Senate Foreign Relations Committee, the same panel that this week will consider President-elect Clinton's selection of Christopher to become secretary of state.

Christopher's files at the Lyndon B. Johnson archives contain intelligence reports from the Army about Vietnam War protesters and followers of the late Rev. Martin Luther King Jr.

The national security spokesman for the Clinton transition said yesterday that Christopher would not comment. Insisting that he not be quoted by name, this spokesman said, "Mr. Christopher's recollection of these events today does not differ from his recollection and testimony when he was last confirmed by the U.S. Senate in 1977. The excerpts you provided us" from the papers "do not alter Mr. Christopher's recollection."

He said that Christopher "had no knowledge that the U.S. Army was engaged in the surveillance of civilians or other covert activity."

The military's surveillance of civilians at the height of Vietnam-era unrest was exposed and stopped in 1970. It was later criticized in Congress as an unconstitutional infringement of free speech.

Christopher, like other Johnson administration officials, has said that he did not know Army intelligence agents were spying on civilian organizations.

Christopher denied knowledge of such surveillance during 1977 confirmation hearings on his nomination as deputy secretary of state by President Jimmy Carter. "If I had heard it discussed, I would have been strongly and firmly opposed to

it," Christopher told the Foreign Relations Committee.

He said he believed at the time that the Army had merely been providing the Johnson administration with "summaries of what they picked up from local police departments or from news tickers."

Yet several documents reviewed at the LBJ presidential library in Austin, Tex., show that as Johnson's No. 2 Justice Department official, Christopher was provided written descriptions of the Army's intelligence operation that showed a far more ambitious program.

Paul Bower, Christopher's top assistant on the issue at the Justice Department and the author of two of the memos, acknowledged in an interview that he was aware the Army was conducting surveillance and building files on protesters but he said he did not know if Christopher read the memos he wrote.

Bower's July 23, 1968, memo on potential civil disturbances in Washington informed Christopher that the "main source of intelligence" in the city was the Army's 116th Military Intelligence unit.

"The 116th relies upon local police departments for some of their information, but also have their own operatives in the area," Bower said in the memo to Christopher.

That document and others on potential civil unrest were turned over to the Johnson library by Christopher in 1969. However, some of the papers were not available to public inspection until 1985. Some are still classified.

Two previously classified memos to Attorney General Ramsey Clark, which note Christopher was to receive copies, detail demonstrators' preparations for the August 1968 Democratic National Convention in Chicago. They state:

"Army Intelligence sources report that the entire . . . staff" of King's Southern Christian Leadership Conference was heading to Chicago "to participate in demonstrations at the convention."

"Army Intelligence reports that . . . on Aug. 18 a group of about 25 persons were observed in Lincoln Park. These persons were receiving instructions from three unidentified individuals."

In another memo, Bower summarized for Christopher an Army intelligence officer's briefing to the interagency Civil Disturbance Steering Committee, set up to devise plans for dealing with civil unrest. Christopher served on the committee.

The briefing on "new left" and anti-Vietnam war demonstrations included a "rundown of some of the principal figures in the movement, a time schedule of . . . planned activities to the election, and pictures of the Baltimore trial of draft-record destroyers," Bower's memo said.

# Clinton's tardiness draws Capitol barbs

By Frank J. Murray  
THE WASHINGTON TIMES

LITTLE ROCK, Ark. — President-elect Bill Clinton, who has a penchant for tardiness no matter how exalted the occasion, got a bit of comeuppance yesterday in his state Capitol.

"We've already made some wonderful tributes to you and awards and presentations in absentia," presiding officer Trudy James announced when Mr. Clinton arrived 90 minutes into what was to be a one-hour ceremony sponsored jointly by the NAACP and the Regional AIDS Interfaith Network.

Earlier in the day, Mr. Clinton thanked his Southern Baptist congregation and pastor for standing by "somebody who was fool enough to want to be president . . . even in the darkest days of my campaign."

There was no explanation for Mr. Clinton's lateness at the Capitol Rotunda, a three-minute drive from the mansion, for an event largely built around him. Mrs. James' pointed remarks about his absence drew laughter from an audience composed of church pastors, two choirs and officials of the National Association for the Advancement of Colored People and the Regional AIDS Interfaith Network. Mrs. James is executive director of the last group.

She deftly filled time with unscheduled speakers, extra hymns by two choirs and presented awards to Mr. Clinton's high school counselor and his mother, Virginia Kelley.

When Mrs. James ran out of ideas, she called an unscheduled recess for punch.

"We know that by now most of you know the president-elect isn't here yet," she said with a grin. "If any of you want to come up and give a short speech, this would be a good time."

The already select audience dwindled by half during the break. Mrs. James gamely rallied the rest with assurances from Edith Irons, his counselor at Hot Springs Senior High School, who sat patiently beside the lecturer waiting for her star pupil.

"His teacher tells me he was never late to class," Mrs. James pleaded. "Please be patient for a few more minutes." When he finally arrived, Mr. Clinton gave his former counselor a hug.

Mr. Clinton was chronically late during the campaign, and there have been several episodes since Election Day. He caused a small



President-elect Bill Clinton hugs unidentified girl after church services in Little Rock, Ark. AP

sensation last month in Washington by being 45 minutes late for a private meeting with Chief Justice William H. Rehnquist. The chief justice responded by cutting the scheduled 25-minute meeting to two minutes and moving to a reception with the full Supreme Court.

On Jan. 3 on Hilton Head Island, S.C., Mr. Clinton's jet occupied the parking spot of a scheduled commuter airliner for 3½ hours, gridlocking the American Eagle operation because he left two hours late.

Yesterday, when he arrived at about 4:30 for the 3 p.m. ceremony, minus Hillary Rodham Clinton, who had been expected, he made no mention of his tardiness.

"I will take from this place a grateful heart and a head full of memories," he told the audience, most of whom supported his election.

He linked his imminent inauguration to the teachings of Martin Luther King, whose weeklong birthday observance here also was kicked off yesterday.

"The job of the president is to do whatever can be done to allow each of us to become the best that we can be and to remind all of us what we have to do together to make that happen."

"Thanks to you, I have that chance. I'll do my best," he said.

He was on time for Immanuel Baptist Church services, where he was moved to tears by "The Battle Hymn of the Republic."



# Seeking Counsel for the White House

**P**resident-elect Clinton, still unable to pull together a White House staff—he's named only three so far—is eyeing New York attorney and Justice Department transition team leader Bernard W. Nussbaum for White House counsel. Nussbaum, a white-collar defense lawyer and colleague of Hillary Clinton's when both were staff members on the House Judiciary Committee for impeachment proceedings against President Richard M. Nixon, is now the leading candidate, sources say, but Washington lawyer Jamie S. Gorelick is said to be a strong contender for the job.

Another New York lawyer, Susan Thomas, who ran the campaign advance and scheduling operation, has been playing a major, if not almost paramount, role in decisions on staffing the White House. But she still appears set on going back to her law firm when the transition is over.

Harold Ickes, in line to be White House deputy chief of staff, appears to have weathered a spate of news stories about his representation of a labor union linked to organized crime. Ickes said he never saw any criminal activity when he represented that client.

Skip Rutherford, a top aide to designated chief of staff Thomas F. "Mack" McLarty at Arkla Inc., who worked in the campaign, handled Arkansas affairs for the transition and is now helping McLarty again, is expected to come to Washington to continue working for him.

Campaign consultant Paul Begala apparently has turned down a job as chief speechwriter in the Clinton White House, sources say, and it's still not clear where he will end up.

## 'Global' Issues for Wirth at State?

■ Former senator Timothy E. Wirth (D-Colo.), having lost out on his bid for a Cabinet post, appears headed for a senior job at the State Department, sources say. Wirth could get a new undersecretary position that will handle such "global" issues as promoting democracy, environmental problems and other concerns.

Wirth's likely new position, a job still being defined, came after Vice President-elect Gore urged Secretary of State-designate Warren M. Christopher to work out something—above the assistant secretary level—for Wirth.

A leading candidate at the State Department for undersecretary for economic affairs is Ellen Frost, a

senior fellow at the Institute for International Economics and former deputy assistant secretary of defense for international economic and technology affairs in the Carter days.

Meanwhile, sources say that two Carter administration officials often mentioned as potentially joining other recycled Carterites in the Clinton foreign policy operation—former assistant secretary for East Asia and Pacific affairs Richard C. Holbrooke, now managing director at Shearson Lehman Brothers Inc. in New York, and Jimmy Carter's former deputy national security adviser and author David Aaron—are not likely to be going back to government. It appears that, in Holbrooke's case—perhaps in Aaron's too—Christopher was annoyed by their pre-election self-promotion as Clinton insiders.

A new name mentioned for a senior State Department job, probably Holbrooke's old job, is Susan L. Shirk, director of the Institute on Global Conflict and Cooperation at University of California, San Diego. Shirk, a China specialist and a professor of political science, is married to another U.C.-San Diego professor of political science, Samuel Popkin, who worked with Clinton pollster Stanley Greenburg during the campaign.

Also at Foggy Bottom, there is talk that Dennis Ross, head of policy planning for former secretary of state James A. Baker III and point man for the Mideast peace talks, may remain on for a while to provide some continuity for the peace process.

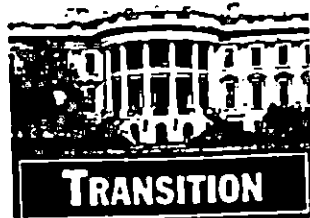
## Transiting Out

■ At least three Bush administration officials are heading beyond the Beltway for their life-after, although it is only temporary for two of them. The permanent departure from Washington is by Samuel K. Skinner, former secretary of transportation, embattled short-term White House chief of staff, and Republican National Committee official in the endgame. He is going back to his home territory of Chicago to head Commonwealth Edison.

David Beckwith, meanwhile, the press secretary to Vice President Quayle, is temporarily headed to Texas to be the press secretary for Kay Bailey Hutchinson, one of the Republican candidates to fill the U.S. Senate seat being vacated by Lloyd Bentsen's nomination as treasury secretary.

And Patricia Saiki, head of the Small Business Administration, is heading to Harvard's Kennedy School for a semester of what she called "an academic environment." The environment actually is one of time-out for losing politicians—a string of defeated politicians and those between government jobs have found temporary safe landing for a semester at the Institute of Politics, where Saiki will spend her spring.

—Al Kamen





## Television

# Inaugural Is an Entertaining Proposition

By BILL CARTER

Only an Olympics would get more television time in seven days than the festivities surrounding President-elect Bill Clinton's inauguration week, starting Sunday.

And no Olympics has ever been on this many channels. Three broadcast networks and three cable channels will each carry some part of the celebration. And for the first time, cable channels have paid the inaugural committee for exclusive rights to show such events. After a campaign in which candidates became TV stars by repeatedly going on talk shows, the inaugural week is shaping up as another instance of politics as entertainment.

With costs of about \$28 million, the Presidential Inaugural Committee was eager to sell exclusive rights whenever it could. So it sought to create events that would make the ceremonies more accessible to people, and for those outside Washington, that means putting them on televi-

## Another example of politics as show business.

HBO paid an undisclosed amount to carry the entertainment portion of an outdoor festival on the Mall on Sunday, while the Disney Channel paid to carry two special events for children on the afternoon of Jan. 19, inauguration eve.

Both HBO and Disney charge a premium to cable subscribers. But for this event, Disney has agreed to unscramble its signal, meaning that all 60 million homes that receive cable will be able to see the events.

HBO's coverage, which will be scrambled, will be taped Sunday afternoon and carried the same night. The special will condense to two hours the extensive events of the day, highlighted by a huge entertainment

performance from the steps of the Lincoln Memorial. The program includes historical readings by Jack Nicholson and James Earl Jones and songs by Tony Bennett, Diana Ross and Smokey Robinson.

One trouble spot looms for HBO: The event will end with a candlelight procession to Arlington National Cemetery, and CNN says it intends to cover that march live. Harry Thomason, co-chairman of the committee with his wife, Linda Bloodworth-Thomason, said that he had asked competing networks to respect HBO's rights to the entertainment portion of Sunday's event. "We're doing it on the honor system," he said.

One reason for the increased television coverage, network and cable executives said last week, is a widespread perception that this inauguration is a bigger news event than any since 1981, when Ronald Reagan was sworn in at the same time American hostages were being released in Iran.

"This is a much more interesting

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story than any since Reagan, which was certainly the most interesting in modern times," said Bill Wheatley, executive producer of special-event coverage for NBC. Jeff Zucker, who will produce one of two prime-time specials on the inauguration events for NBC News, said, "There is just a lot more excitement around this inauguration, and we want to be part of that excitement."

The networks are counting on that excitement to attract much bigger audiences than Washington ceremonies usually produce.

Mr. Thomason said: "It's sort of a Catch-22. These days people say you shouldn't spend millions and millions on the inaugural events. But only if you spend millions and millions can

the events be accessible to as many people as possible."

The biggest single entertainment event is likely to be the Presidential Gala on Tuesday night, to be carried by CBS. It is also likely to be the biggest money maker for the Inaugural Committee, but the money won't come from CBS.

CBS sold the two-hour block of time to the committee, which will sell all the commercial time in the event. CBS executives would not say how much they received from the committee, but advertising executives estimate that that two-hour block of time is worth \$2 million to CBS.

David F. Poltrack, senior vice president of research for CBS, said the network was eager to win the right to sell the time to the committee. "The show did extremely well when we had it on four years ago," Mr. Poltrack

said. The gala for President Bush had a rating of 16.8. (Each rating point in 1988 represented 904,000 homes.)

"We liked that number," Mr. Poltrack said, "but we expect to do much better this year with the stars they have lined up for this show." The show will be headlined by Barbra Streisand, who rarely appears on television, and will also feature Aretha Franklin, Bill Cosby and the reunion of the rock group Fleetwood Mac. Some have speculated that the President-elect might join in on saxophone at some point, but Mr. Thomason said that was "rather unlikely."

Because of the high-powered lineup of stars, executives from competing networks said they believe the CBS special could be one of the highest-rated programs of the TV season.

If so, CBS would benefit even though the network is not selling the advertising time itself because a strong rating would lift the network's overall rating for the season.

CBS will also cover the inauguration in prime time with a special edition of its news magazine "48 Hours" on Jan. 20. News coverage will be heavy across the board, with all three network morning news shows planning extensive coverage from Washington.

NBC News executives acknowledged that one reason they are devoting more time this year than 1988 is the network's own diminished circumstances. "It's a lot easier for the news division to get a prime-time special now than it was in 1988," Mr. Wheatley said. In 1988, NBC was the dominant network in prime-time; now it is a distant third.

For similar reasons, perhaps, ABC is the only network offering no prime-time coverage of the events. ABC's regular Tuesday night schedule is so strong, it would probably lose money if it pre-empted those shows for an inaugural special.

# First Lady's First Book

## Law Writings, Speeches to Be Published

By David Streitfeld  
Washington Post Staff Writer

Just about every publisher has a book in the pipeline on the Clinton victory in general or Bill and Hillary in particular and some are even scooping out socks the cat, but only one outfit can boast a volume actually written by a member of the family. It's no coincidence at all that the lucky publisher is from Arkansas.

There's no title yet, not even a publication date, but the University of Arkansas Press has an agreement to issue a volume of Hillary Clinton's legal writings and speeches. These are academic pieces like "Children's Policies: Abandonment and Neglect," first published in the Yale Law Journal in 1977, and "The Healthy Development of Our Youth," a keynote address to the Atlanta convention of the Southeastern Council of Foundations in 1988.

In other words, ultra-wonk stuff.

While Miller Williams, the director of the press, is an old friend of the Clintons (and reportedly one of the president-elect's favorite poets), it took the glare of the presidential campaign to make him see a book in Hillary's work.

"We're striking," Williams acknowledges, "while the iron is hot."

It was an article by scholar Garry Wills in the March 5, 1992, New York Review of Books that set the publisher on Hillary's trail. Wills analyzed the writings of "H.R. Clinton," concluding "she is one of the more important scholar-activists of the last two decades."

Isn't this for us? wondered the press's acquisitions editor, James Twiggs, after perusing Wills's article. Williams agreed, but this wasn't a matter that could be too easily pursued during the campaign. "We couldn't get anyone's attention," he remembers. "But after the campaign was over, [Hillary] was nice enough to respond."

This isn't a rush project. The absolute earliest possible publication date is next winter. "I don't know how long it's going to take to get it put into shape," Williams says. "Understandably, she's in a very busy time of her life now. And this is not so topical that it won't mean something in a year."

The University of Arkansas Press is a relatively small operation, issuing about 40 books a year. Legal theory was not an area into which it had previously ventured, but then it never had access to a legal theorist of this renown before.

What would have happened if Clinton had lost the election? "In all honesty, it's hard to say what we would have done if things had been different," Williams says. "Certainly everything she says and does is worth more now."

The press has no contract with Hillary Clinton, which Williams says is standard procedure at this stage. "We never offer a contract until we have a whole manuscript in hand. We work with a handshake."

Actually, he doesn't have that either. Hillary Clinton hasn't been around Fayetteville, where the press is headquartered, for some time.

For those keeping track, this won't be the first time a First Lady wrote a book before moving into the White House. Lou Hoover, with her husband, Herbert, co-translated a Latin treatise on mining and metallurgy 16 years before his election. Eleanor Roosevelt wrote "It's Up to the Women," a policy tome that came out in 1933, the first year she was First Lady. And Nancy Reagan wrote her own campaign bio.

On the other hand, Hillary will be beating her husband into print. Despite his extremely literary image (for a president, at least), Clinton was the first to be elected since Harry Truman without having published a book, even a ghosted campaign autobiography.

# Republican senators duck fight over Cabinet

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By Major Garrett  
THE WASHINGTON TIMES

The New York Times editorial page, no stranger to bashing Republicans, took the GOP to task again Friday. This time, however, the paper's complaint was that the Republicans were letting Bill Clinton off the hook.

The Times editorial said the questioning during last week's confirmation hearing of Commerce Secretary-designate Ron Brown on his relationship to special interests was a "disgrace" and asked, "Where were the Republicans?"

## NEWS ANALYSIS

The Times isn't the only critic on the left of the president-elect's appointments.

Ralph Nader has accused Attorney General-designate Zoe Baird of cozy relations with corporate

America and backing GOP tort reform legislation, the New Republic has editorially denounced the nomination of would-be Secretary of State Warren Christopher, and radical homosexual groups have tried to "out" Health and Human Services Secretary-designate Donna Shalala, forcing her to deny publicly that she is a lesbian.

After telegraphing their intention to rough up the Clinton nominees, Senate Republicans have treated

them with amazing deference. They have even dropped John Tower from their vocabulary.

President Bush's nomination of the late Texas senator for secretary of defense was beaten back four years ago by Senate Democrats over allegations of personal misconduct — many never proven — that don't seem to merit consideration this time around.

The Republicans complained loudly then and vowed earlier this

year that the "Tower test" would come back to haunt Clinton nominees.

After last week's lackluster performance, however, GOP leaders are running from their own tough talk. They blame "media hype" for expectations of public grillings similar to that which Mr. Tower confronted.

They say most if not all Clinton appointees have strong professional credentials and virtually spotless personal backgrounds. To attack would look petty and unseemly, they argue.

"I think, in several instances, Bill Clinton avoided real fireworks by the people he picked," said Sen. Trent Lott, Mississippi Republican and the leader of his party's opposition research effort on all Clinton appointees. "Over the process of [last] week, the mood evolved ... that the best part of valor is to let him have [his Cabinet]."

Mr. Lott, for example, called his research effort a virtually thankless task. With only two staff members and little time to prepare, he has developed few leads for his colleagues. And even when he has, his col-

leagues have declined to press the Clinton nominees.

"Unless we find a smoking gun, we'd have to get eight or 10 Southern Democrats to vote with us in the first week of the new administration [to defeat a nominee]," said Mr. Lott, referring to the Democrats' 57-43 Senate majority. "What are the chances of that?"

Also, Republicans have spent 12 years fending off Democratic attempts to skewer their presidents' nominees. Their first line of defense was that a president's prerogatives should be respected.

Also, Republicans do not have public advocacy groups — such as the Leadership Conference on Civil Rights or Common Cause — to provide research for congressional Democrats as they did during confirmation hearings in the Reagan and Bush administrations.

"Eighty percent of Republican assets are looking for jobs," a top Republican Senate aide said. "Instead of trying to keep Democrats out of new jobs, they're trying to find jobs themselves."

Privately, however, some Senate Republicans are chagrined at such a public display of political impotence. It is all the more visible when contrasted against the spirited opposition being displayed by House Republicans.

Those Republicans, who are outnumbered 259-176, staged an acrimonious floor fight last week over proposed rule changes pressed by Democratic leaders to extend new voting rights to the District delegate and the four territorial delegates.

When the Democrats passed the changes, as everyone knew they would, House Republicans sued to have the rule changes overturned. They have threatened to bog down House procedures until the Democratic leaders relent.

Aides to powerful Republican senators said their bosses' passivity reflects an overall strategy to let Mr. Clinton have his way for now.

That message was underscored last Friday when Sheila Burke, chief of staff to Minority Leader Bob Dole, told senior GOP aides that Republicans would not needlessly obstruct the new administration and would, in fact, "cooperate sometimes."

"We're not out to try to do anybody in," Mr. Dole said yesterday on CBS' "Face the Nation." "We may not agree philosophically with many of them, but we lost [the election]."

This is a stark contrast to the warning shot Mr. Dole fired the day after Mr. Clinton defeated President Bush. The Kansas Republican proclaimed himself the leader of the 57 percent of the electorate who did not support Mr. Clinton and then declared he would be the "chaperone" during Mr. Clinton's first-year honeymoon.

Mr. Dole declined to be interviewed for this article, but his spokesman, Walt Riker, blamed "media hype" for inflating expectations of a GOP ambush. "That wasn't our intention at all," Mr. Riker said.

But the day before the hearings began, Mr. Lott, speaking on behalf of all Republicans, said many Clinton nominees would be pressed on matters of personal conduct. He specifically named Mr. Brown; Rep. Les Aspin, Wisconsin Democrat, defense secretary-designate; and Labor Secretary-designate Robert Reich.

When the time came, however, Republicans acquiesced.

At Mr. Brown's hearing, only Mr. Lott pressed the chairman of the Democratic National Committee on his lobbying efforts for Japanese electronics companies, his contact with corporate donors to the party, his lobbying on behalf of the Haitian government and his role in a questionable New York sludge contract.

The rest of the committee Republicans praised Mr. Brown lavishly and used their time to lobby for special Commerce Department attention to home-state needs.

"There I am, the last man on the committee trying to score," Mr. Lott said. "This job Dole stuck me with ... it's been a lonely job."

Mr. Brown emerged unscathed, a great relief to Clinton transition officials.

Mr. Aspin and Mr. Reich glided through their hearings, too. So did Jesse Brown, the nominee to lead the Department of Veterans Affairs.

Even on questions of policy, Republicans often danced around the edges. When nominees were pressed for specifics about policies, many simply repeated Mr. Clinton's campaign rhetoric, and Republicans appeared satisfied.

Several Republican aides said Mr. Clinton's sub-Cabinet appointees will receive more scrutiny, as will his ambassadorial appointments. But this tack could trigger more problems. Mr. Bush often appointed ambassadors who were hefty campaign donors — not experienced diplomats.



Sen. Trent Lott: "This job Dole stuck me with ... it's been a lonely job."

# Dole says Walsh is

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## 'in contempt,' calls for disbarment

By Carleton R. Bryant  
THE WASHINGTON TIMES

Senate Minority Leader Bob Dole yesterday denounced independent counsel Lawrence Walsh as being "in contempt of court" and urged that the former judge be disbarred.

On CBS' "Face the Nation," Mr. Dole criticized statements Mr.

Walsh made about President Bush after his Christmas Eve pardon of former Defense Secretary Caspar Weinberger and five others targeted by the independent counsel in the Iran-Contra affair.

"I think he's in contempt of court. I think he's violated Rule 6C of the Federal Criminal Procedures Act, which says you can't comment on

matters that are [before] the grand jury," Mr. Dole said.

"He's gone over the line. In fact, he said himself that he said more than he should have," Mr. Dole said.

The Kansas Republican was referring to one of several televised interviews in which Mr. Walsh accused the president of "misconduct" and identified him as the "subject" of his six-year, \$35 million investigation.

In an appearance on ABC's "Nightline" Dec. 24, a bitter Mr. Walsh said the president was part of a "cover-up" and implied he was considering a Bush prosecution.

"The statute of limitations has run out on the [1986 arms for hostages] crime, on the cover up itself, [but] the statute of limitations can always be revived by a false statement under oath," he said.

On Jan. 11, 1988, Mr. Bush testified about his knowledge of and involvement in the arms for hostages deal. The statute of limitations for lying to investigators runs out

today.

Mr. Walsh, later in the "Nightline" interview, said: "I have gone further than I should in discussing the matter, which is still under investigation."

In other TV interviews, the special prosecutor named Mr. Bush the "subject" of a revived probe. He has previously described a "subject" as someone whose activities are under scrutiny in a criminal investigation and who faces possible indictment.

For example, in an August 1992 letter to former President Reagan's attorneys, Mr. Walsh said he had decided that the evidence in the Iran-Contra investigation did not warrant criminal charges against Mr. Reagan. "This office regards President Reagan as simply a witness and not as a subject or target," Mr. Walsh wrote in the letter.

"This ought to be enough for a contempt-of-court citation, and I would think some of the local bar associations would be looking at disbarment proceedings," said Mr. Dole, the nation's highest-ranking elected Republican.

However, disbarment of a lawyer is a disciplinary matter for a court.

Mr. Walsh's spokeswoman, Mary Belcher, could not be reached for comment yesterday.

Two tiers of rules ban court officers from making public statements that could bias a trial in the District of Columbia.

• The D.C. court that licenses lawyers to practice prohibits them from making a public statement if they

know it would threaten the impartiality of a jury. It also bars extrajudicial comments that serve to heighten condemnation of the accused.

• A narrower U.S. District Court for the District of Columbia rule outlaws "any extrajudicial statement ... that goes beyond the public record or that is not necessary to inform the public that the investigation is under way, to describe the general scope of an investigation, to obtain assistance in the apprehension of a suspect, to warn the public of any dangers, or otherwise to aid in the investigation."

The U.S. District Court rule could be triggered by a complaint from a bar member and enforced by the judges. But no one has yet filed a complaint against Mr. Walsh.

Mr. Dole, a longtime Walsh critic, called for the Iran-Contra prosecutor's office to be shut down immediately, noting the investigation's unprecedented length and cost.

"He'll be subject to term limits one of these days if he doesn't shut it down," Mr. Dole said of Mr. Walsh, who is licensed to practice law in the District and his home state of Oklahoma.

Citing the Iran-Contra probe as an example of prosecutorial excess, the Republican leader said the special prosecutor law, which expired last year, should not be renewed.

"I'm just suggesting there are no limits. I mean, there are no controls, nobody to say, 'You've got to shut this thing down. You've been there long enough.' He could stay there for 20 years, if he wanted to, and ... he doesn't have to report a lot of the money he spends," he said.

# Texas Republican blasts 'power grab' by House speaker

By Joyce Price  
THE WASHINGTON TIMES

Republicans are being "gagged" and their rights restricted as Democrats "grab power" under new House rules designed to ease legislative gridlock, Rep. Tom DeLay charged yesterday.

Appearing on CNN's "Evans & Novak," the Texas Republican said the little-understood changes represent attempts by Speaker Thomas Foley, Washington Democrat, and other Democratic leaders to "limit deliberation in the House of Representatives."

But "it won't work," Mr. DeLay said. "When you ... limit the minority's ability to be a loyal opposition, you ... create more gridlock because we'll look for other ways to stop the power grabs."

The program came the day after Rep. David McCurdy, Oklahoma Democrat, said Mr. Foley is removing him as chairman of the House Intelligence Committee as part of a behind-the-scenes struggle.

The package of new rules was passed Tuesday, the first day of the 103rd Congress. The revised procedures drew little media scrutiny at the time.

Rep. Barbara Kennelly, Connecticut Democrat and chief deputy majority whip, seemed amused by characterizations of Mr. Foley as a power monger or dictator by Mr. DeLay and the show's hosts, Rowland Evans and Robert Novak.

"I get a kick out of you, gentlemen," she said. "You know, the only criticism of Tom Foley in the past has been that he hasn't been a strong enough speaker, that he hasn't exerted enough leadership and control."

"Now when he attempts to put the House in order because that's what the American people want — they're not interested in procedure; they are interested in getting things done — you're saying it's a power grab. You can't have it both ways."

Mr. Novak asked about a rule change that allows Mr. Foley to "pull out a Republican member" from a conference committee "if he is not hewing the mind of the House." A conference committee determines the final version of a bill when the House and Senate versions are different.

Mr. DeLay corrected him: "He can pull out all Republican mem-



Rep. Tom DeLay

bers."

"He is not going to do that," Mrs. Kennelly said.

"Why would you give the speaker that power to take people off, Republicans off, the conference committee, if he's not going to use it?" Mrs. Kennelly was asked.

"Well, I think, more or less, the reason was to put people on the conference committee and to have more control over the conference. And the speaker does have control, huge control of the House," she said.

Mr. DeLay said: "I think it's really sad what is happening here. ... It's limiting debate. It's limiting the deliberation of the committees and the House."

Mr. Evans said he is concerned about a procedural change that will "permit a privileged motion to be made, to be objected to by the speaker ... involving cases of the integrity of the House of Representatives," such as the House bank and post office scandals.

Mr. DeLay said: "It's the gagging of the minority. They [Democrats] are evidently afraid of the minority being able to express itself."

"It's really unfortunate when the House is at the lowest ebb it's ever been in the confidence of the American people, rather than opening up the House, making it a more deliberative body, they want to strangle the House and gag it."

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## McCurdy's Fall, Rostenkowski Inquiry Portend Continued Turmoil in House

By DAVID ROGERS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — The House faces continued unrest with the ouster of Intelligence Committee Chairman David McCurdy and a federal criminal investigation reaching into the personal finances of Ways and Means Committee Chairman Dan Rostenkowski.

Meanwhile, Republicans are struggling with their own tensions between party moderates and conservatives energized by President Bush's defeat and the new freshman class. Michigan Rep. Fred Upton has quietly joined former Deputy Whip Steve Gunderson of Wisconsin in leaving Minority Whip Newt Gingrich's organization. And Ohio Rep. Bill Gradison, another moderate who lost his party post to a conservative last month, is slated to announce his resignation from Congress to take a major lobbying position for the health insurance industry.

Mr. McCurdy's fall came at the hands of House Speaker Thomas Foley, who named the Oklahoman chairman only two years ago and felt betrayed when the younger man flirted with a race against him during the turmoil of the last Congress. The change ensures continued turnover in the sensitive post for the next few years because of the inherent rotation of the committee membership. And with Oklahoma Sen. David Boren ending his long tenure as Senate intelligence chairman, both committees face internal changes at a time of new leadership at the Central Intelligence Agency.

### Difficulties for Clinton

Mr. Rostenkowski's troubles pose their own set of problems for the incoming Clinton administration, which must move major tax and health legislation through his committee. What began as a grand jury investigation of the House Post Office now extends to the Chicago Democrat's campaign and personal finances, and he is bedeviled by press accounts suggesting that he faces indictments that would cost him the chairmanship under Democratic rules.

"I'm waiting for a conclusion," Mr. Rostenkowski said in an interview yesterday. "The thing that frightens me is all of a sudden they issue a lot of subpoenas and everyone assumes there's something wrong. They're fishing."

U.S. Attorney Jay Stephens, whose office is overseeing the inquiry, refused to comment on details of the case but said "substantial progress" had been made. "We will follow all the evidence wherever it leads," he said.

The House Post Office investigation began with charges of embezzlement and drug dealing among low-level employees, but has long been driven by allegations about higher-ups and lawmakers using stamp transactions to launder political and office funds. Late last summer, investigators were apparently looking beyond the post office but withheld issuing a raft of new subpoenas for financial documents and testimony from Rostenkowski aides until after November's election.

Apart from stamp purchases by Mr. Rostenkowski's office and political campaign, one potential issue is the tax treatment of rent paid by the chairman's political committee on a Chicago office in a building owned by himself and his sisters. Investigators complain of what they allege is obstruction by the Rostenkowski camp. The chairman, invoking the Fifth Amendment, has refused to testify, and at least one of his aides has invoked the same constitutional protection while being represented by a defense lawyer paid from the Rostenkowski campaign treasury.

By the same token, those close to Mr. Rostenkowski counter that the so-called "widening net" reflects only the prosecution's frustration in making a case. And in the coming week, the chairman's forces are likely to become increasingly aggressive in what has become a public relations war of sorts with Mr. Stephens's office.

### 'There's Nothing There'

"I'm not uncomfortable, there's nothing there," said Mr. Rostenkowski, but the chairman, who turned 65 this month, admitted the strain affects him. "It fogs my thinking," he said. "I'm not totally concentrating on what's before me."

Appearing on NBC News's "Meet the Press," Speaker Foley said he was confident of Mr. Rostenkowski's innocence and warmly defended the chairman as "one of the most extraordinary legislators in the Congress." He added, "I think he'll give great energy and direction to the committee as we go into the new administration."

Mr. Foley played down his own tensions with Mr. McCurdy, whose guile and relentless ambition have hurt him with colleagues. An early supporter of President-elect Clinton, the 42-year-old Mr. McCurdy remains a bright, aggressive voice for Democratic moderates and a force in the House Armed Services Committee. But the Intelligence post was a source of pride, and the loss follows his failure to win a coveted nomination in the new administration.

As recently as last month, Mr. McCurdy told associates that he expected to hold on to the chairmanship, but long before Friday's announcement, there was little doubt of the speaker's intentions. The incident signals Mr. Foley's willingness to punish those he considers disloyal to him, and Rep. Dan Glickman (D., Kan.), who is a friend and the next in line on the committee, is favored to assume the chairmanship this month.

# Besieged at the Pinnacle of Power

*Ways and Means Chairman Rostenkowski Dogged by Ethics Questions as*

## *He Starts 18th Term*

By Edward Walsh and Eric Pianin  
Washington Post Staff Writers

During the first week of the new year, Rep. Dan Rostenkowski (D-Ill.) celebrated his 65th birthday and began his 18th term in Congress. He is at the pinnacle of power, and after 12 often frustrating years of dealing with Republican presidents he can look forward to a burst of legislative activity under a new Democratic chief executive when Bill Clinton takes office on Jan. 20.

So how is the chairman of the House Ways and Means Committee feeling these days?

"He feels sort of besieged," said a Rostenkowski aide on Capitol Hill.

In fact, these are far from the best of times for the gruff Chicago Democrat who has held public office since the age of 24. In Washington, a federal grand jury is investigating whether Rostenkowski used unusually large, purported purchases of stamps from the House Post Office in an elaborate money-laundering scheme to convert campaign contributions and office expense vouchers into personal funds. That investigation has been broadened to include subpoenas of records of virtually all of Rostenkowski's financial transactions in recent years.

In Chicago, the Sun-Times has been in hot pursuit of Rostenkowski, most recently questioning why his campaign organization is paying \$1,250 a month to rent an apparently little-used office in a building owned by the congressman and his sister, who lives in an apartment above the storefront office.

"No one likes to be a punching bag," Rostenkowski said in a telephone interview from his home in Chicago. He described himself as "frustrated and somewhat forlorn" over the continuing grand jury investigation and its possible impact on his leadership role in Congress.

"I want to be a strong leader and chairman," he said. "I want to participate. That's why I ran again after 34 years. I didn't need 36 years."

The federal probe of allegations that Rostenkowski may have illegally pocketed nearly \$56,000 in public and campaign funds through an arrangement with House Post Office officials has left many of his

Democratic and Republican colleagues baffled and disbelieving.

Why, some ask, would a powerful political figure who could have retired this year and lawfully kept more than \$1 million in his campaign war chest risk all by chiseling on the purchase of postage stamps?

"As far as any of us are concerned, it's a non-issue," said Rep. Benjamin C. Cardin (D-Md.), a member of the Ways and Means Committee.

A similar skepticism exists among Rostenkowski allies in Chicago. "The initial reaction of people is that this is impossible," said Alderman Patrick J. O'Connor. "He had all that money in the campaign fund and he could have taken it. [The Post Office allegation] seems kind of inconsequential and most people are saying it doesn't make sense."

Because of a change in the law, this month marked the last time retiring members of Congress could retain accumulated campaign funds for personal use. When he took the oath of office as a member of the 103rd Congress last week, Rostenkowski forfeited that right. "He raised his hand and gave away \$1 million," said Chicago banker William M. Daley, the brother of Mayor Richard M. Daley and a Rostenkowski confidant.

Still, U.S. Attorney Jay B. Stephens is pressing ahead and apparently widening the investigation. Last week he began calling Rostenkowski aides before the grand jury. And while Rostenkowski's friends are quick to point to the forgone campaign funds as evidence that he is not driven by a desire to enrich himself, Rostenkowski has never fully explained why a member of Congress who enjoys free mailing privileges would need thousands of dollars in stamps.

In the recent telephone interview, Rostenkowski, citing his lawyers' advice, said he would not discuss the House Post Office investigation. He said he offered to meet informally with prosecutors and again cited his lawyers' advice as the reason he refused last summer to testify before the grand jury. Asked if there is a plausible explanation for his large stamp purchases, he said, "I think so."

Rostenkowski's allies in Chicago and in Washington hope that is the case, for the importance of the man they call "Rosty"—both to his city and his party—has never been greater. When Clinton bypassed William Daley for the post of transportation secretary, it left Chicago without a representative in the president's Cabinet for the first time in decades. Should the city's most powerful member of Congress then be toppled by the grand jury investigation, "that would be a tre-

mendous blow to Illinois and Chicago," said Daley, reflecting the views of downtown business and political leaders.

But not everyone sees Rostenkowski that way. According to

David Axelrod, a Chicago political consultant who worked for Rostenkowski in the Democratic primary last March, there is "a vast disparity between the two worlds" of Rostenkowski's life in Washington and Chicago. "He's exalted in Washington," Axelrod said. "He comes back here and he's just another old ward committeeman."

In November, running against a political unknown, Rostenkowski won 57 percent of the vote, a respectable showing but well below the overwhelming landslide margins he has enjoyed against hapless Republican opponents in the past. There were mitigating circumstances: He was beaten up by his primary opponent's negative campaign; he was a longtime incumbent in a year in which many other incumbents didn't survive; and about 80 percent of his district was new territory, including areas where Rostenkowski's antiabortion stance was unpopular.

But, Axelrod said, "there's been damage, no question about it. Right now the only stories you see associated with his name are negative. The question is what happens when he starts to move health-care reform and other major legislation through Congress."

Rostenkowski, who has chaired the Ways and Means Committee since 1981, is being counted on by many to play a crucial role in guiding Clinton's fiscal and health-care proposals through Congress.

By all accounts, he has quickly developed a close working relation-

ship with the president-elect. A Rostenkowski aide recalled that last fall Rostenkowski was "very depressed" by his accumulating problems until he met with Clinton at a political rally here.

"He came back like he had had an attitude transplant after seeing Clinton," the aide said. Rostenkowski's influence may also have been enhanced by the departure of Senate Finance Committee Chairman Lloyd Bentsen (D-Tex.), an equally formidable congressional figure, who was chosen by Clinton to be Treasury secretary.

"He certainly is a very key player . . . and we need him here and in one piece for us to do our best on such issues as entitlements and taxes, which will be key to the economic package," said Rep. Vic Fazio (D-Calif.), a Democratic leader.

But some worry that the distraction and stress of a grand jury investigation could impair Rostenkowski's effectiveness during the early, crucial months of the 103rd Congress.

If Rostenkowski is indicted, under House Democratic rules he would be stripped of the chairmanship until the matter is resolved. Rep. Sam M. Gibbons (D-Fla.), 72, the second-ranking Democrat on the committee, automatically would step up as acting chairman.

Gibbons, a prominent "free trader" who has spent three decades in Congress, has never been close to Rostenkowski. The two clashed in 1986, when Gibbons criticized the committee's centerpiece legislation, a major tax code revision.

Some House Democrats speculate that even without the trappings of the chairmanship, Rostenkowski, if he chose, could continue to exercise considerable clout on the committee. But it is by no means certain how Rostenkowski would react to such a sudden fall from grace.

Clinton will be the ninth president with whom Rostenkowski has served but only the first Democrat since becoming chairman of Ways and Means. While he was sometimes criticized by other Democrats for being too close to President Bush personally, Rostenkowski has clearly found in Clinton a political soul mate, comparing the president-elect's unabashed love of politics to that of President Lyndon B. Johnson.

A product of Chicago's Demo-

cratic machine, Rostenkowski has always been proudly defensive about the role of the professional politician. Among the reasons he ran for reelection, Rostenkowski said, were the \$1 million in his campaign fund and the cynical suggestions that he would "take the money and run." He wanted to show the cynics that "the politician isn't what they think," he said.

Rostenkowski refused to speculate about Stephens's motives in pursuing the investigation except to say "maybe he wants to keep his job." That reflects a widespread view among Rostenkowski allies that Stephens, a Republican, has calculated that Clinton would not risk the political fallout in replacing him as U.S. attorney in the midst of a high-profile investigation of a powerful congressional Democrat.

On Capitol Hill, one of Rostenkowski's friends, a House Republican leader who asked not to be identified, said he discounted the allegations and blamed Stephens for engaging in a "harassing kind of thing."

But such expressions of bipartisan solidarity do not alter the twilight zone in which Rostenkowski finds himself as Clinton prepares to take office and congressional Democrats enter the unfamiliar world of undivided government. "The real question is whether I can step up to bat and perform my role as the quote powerful chairman unquote of the Ways and Means Committee," Rostenkowski said.

*Walsh reported from Chicago; staff writer Michael York in Washington contributed to this report.*

## TODAY IN CONGRESS

### SENATE

Not in session  
Committees  
Environment & Public Works—10 a.m. Nomination of Carol M. Browner to administrator of the Environmental Protection Agency 106 Dirksen Office Bldg  
Governmental Affairs—9:30 a.m. Nomination of Leon E. Panetta to director of Office of Management and Budget 216 Hart Office Bldg

### HOUSE

Not in session  
Committees none

## Hill Leaders Back Away From Tax Cut

Key Democratic congressional leaders, responding to projections that the federal deficit picture has worsened, yesterday backed away from one of President Clinton's main campaign pledges: to enact a tax cut for the middle class.

"I'm not sure in the light of the present circumstances that [a tax cut] shouldn't be rethought," said House Speaker Thomas S. Foley (D-Wash.) in an appearance on NBC's "Meet the Press."

Another Democratic leader, Rep. Vic Fazio (Calif.) said on

ABC's "This Week With David Brinkley" that it is now "questionable" whether such a tax break is affordable in view of recent projections that the federal deficit this year may be as much as \$69 billion higher than previously predicted.

If the increased deficit prevents enactment of a middle-class tax cut this year, then it should be approved "at the earliest opportunity in the future," said Senate Majority Leader George J. Mitchell (D-Maine) on "Meet the Press."



# Against all odds, Studds wins, heads committee

ASSOCIATED PRESS

In a Congress in the midst of upheaval, Rep. Gerry Studds may have a claim to the title "Most Durable Political Survivor."

Censured by the House in 1983 for having sexual relations with a teen-age page, the Massachusetts Democrat became the first member of Congress to declare he is homosexual.



Studds

In the last three elections he fought off well-financed Republican opposition. And in the most recent contest, tagged with being a check-bouncer and a supporter of congress-

sional pay raises, Mr. Studds ran in a newly mapped district that excluded his strongest base of support.

Yet today Mr. Studds, 55, has not only survived, but after 10 terms in the House, has ascended to the chairmanship of the House Merchant Marine and Fisheries Committee. He declares his intention to labor in harmony with the incoming Clinton administration on issues under the panel's purview.

And Mr. Studds also has been advising the Clinton transition team on the president-elect's pledge to eliminate the ban on homosexuals serving in the military. Mr. Studds said he is confident Mr. Clinton will follow through on his campaign pledge to the homosexual community, despite pressure from the Pentagon.

"The bottom line is you can't deny

someone the right to serve their country or deny their country the right to be served by them," Mr. Studds said. "There's only one standard, the standard of conduct, and that applies to men and women, straight and gay."

The Merchant Marine Committee is one of Congress' lower-profile panels, but its appeal was obvious for Mr. Studds when he came to Congress. His district in the southeastern quarter of Massachusetts is among the nation's most ocean-dependent.

Now, after handily winning reelection, Mr. Studds runs the panel with its jurisdiction over environmental legislation, the 200-mile fishing limit, offshore oil drilling, the Clean Water Act, the Coast Guard, harbor cleanup projects and the na-

tion's ailing merchant fleet.

"It was tempting, in some of the low points of last year, to join the growing chorus of members saying hail and farewell," Mr. Studds said in an interview in his office, offering a prime view of the Capitol across the lawn.

Sporting a saxophone lapel pin, symbolic of his allegiance to Mr. Clinton, Mr. Studds said that despite his political difficulties, the choice for him was clear.

"I said, 'Damn it, this type of opportunity comes only once in a lifetime. If we're able to pull this off, I will be one of 20 chairs in the House, I'll be in a senior leadership position, working with a president of the United States who I know and respect. It's now or never in my lifetime.'"

# Perot fires up engines of new watchdog group

DALLAS (AP) — Ross Perot has kept quiet since Election Day about President-elect Bill Clinton, the economy and his own campaign for the White House.

He makes his comeback today, with a new effort aimed at raising money and seeking members for United We Stand, America, his supporters' organization that plans on becoming a political watchdog group.

In that role, the group would allow Mr. Perot to maintain a political support base and some measure of influence as Mr. Clinton takes office.

"Anybody who got 19 million votes has made a place for himself, no question about it," said Bruce Buchanan, a political scientist at the University of Texas.

The organization, with a paid staff of 30 in Dallas, will monitor elected officials' voting records and follow issues, particularly government reform and deficit reduction, that Mr. Perot championed in his independent bid.

It won't back candidates, but it may rate officeholders as Americans for Democratic Action and other interest groups do.

Mr. Perot's 19 percent of the vote was the most of any third-party candidate since 1912. Based on that showing, Mr. Perot believes United We Stand can become a powerful voice.

"We can literally provide the vote that determines who gets elected," he said in a training video sent to

state and local leaders of his campaign who now have been tapped to recruit for the new watchdog group.

After a news conference this morning, Mr. Perot is to return to a favorite venue to publicize the group — TV talk shows.

But to get people to pay a \$15 annual membership fee, observers say Mr. Perot will have to define more clearly the group's purpose and lead it better than he did his campaign, which was beset by infighting and is the subject of an FBI investigation for alleged computer hacking.

Plus he will have to sustain members' interest.

"He's going to find, particularly after the first year, it's really hard to get people to pay dues like that," said Benjamin Page, a political scientist at Northwestern University.

There are signs that Mr. Perot's associates learned from the campaign's mistakes. For example, volunteer training at the group's new telephone bank is more formal, seeking to limit the personal interpretations that bred misinformation during the campaign.

On the other hand, Mr. Perot's state leaders say there has been spotty communication and little guidance.

"I think everything is in a state of flux," said Becky Borland, who led the Perot campaign in South Dakota and has been sent recruitment materials for United We Stand. "But I do know the intention is to stay together as a force in favor of reform."

## A face not in the crowd

Ross Perot will not visit Washington during inaugural week despite earlier reports to the contrary, a spokeswoman said.

Instead, the presidential also-ran will return tomorrow to his campaign haunts — a news conference in Dallas and an appearance with his old pal Larry King on the CNN show where the phenomenon of '92 began.

Should that provide insufficient media exposure, the Texas maverick will appear Tuesday on ABC's "Good Morning America" and Thursday on NBC's "Today" to promote his citizens lobby, United We Stand, America.

Mr. Perot, you will recall, is a bear on the deficit. He was not invited to attend President-elect Bill Clinton's economic summit in Little Rock, Ark., and sees no need to linger in Washington.

Ed Rollins, who was manager of Mr. Perot's independent campaign before the two men got a divorce, told the New York Times last week, "He is probably bored being out of the limelight."

## Castro kln in Congress

Freshman Rep. Lincoln Diaz-Balart brought a remarkable heritage to his swearing-in last week as a member of the House — he is the nephew of Cuban dictator Fidel Castro.

Mr. Diaz-Balart's paternal aunt (now divorced) married Mr. Castro in 1948. The Florida Republican's ancestry also is complicated by the fact his father was a prominent ally of Cuban dictator Fulgencio Batista, whom Mr. Castro deposed.

These associations with two hated Cubans did not add to the ease with which the Diaz-Balart family was accepted in the United States in 1958. They flourished, however, as Republicans, according to the Miami Herald.

Now living in Miami, the Diaz-Balarts are as big a name there as the Kennedys are in Massachusetts. Mr. Diaz-Balart's three brothers are prominent in banking, journalism and politics. His father is a radio talk-show host.

## The week's quotes

Retired Rep. Dennis Eckart, Ohio Democrat, told ABC: "All my colleagues this morning are facing a real cold shower because the reality is we have lost — as Democrats — any opportunity to blame someone else."

On CNN, former Defense Secretary Caspar Weinberger spoke of President Bush being "out of the loop" on Iran Contra. "He did not have any sinister knowledge or any different knowledge than most of us did."

# Inside Politics



Former Rep. Guy Vander Jagt, who once led the National Republican Congressional Committee: "Ron Brown [commerce secretary designate] is the insiders' insider. ... Clinton did exactly what he was denouncing when he was a candidate."

Texas Railroad Commissioner Bob Krueger, who was twice defeated for a Senate seat and was finally named to one as a replacement for Sen. Lloyd Bentsen, secretary of Treasury-designate, was asked how he would respond to claims that he is boring: "Probably with silence."

NBC's Jay Leno advised women's groups on how to get rid of Sen. Bob Packwood: "Put a blond wig on him and then tell Amy Fisher it's really Joey Buttafuoco's wife."

Mr. Leno also noted the relief Marion Barry must have felt at the retrieval of his stolen car: "It had a lot of sentimental value for him. After all, he made the license plates for it."

## Same house

Two members of the U.S. House of Representatives spent some of their childhood in the same small, woodframe house in the tiny south Alabama town of Midland City, Scripps Howard News Service reports.

"You hear over and over again that it is a small world, and it really is," said freshman Rep. Terry Everett, a Republican from Enterprise, Ala., who discovered common ground with Rep. Earl Hutto, Florida Democrat.

"I was just a toddler at the time, but I remember the house," Mr. Hutto said with a chuckle.

"My dad was a sharecropper who might have been doing some public works jobs at the time in the 1930s. It was not a fancy mansion, but at the time it was a fairly comfortable place."

Mr. Everett also laughs when asked if his former home might breed future members of Congress. "I think they have turned it into a small church of some sort, so that won't happen again," he said.

## Ralph and Zoe

Ralph Nader, declaring "she is a disappointing choice," is researching Zoe Baird's nomination as attorney general and may lead the opposition to the corporate lawyer, said USA Today.

The attorney general-designate upset some critics with her opposition to legislation to protect whistleblowers while she was a lawyer for General Electric Co. and with her opposition to consumer issues as counsel for Aetna Life & Casualty.

She also has commended Vice President Dan Quayle for his court-reform efforts.

## YOUR TAX DOLLARS AT WORK?

Congressional appropriations in 1992 included \$6.44 million above the House request for an Army National Guard armory in Syracuse, N.Y. The extra money was not requested by the president.

Source: Citizens Against Government Waste.

## The stimulus, stupid

**T**he economy and the deficit were the two big issues in last year's presidential campaign. Bill Clinton made "The Economy, Stupid" his motto, promising to crank the country's industrial engines, and he was pressed by Ross Perot into promising to cut the federal budget deficit in half.

But things have changed a bit since the election, and Mr. Clinton is re-evaluating his promises in light of recent developments. By examining which promises he is clutching close to his chest and which of them he is trying to shake free and lose, we can project with some certainty what Mr. Clinton is going to do with his four years in Washington. (Hint: This would be a good time to buy federal budget deficit futures.)

Before the election, all was economic gloom and doom. "Worst Economic Performance Since the Great Depression," that sort of thing. Of course, that was nonsense. Even before the election, there were signs of a solid, workmanlike economic recovery, though the figures were purposefully ignored or downplayed not only by the Clinton campaign (which could hardly be expected to do President Bush's campaigning for him) but also by the officially neutral media. But in the months after the election it has become unmistakably clear that the economy is puttering along. It may not be Ronald Reagan Decade-of-Greed growth levels, but it's definitely economic growth.

And how has Mr. Clinton reacted to this change in the economic landscape? Denial. Don't believe the signs, he warns, don't believe the economists: It is still the worst of all possible economic worlds, and the nation is in desperate need of some big government spending to get its juices flowing again. Against all the evidence of change in the economy's fortunes, Mr. Clinton is stubbornly clinging to his promise and vowing to deliver a stimulus package.

Compare that with the president-elect's speedy re-

appraisal of his promise to cut the federal budget deficit. Last week he learned that the projections for the 1997 deficit were higher — \$68 billion higher — than the estimates made by the Bush camp during the summer. In July, Mr. Bush said the deficit would be on its way down, declining from this year's record \$290 billion to \$274.2 billion in 1994 and \$236.7 billion in 1997. Now the White House is estimating that the deficit will go up instead, hitting \$305 billion by 1997. Mr. Clinton's reaction to this change, which he called an "unsettling revelation"? Well, realistically, time to toss out that promise to cut the deficit in half.

This panicked reaction is phony. To start with, Mr. Clinton and his advisers professed not to believe the Bush administration's summer estimates of the deficit. The president-elect has been saying all along that the deficit was going to be higher than Mr. Bush had said, not lower. And even if the figures were a surprise, Mr. Clinton's reaction to them should be to take his deficit reduction duties more, not less, seriously.

But Mr. Clinton does not take his deficit duties seriously. Given the first opportunity to jettison the deficit pledge he made in his campaign manifesto, he is grabbing it. Moreover, he is doing so while insisting on tossing more cash into the pork barrel, an act that will only worsen the deficit. In other words, Mr. Clinton is committed to spending, not deficit reduction. Balancing the budget is not seen by the Clintonites as a goal, but a hindrance.

Republicans looking for a campaign platform for 1996 should start honing the arguments they once made for fiscal restraint and honesty. How about something along the lines of "Read my lips: not one penny more"? After four years of a budget deficit that grows and grows, even after being treated with hefty doses of new taxes, the voting public may finally be ready for the message.

## Sexual harassment and Miss Braun

**L**ast week, Carol Moseley Braun became the first black woman in history to take a seat in the U.S. Senate. She had catapulted to political prominence last spring, defeating Alan Dixon in the Democratic primary and ushering in the "year of the woman" in American politics.

Miss Braun said she had left her post as Cook County recorder of deeds to challenge Mr. Dixon because she was angry about the way the Senate Judiciary Committee had mishandled the sexual harassment allegations leveled by Anita Hill against Clarence Thomas. Mr. Dixon had voted to confirm Justice Thomas. Now Miss Braun — who will take a seat on the Judiciary Committee — finds herself in the same difficult situation that the much-denounced committee had to face in October 1991. Her campaign manager and boyfriend, Kgosie Matthews, has been accused of sexual harassment.

Several weeks before the November election, Miss Braun received an anonymous letter charging that Mr. Matthews had retaliated against Braun staffers, who had refused to date him. The charge was investigated by a team of independent lawyers brought in by the campaign. On election night, Miss Braun referred to Mr. Matthews as her "knight in shining armor."

In December, the Chicago Sun-Times carried a story quoting two women who would speak only anonymously who charged Mr. Matthews with sexual harassment. When the media inquired, Miss Braun's office revealed that an investigation had been conducted and "concluded there was no foundation to these anonymous allegations."

Miss Braun then went on a monthlong vacation with Mr. Matthews (she has recently acknowledged he is also her boyfriend) to South Africa, where he is a member of a prominent family. Mr. Matthews continued to be paid \$15,000 a month as campaign director through December.

On her return, the Chicago media was in an uproar. In a press conference two weeks ago, Miss Braun

defended Mr. Matthews and the investigation she had commissioned. "I had an inquiry made. The inquiry found no evidence of sexual harassment. That's the end of it." She went on to attack the complaints as McCarthyite. "I'm old enough to remember the days when somebody could be accused of being a communist with nobody coming forward. I'm old enough to remember what it did to people's lives."

In her first press conference this week in Washington, the questions persisted. "As I've said before, the people who were interviewed were staffers, were interviewed in confidence. I see no reason to — no choice but to honor their desire that their comments be confidential. It would open up a Pandora's box of liability issues for me."

Would that Miss Braun and her feminist friends had supported such standards of fairness when the accused was Clarence Thomas. As in the Matthews case, Anita Hill tried for 10 days to level an anonymous charge with the Judiciary Committee, which, like Miss Braun, quite rightly refused to take it seriously. When Miss Hill agreed to make the charge under a condition of confidentiality, the charge was immediately investigated. But the committee decided, again like Miss Braun, that if Miss Hill's confidentiality demand was to be honored, there was no way to proceed further.

That was when someone in the Senate decided to countermand the decision of the committee and of Hill and leak the charges to the media, a tactic that, to quote Miss Braun, might properly be called McCarthyite.

The so-called women's groups that were demanding after the leak the heads of the 12 white men on the Senate Judiciary Committee for ignoring Miss Hill's complaint have been silent on Miss Braun's conduct. As for Miss Braun, perhaps from her experience with the case of Mr. Matthews, she will yet learn the lesson that taking sexual harassment seriously does not mean airing unsubstantiated allegations, much less acting to punish those accused of them.

## *Saving Electronic History*

**W**HEN OFFICIALS in the White House chatter back and forth on their electronic mail networks, is it part of the historical record? A federal judge now confirms that it is—and so are a mass of other, more substantive records that just happen to have been produced on computer terminals instead of on paper. It's an important decision for historians and for those who seek to hold government accountable—the first that makes clear the relevance to computers of the post-Watergate laws on preserving presidential records. Handed down Thursday, the order was just in time to block departing White House Republicans from wiping clean a huge backlog of computer files whose status was in dispute.

The decision by U.S. District Judge Charles Richey clears up at least some of the problems that have arisen around computer-record preservation in recent years, ever since the business of high-level government, like that of most other sectors, largely abandoned paper files for the seeming ephemera of transactions by phone, computer and fax. The Freedom of Information Act case against the Bush White House (by a group including historians and the public-interest National Security Archive) originally arose in connection with the Iran-contra investigations, since crucial Reagan-era information about who-knew-what-when and who-talked-about-what-to-whom had been preserved on White House computer "backup tapes" unbeknownst to the people using the system. While some of those records have now been released, subsequent ones up to

the transition date were of cloudy status; they could have been turned over to the National Archives as required in general for all government records, or destroyed on the theory (which the administration argued) that the computer tapes weren't necessary because staff people were under instructions to print out and save anything "significant" anyway. The other side argued that the tape records, though assuredly mostly chaff, have the same potential historical importance as the mass of routine paperwork that the post-Watergate legislation requires the government to preserve, and that deleting the files instead of turning them over to the National Archives would amount to using an "electronic shredder."

The likely richness of this unwittingly compiled treasure trove produces understandable dismay. As Judge Richey's opinion makes clear, a computer record actually gives the potential investigator much more information than either a paper printout of it or, indeed, an old-fashioned paper memo could ever supply, such as who saw and sent it, when it was sent, who looked at it or made changes to it or when. Some issues concerning this kind of material remain unresolved—for instance, what should archivists do about reading this material a generation from now when all the machines have changed?—but at least the records that illustrate the various conundrums will still be around to be read when the courts resolve them.

# Lame duck shows teeth that can bite

JOHN HALL

**P**resident Bush swims stronger as a lame duck than a healthy one.

All of a sudden, he has become Action George, the man he wasn't in the campaign. Such boldness. Such conviction. Such will. Where was this man during the campaign?

Since the Nov. 3 election and a brief period of mourning, Mr. Bush has used the threat of a wine tariff to bludgeon Europe into ending unfair trade practices, issued a controversial set of Christmas Eve pardons, threatened to fire Post Office governors for insubordination, negotiated the most extensive disarmament treaty in history, mounted a rescue operation in Somalia, and acted like a president again.

Whether you agree with all he has done, he has not shrunk. He is an interregnum Lyndon Johnson, mashing buttons, kicking tail and taking names.

Could Mr. Bush have been elected if he had stayed out of his "campaign mode" last year and followed his own instincts, like he is doing now? Probably not. But what a spectacle it would have been last October if he had threatened to cashier the entire board of governors of the U.S. Postal Service for refusing to drop its lawsuit demanding higher postal rates. Crowds would have cheered.

The Postal Service is a quasi-public agency. It is an operation of corporate charm and governmental efficiency. Denied the full rate increase it demanded, the board stamped its feet and filed a lawsuit against another agency that sets postal rates. The Justice Department is supposed to do all the government's suing, and Mr. Bush demanded that postal board back off — but the board refused, claiming the president was infringing on its independence. So Mr. Bush sent over a little Johnsongesque note to the esteemed governors giving them two days to tell him why they all shouldn't be canned.

What a tiger. The pardons of the Iran-Contra defendants had a certain odor. Mr. Bush got out of town immediately, helicoptered up to Camp David and

John Hall is a columnist for the Washington Times.

men went overcast. He looked like a man on the lam, and the scenes of him inspecting troops in Somalia in desert fatigues resembled some exiled potentate holed up abroad with the remnants of his army.

Still, he acted decisively. And when he came back to face the music, he found very little music. For once, his staff had lined up the power centers here in both parties in advance of the pardons. With the exception of special prosecutor Lawrence Walsh, most want to leave Iran-Contra to the dustbin of history and no one wanted Caspar Weinberger, the former defense secretary, in leg irons.

The honest approach for Mr. Bush would have been to do the pardons weeks ago, rather than waiting until he was beyond the pale of voters' wrath. To be sure, partisan wrath would have been fanned. But what a shock and a show of strength if Mr. Bush, the day after Mr. Walsh won a suspiciously timed indictment of Mr. Weinberger, had charged out of the Oval Office, pardoned Mr. Weinberger and effectively knocked the props from under Mr. Walsh's operations. Wouldn't have been prudent. But would it have cost him any votes that he wasn't already bound to lose? Might have gained him some.

Seldom has an election so paralyzed a president. Mr. Bush could have won the START II treaty with Boris Yeltsin's Russia anytime during the campaign. He could have threatened the tariff on white wine last fall, achieving the same trade breakthrough he achieved after the election. And he could have sent the Marines over the beach in Somalia last fall. The situation there was just as horrible before the election as it was after.

But Mr. Bush effectively could not move on any of these situations because his political adversaries, not only Democrat Bill Clinton but a big segment of his own party, had decreed that he had spoiled the U.S. economy by spending too much time on foreign affairs. That nativist, neo-

isolationist theme took hold last year because Mr. Bush did not challenge it with deeds as well as words. To be sure, flying to the Kremlin, invading Somalia and canning postal governors during the heat of a campaign would have opened up Mr. Bush to all manner of charges of election-year grandstanding. He probably would have been whipped whatever he did. The economy, you know.

But a president with real conviction would have told everyone to go vote for Pat Buchanan if they felt strongly enough about it, but let him do his job — the job he is now doing aggressively and well in his final weeks.

David S. Broder

# Lamar Alexander's Plans

Even before Bill Clinton is sworn in as president, one of the Republicans who knows him best is planning to challenge him for reelection. Lamar Alexander, the former governor of Tennessee and outgoing secretary of education, is headed home to start a four-year effort he hopes will bring him back to Washington as Clinton's successor.

"If I can find a way to explain why I want it and what I'd do with it," Alexander said in an interview, "I might just try for the presidency in '96."

When it was suggested that four years should be sufficient time for a politician as clever as Alexander to find answers to those questions, he laughed and said, "I might have them in six months."

To many, the notion of the relatively unknown Alexander seeking the presidency is pretty far-fetched. But it's no sillier than it would have appeared four years ago for the little-known governor of Arkansas, a man remembered only for an interminably long and boring nomination speech for Michael Dukakis, to think he might be elected president in 1992.

True, Alexander is far from the most formidable-looking candidate at George Bush's Cabinet table. Housing and Urban Development Secretary Jack Kemp led everyone in the 1996 preference poll of delegates to last summer's Houston convention. Defense Secretary Dick Cheney has enjoyed much more national publicity than Alexander and has a built-in support network among his former colleagues in the House.

Beyond the Bush alumni, there are a half-dozen sitting Republican senators and governors who harbor dreams of the White House. Most of them have a better fund-raising and political base than Alexander will enjoy when he goes back to Nashville to practice law, to write a book about what he's learned in his 22 months as education secretary and to test the presidential waters.

On paper, Alexander's credentials look thin. His record in electoral politics is short: A losing race for governor of Tennessee in 1974; winning campaigns for that office in 1978 and 1982. He's not much of a partisan; the Tennessee GOP arguably was weaker when he finished his eight years as governor than when he began.

Beyond that, his résumé lists stints in Howard Baker's Senate office and Richard Nixon's White House, some years of law practice and a short tour as president of the University of Tennessee just prior to Bush's tapping him for the Cabinet job.

But Alexander is better than the sum of his résumé parts. In all the years when he and Clinton were fellow governors, Clinton was probably the most adept operator in the group—except for Alexander. Darn near every governor in the country coveted the General Motors' Saturn

plant. But Alexander got it. He did as well in the competition for foreign investment.

Within the National Governors Association, Alexander was the man who devised, packaged and sold his colleagues on the long-term strategy for improving the nation's schools, then turned the project over to Clinton, his successor as chairman of the group. In every area where business and political leaders could judge them side by side, Alexander did not suffer by comparison.

When he came to a Department of Education demoralized by its experience with a series of lackluster secretaries, he quickly put together the

## He hopes to be Clinton's successor.

most impressive team that department ever has seen, including David Kearns of Xerox as deputy secretary and Diane Ravitch, a leading education reformer, as the chief in-house policy thinker.

In short order, building on his experience with the governors' association, Alexander put flesh on the bones of the "national education goals" program and gave the Bush administration an education strategy that might have paid both policy and political dividends had Bush ever given it more than lip service.

Parts of that program will undoubtedly be carried over by Clinton and former South Carolina governor Dick Riley, another of Alexander's old reform-minded colleagues, who now will succeed him as the head of the Education Department.

Under Alexander, work is well underway on developing diagnostic tests to measure pupil achievement against world-class standards in all the basic curriculum areas. Federal funding for pre-school programs like Head Start has been increased substantially—and will be again. He also helped initiate the privately financed New American Schools Corp., which has awarded its first set of grants to teams of education innovators to develop what Alexander calls "break-the-mold" schools.

Almost 2,700 communities have been linked into monthly satellite TV town meetings, where they compare notes and get expert feedback on their efforts to improve their own schools. None of this has made a great splash in Washington, which is often the last place in the country to catch on to important currents of change. But around the country, it has demonstrated to circles of community leaders Alexander's gift for communication and leadership.

Something tells me his candidacy will be no joke.

Rowland Evans and Robert Novak

# Republican Ross?

A secret meeting last month in Philadelphia has sent an astonishing message coursing through the political underground: Ross Perot may run for president as a Republican next time.

That is a stretch, considering what actually occurred. The facts are that Perot sat down with two prominent Republican senators and was far more conciliatory toward the Grand Old Party than he ever was during his independent presidential campaign. The session encouraged the senators present to think they might be able to co-opt the Dallas billionaire.

Behind this is a disagreement over strategy among Republicans about how to cope with Perot and his new United We Stand grass-roots organization: embrace him, or try to separate him from his volunteers. That division, in turn, reflects a power struggle for the soul of the party.

Meeting with Perot in Philadelphia were Senate Minority Leader Robert J. Dole, Sen. Arlen Specter of Penn-

sylvania and New York investment banker Kenneth Langone. As a longtime friend and supporter of both Perot and Specter, Langone was the go-between.

Specter's re-election last year against a female opponent who castigated him as the oppressor of Anita

## Will Kemp or Dole set the GOP agenda?

Hill would not have been possible were it not for strong support from and close collaboration with Pennsylvania's Perot movement, which produced 18.2 percent of the state total for president. Specter, a master of coalition politics, sees Perotites as key building blocks.

Dole is the Republican leader closest to Perot. Perot admires the war

record of the senator, who suffered grievous wounds for his country. In frequent telephone conversations last year, Dole tried to get Perot to endorse Republican congressional candidates. He failed, but it did not diminish their mutual affection.

Neither Dole nor Specter would go into detail about what was said in Philadelphia, and Perot did not return our calls. But sources close to the two senators report that there is no doubt about two things Perot said: First, he made it clear he is not abandoning politics, implying a second run for president in 1996; second, he expressed interest in "revitalizing" the Republican Party.

That is the exact word he used about the Democrats last summer. Since another third-party Perot run for president would scarcely revitalize the GOP, the inference from the meeting was that the lifelong political independent from Texas might don Republican colors.

Such a prospect is dismissed by supply-side and neo-conservative Republicans who tomorrow will form a new organization led by Jack Kemp, William Bennett and Vin Weber. Based on conversations with Republicans in the Perot movement, they see Perot as essentially a Democrat. They are setting up a grass-roots organization of their own intended to undercut the appeal of United We Stand—attempting Perotism without Perot. With typical bluntness, Bennett told us: "We should ignore him and go after his people."

Dole is moving in a different direction. He has long felt that he, not Kemp, is the more legitimate Republican carrying the banner of fiscal conservatism. It would be natural for him to consider Perot's emphasis on the budget deficit closer to orthodoxy than Kemp's coolness toward budget-balancing strictures. Furthermore, Perot's often emotional animus against George Bush's reelection was directed more against the candidate than the party.

After contemplating retirement in view of bleak prospects for returning to majority status in the Senate, Dole was energized by successful surgery for prostate cancer last year. He now regards himself as maximum leader of the Republican opposition and is covering a wide front in seeking to confirm that role. He and his predecessor as floor leader, former senator Howard Baker, are contemplating a foundation to counter what supporters call the "extremists" in the party.

If Dole could achieve what he failed to do last year and enlist Perot at least as a Republican auxiliary, it would increase the party's numbers significantly. It also would enhance Bob Dole's quest to be Mr. Republican.

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## It Costs a Lot to Feed a Deficit, Bill

Bill Clinton learned last week that the federal deficit monster he soon will confront is even bigger than he had imagined. The "raise taxes-cut spending" bargain Dick Darman made with Congress in 1990 just didn't work out, for the unsurprising reason that the taxes stalled the economy and Congress welshed on its spending pledge.

The reaction to Mr. Darman's latest numbers from Democrats who have controlled both houses of Congress these last eight years was straight out of "Casablanca." They were "shocked, shocked" to learn that there had been gambling going on in their establishment.

As a newcomer to the Beltway casino, Mr. Clinton may have been genuinely shocked by George Bush's final budget. He

about it." He argued that the Congress in its present institutional mode is incapable of exercising self restraint. But the Democratic senator also awoke after election day to the realization that his party now controls the White House as well as Congress and so now "it's our deficit."

Indeed it is, and so perhaps Mr. Clinton could use some advice on the care and feeding of budget deficits, some of it drawn from the experience of other nations that have over-indulged in deficit financing. One of the first lessons is that a government can run up as much debt as it wants — so long as it is willing to pay for it. Indeed, that's been pretty much the Beltway philosophy of the last 25 years or so. The belief was that some future Congress and administration would get the dinner check. But Mr. Clinton may soon find the waiter hovering at his elbow.

The U.S. government has been piling up national debt at an accelerating rate over the last four years. The pile of IOUs now exceeds half the U.S. gross national product. To be sure, that's below the level of just after World War II, when it stood at 64% of GNP. And if it is any consolation, it is substantially less than the level in, say, Italy, which is carrying a debt load equal to 105% of GNP.

Countries do survive such things, but they don't survive without paying a price. Free University of Rome economist Antonio Martino wrote in *The Wall Street Journal Europe* last week that interest payments on the \$1.143 billion Italian debt now are absorbing 70% of the government's revenues from direct taxation. Partly because of this huge interest cost, government spending is rising rapidly, deficits are in excess of 10% of GNP and the debt and interest costs keep piling up.

With this runaway budget, Italy has been forced to 1) scrounge around for more revenues with a raft of unpopular new taxes; 2) start selling state-owned

industries; and 3) drop out of the European Monetary System (EMS) in order to float and devalue the lira. That almost certainly will raise the inflation rate, which at some 6% already is high by European Community standards.

Italy probably will do what governments traditionally do under such circumstances: It will inflate its way out of its difficulty by monetizing debt. But that will mean that it will not be able to rejoin the EMS and that the EC's hopes of establishing a single currency will be postponed further into the distant future. It also will mean that Italians, already overtaxed, will be taxed even more in that cruelest of all possible ways, through inflation. A nation of highly productive people, with the third

*A government can run up as much debt as it wants — so long as it is willing to pay for it.*

largest economy in the EC, will be put through the wringer.

Which brings us back to Mr. Clinton and the choices he faces. In terms of the federal costs of borrowing, he still has some margin. Interest costs to the U.S. Treasury are rising along with the debt, but still are only about 18% of total federal revenues. To some degree, they are being held down artificially by a very low discount rate at the Fed and by capital rules for banks that tilt their investments toward Treasury securities. But as the U.S. economic recovery progresses, new private demands for credit will put upward pressure on interest rates, facing Treasury Secretary Lloyd Bentsen with higher debt financing costs, which have top priority over other claims on government revenues, even health care.

### Global View

By George Melloan

learned that the projected fiscal 1994 federal deficit will continue to hover close to \$300 billion and that later on, if the present federal spending trend continues, it will soar above \$300 billion. Some Democrats made the most of these numbers by saying, in effect: "Oh well, since the deficit projections are so much larger than we imagined, President Clinton can scrap his campaign promise to halve the deficit during his term of office."

Probably not many who voted for Mr. Clinton took that promise very seriously anyway, given the long wish lists of the Clinton team, the Congress and Washington's special interest lobbyists. Merely railing at the deficit doesn't move many mountains. Sen. Pat Moynihan (D., N.Y.) once begged the question entirely: "It doesn't do any good to yell at us about our spending, because we can't do anything

Mr. Clinton can continue to watch the federal debt soar, and at the present rate it won't take many more years for it to approach the Italian level. He can raise taxes, but should consider the possibility — even the likelihood — that given the present very delicate balance of the U.S. economy, a new tax increase could be just as unproductive of revenues as the one in 1990. It could even plunge the country into a new recession. Or he could do what the Italians most likely will do, put heavy pressure on the central bank to finance the deficit and risk the inflation tax.

A word needs to be said here about how governments traditionally have rationalized the use of the inflation tax. The first instinct is to blame producers, as Jimmy Carter did. After all, isn't it the producers who actually change the price tags? Second, it is insisted that a continu-

ance of deficit spending is necessary to preserve the social safety net and protect the poor.

That latter claim is especially false. Nothing hurts the poor more than inflation. The interest the government pays on the securities it issues is essentially a transfer from middle class taxpayers to banks and other large investors in Treasuries. This has the economic benefit of recycling money back into the capital markets, but it is doubtful that the benefits that derive from that offset the costs of inflation to the poor and middle class. The record of the 1970s inflation suggests that everyone gets poorer. To put the case simply, Italian taxpayers now are doing little other than providing income for investors in government bonds, most of whom are not poor.

These are not very happy prospects for America's young president. If he does nothing much in those much advertised "first 100 days," there is a chance that the recovery will continue and pull him out of fiscal and budgetary difficulty. But how great are the chances of that?

Jim Hoagland

## Clinton's Foreign Policy Cram

The best kept secret of the transition has been President-elect Clinton's quiet but detailed attention to the foreign crises he will inherit on Jan. 20. Clinton has worked hard on the substance of foreign policy—and on keeping his efforts out of public view—as he has prepared his move to Washington.

Behind the scenes in Little Rock, Clinton has conducted several extended exchanges with Boris Yeltsin, including discussion of an aborted get-acquainted meeting in Seattle. The president-elect has listened to British Prime Minister John Major on the escalating tragedy in Bosnia and sought political and psychological assessments of Slobodan Milosevic from those who have met or studied the Serbian leader.

This transition pattern of deep but low-profile personal involvement in foreign affairs is likely to carry over as a distinguishing characteristic of the early months of the Clinton presidency. Clinton's innate caution, and a clear-eyed calculation about the nature of the mandate he received on Nov. 3, shape this style.

The president-elect and his advisers are aware they must make an early, convincing display of delivering on Clinton's promises to focus on economic and social renewal at home. This translates into an unusual initial playing down of his involvement in foreign affairs and a minimum of presidential foreign travel and meetings with world leaders here in 1993.

This low-profile presidential diplomacy will dismay world leaders who want to express their views directly to Clinton this spring, before he sets his administration's priorities and policies in concrete.

But Clinton is determined to operate differently than did the defeated George Bush, who antagonized voters by vaunting his foreign achievements at a time of domestic recession. The contrast will show up early in changes in Kool-aid diplomacy as practiced by the Bush White House.

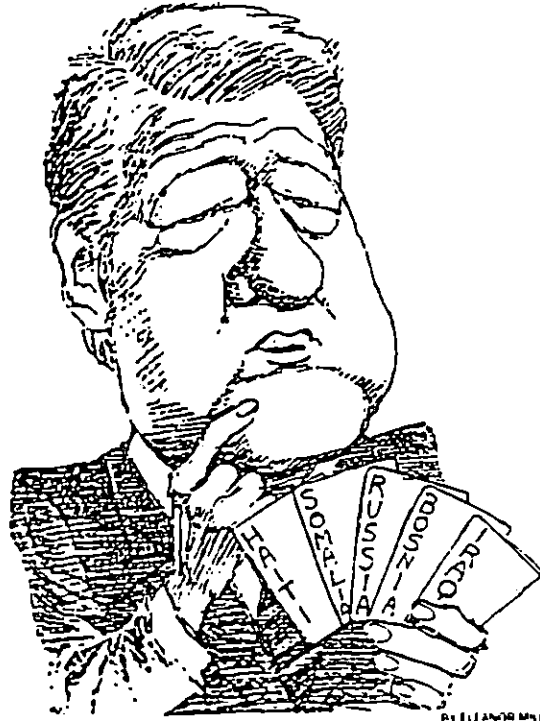
Clinton is a non-stop gatherer of information and suggestions and a master at reaching out to touch (and stroke) anyone in range. He is a strong candidate to spend as much time on the telephone to other members of the global leaders' club as did the famously dial-prone Bush. But the calls are not likely to be trumpeted by Clinton's aides to the White House press corps if the transition period is a reliable guide.

Clinton has not been able to avoid all public involvement in foreign affairs. He honored the tradition of a meeting with Mexico's president on U.S. soil during the transition, and he has voiced public support for Bush's moves in Iraq and Somalia. Yeltsin's most recent direct bid to Clinton for a summit soon after the inauguration also became public.

But these have been exceptions forced on Clinton rather than opportunities sought by him.

The president-elect is painfully aware that his intentions to walk softly on foreign affairs early in his term could be disrupted by events in Russia, Somalia, Iraq or other hot spots.

The strong possibility that 100,000 people could die from cold, hunger and continued fighting in Bosnia in Clinton's first months in office has weighed heavily in his recent conversations with his advisers and with Major. So has Milosevic's continued flouting of the United Nations' resolutions banning Serbian military flights.



Clinton is known to feel that the Bush administration erred in publicly advertising its unwillingness to act with force to stop Milosevic's brutal grab for power and land in ex-Yugoslavia. This abandoning of ambiguity about American intentions is a mistake Clinton does not intend to repeat.

But finding a political solution to stop the killing now in Bosnia may mean swallowing some of the Serbian military gains there and not pursuing Serb leaders as war criminals. This prospect angers Clinton, but he recognizes that it may be necessary to halt the war.

The president-elect has also given a lot of thought during the transition to how he and other Western leaders may be able to help shore up Yeltsin's sagging political standing in Moscow, according to an insider account of the unpublicized Yeltsin-Clinton exchanges.

As he and Bush moved to complete the START II treaty—which dramatically cuts U.S. and Russian nuclear arsenals—Yeltsin evidently became concerned that the treaty would not be politically viable unless the next president took part in its signing. The Russian president pressed Clinton in December to join in the Yeltsin-Bush summit originally scheduled for Alaska on Jan. 4.

To allay Yeltsin's misplaced concern, Clinton reluctantly agreed to meet with Yeltsin immediately after an Alaska summit—if Yeltsin would stop over in Seattle. That plan was scotched when the START II signing was shifted to Moscow, a move that spared Bush sharing the foreign policy limelight with his successor.

That was fine with Clinton. He prefers for the time being to hug the shadows. He knows he will be in the glare of foreign crises to come more often than he would like.

## Pruden on Politics

By Wesley Pruden



# Going in the tank for Sleek Willie

Bob Dole, the second-meanest man in town, is finally too kind and gentle for the New York Times.

Sen. Trent Lott is such a thoroughly nice pussy-cat that those macho-tigers at the New Republic turn away in bemused contempt.

Jack Kemp, who got publicly steamed at some of the mildly astringent Hillary Clinton jokes at the American Spectator anniversary dinner, is going steady with Henry Cisneros, his successor as secretary of the housing ministry.

The Grand Old Party has suddenly become the Groggy Old Party, all soft and fuzzy, signifying not very much. You can read about it in the papers.

President Bush is Mr. Nicest Guy of All. "It's like they've been dating, or something," a senior Bush aide says. "He's been glorious to Clinton." Mr. Bush might even stick around after the oath-taking to help unload the moving van from Little Rock.

Ty Cobb, or maybe it was Leo Durocher or Miss America, said it first and best: "Show me a good loser, and I'll show you a loser."

This has always been the chief operating principle of the Republicans, with the occasional lapse of front-parlor propriety that explains how recycled Democrats like Ike and the Gipper make it to the White House. In the wake of the debacle of '92 there are signs that the Republicans may retire from national politics for something less robust than the game of breaking heads lest your own gets broken first.

Like the girl who can't say no, Mr. Bush is the man who can't say yes. Some of the real men in the White House — there are a few — made several suggestions for constructive things Mr. Bush could do in the few days he had left. He could by executive order limit some of the fantastical regulations tied to the Clean Air Act, regulations that might even gag Al Gore, and he could make several recess appointments to boards and panels.

These were not suggestions to lay mines in the White House driveway. But Mr. Bush, egged on by



Bob Dole

James Baker, the man who deserves all the credit for putting together the 1992 Republican campaign, said no, because some of the Clinton people raised objections. The concern is said to be Mr. Bush's "place in history," just the sort of concern that made him history four years before his time. The puzzle is why Mr. Bush is still listening to the very nebbishes who bought him an early one-way ticket to Texas.

The greater puzzle is why the congressional Republicans have gone in the tank with the enthusiasm of a punched-out boxer trying to get a place at the bottom of the card for the Friday-night fights in Pensacola. Trent Lott, who is supposed to be in charge of the Republican "examination" of Mr. Clinton's Cabinet nominations, is missing, apparently sunning himself on the beach at Biloxi.

"Unless we find a smoking gun, we'd have to get eight or 10 Southern Democrats to vote with us in the first week of the new administration [to defeat a nominee like Donna Shalala]," says Sen. Trent Lott. "What are the chances of that?"

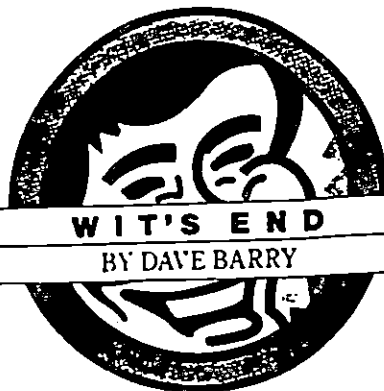
Not much, with a positive attitude like that.

Bob Dole who, in the wreckage of the morning after, promised to be the chaperone on the Clinton honeymoon with Congress, seems to have applied instead for the position of eunuch of the harem.

Sheila Burke, his chief of staff, told her colleagues the other day that Republicans would not needlessly obstruct the new administration and would, in fact, "cooperate sometimes."

If this is bad news for the 57 percent who didn't vote for Mr. Clinton, it's good news for the 43 percent who did, and good news most of all for Mr. Clinton himself. The governor is the child of an early family of Arkansas, a descendant of men who were, in the words of one insightful chronicler of those robust early days, "half b'ar and half alligator, who ate barbed wire for breakfast and whipped forty acres of wildcats before noon, men who venerate the razorback boar as the meanest beast in the bottoms." A dinner of timid Republicans won't even reward the new president with a burp.

The Democrats on the Hill, anticipating a feast of Republican blubber, are already calling their man Sleek Willie. Who can blame them?



## Northern Rites

IT'S TIME FOR "THOSE AMAZING Canadians," the popular feature wherein we examine the activities of our friendly neighbors to the north and secretly wonder if they are mixing their prescription medications again.

As you may recall, when last we checked in on the Canadians, some of them were in a court of law in Ottawa, trying to induce a python to crawl into a toilet. At the time we thought this was unusual, but we now realize that luring snakes into commodes during judicial proceedings is fairly NORMAL, by Canadian standards. We base this statement on several news items we received from alert reader Marylu Walters, who lives in Alberta, which is one of Canada's provinces (the other one is "Bernice").

These news items, from the Edmonton Journal, concern the small Alberta town of Glendon, where there is a local food item called the "pyrogy," which is a kind of dumpling that can be stuffed with various foods such as cheese or sauerkraut. Pyrogys are very popular in Glendon, a fact that gave the mayor, Johnnie Doonanco, an idea. See if you can guess what his idea was.

(Pause while you think up a pyrogy-related idea.)

Okay. Did you guess that Mr. Doonanco wanted to market an electric pyrogy-maker? Or hold a pageant to crown the Pyrogy Queen? WRONG. That kind of limited thinking shows why you're stuck with whatever dead-end hairball job you have, while Johnnie Doonanco is mayor of Glendon.

His idea was—we are not making this up—to build THE WORLD'S LARGEST FIBERGLASS PYROGY. And he did it too, by raising 62,000 Canadian dollars via private donations and a grant from the province government, which knows a shrewd investment opportunity when it sees one. According to the Journal, the giant pyrogy is "almost nine meters high"

and "weighs roughly 2,700 kilograms." Converting these figures from the Metric System to the Normal Human System . . . let's see, move the decimal over and divide by the cosine . . . we see that this is a large pyrogy. There's a color photograph of it in the Journal: It looks sort of like a mammoth white leech, except that the designers put it on the tines of a huge upthrust steel fork, so that onlookers would realize that it is in fact a tasty food item.

The purpose of the pyrogy, of course, is to attract tourists. "Hey, Marge!" potential tourists as far away as Mobile, Ala., are probably remarking at this very moment. "There's a giant fiberglass dumpling up in rural Canada! Pack your suitcase!" Such is the power of this type of attraction.

And that explains another Journal news item that Marylu Walters sent us. This one concerns the small Canadian town of Andrew, which recently, with the help of a provincial tourism grant, installed—get ready—the world's largest fiberglass duck. The Journal says it has a wingspan of 7.2 meters and weighs "one tonne," which is how you spell "one ton" in metric. The story quotes Town Manager Albert Holubowich as saying that the residents chose the duck as their

symbol because Andrew is near a duck sanctuary.

"It was either the duck or a chicken," he says, "but a chicken has no connection or bearing to the village."

We certainly agree with that. A giant chicken would be ridiculous. But what we're concerned about is this: Suppose some tourists happen to find themselves exactly halfway between Andrew and Glendon. One side of them would be attracted by the giant duck, and the other side would be attracted by the giant pyrogy, and they could literally explode right there on the spot, causing severe damage to the wheat crop. We hate to bring this up, but if we didn't, we'd have to get a real job.

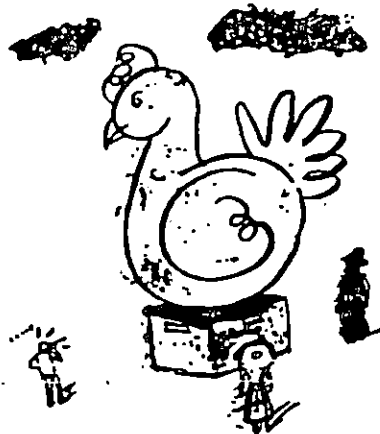
And there's another recent Canadian development we feel you should know about. Many alert readers have sent us an Associated Press report that begins as follows (we are still not making this up):

"VANCOUVER, British Columbia—Female snails in certain polluted coastal harbors have been turning into males and growing penises, a researcher says. Snails undergoing the change, which some scientists think is caused by tin-based contaminants in the water, have been found almost everywhere University of Victoria biologist Derek Ellis and his colleagues looked for them."

We're sure this alarming development is wreaking havoc in the snail community. A guy snail comes home from a hard day of sliming around, hoping to have an intimate moment with his mate, but when she finally takes off her shell . . . YIKES!

We hope the Canadian authorities are doing something about this. Their most likely move, of course, would be to build the world's largest fiberglass snail organ. You'd go up to see it, right? We thought so. Don't drink the water.

NEXT WEEK: Results of the Bad Song Survey. ■



## Names &amp; Faces

## Diana's Desire

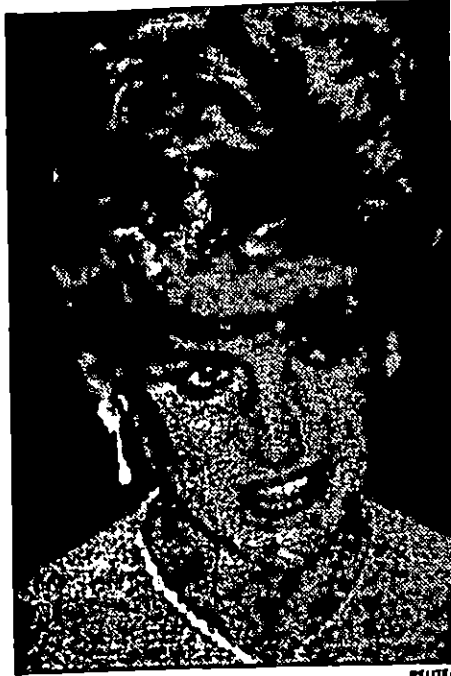
■ Princess Diana is set on getting a divorce, even if it means giving up custody of her two sons, a London tabloid breathlessly reported yesterday.

Diana is "pushing as hard as possible to extricate herself from her marriage and the royal family," screamed the Sunday Mirror, quoting an unidentified "senior and highly placed contact." "A divorce is definite. There is absolutely no question of her remaining married to Charles despite what appeared in the original statement."

The paper did add that Diana "loves her boys more than anything in the world and will certainly see them as much as she possibly can."

Mum was the word at Buckingham Palace, but the British Press Association quoted a source "close to the royal family" as saying, "This is total rubbish and is beneath contempt."

The prince and princess called it quits officially last month, but at the time it was made clear that Diana would continue to be an active mother to the young princes.



A London tabloid reports Princess Diana wants to divorce Prince Charles.



Dancer Rudolf Nureyev, who died last week, had AIDS, a friend acknowledges.

## Dancing Around the Word

■ Rudolf Nureyev had been ill with AIDS for 1½ years before his death last week, according to a "close friend" quoted in this week's Newsweek. But he refused to go public with the news because "your whole life becomes dealing with the disease," says Wallace Potts, who the magazine says was with the dance legend in Paris shortly before he died.

The official cause was listed as "a cardiac complication, following a cruel illness."

"He didn't want it to consume his art. He did everything he could to fight it," Potts says. But "toward the end he was reconciled. . . . He never complained. He didn't show any signs of pain."

Not everyone agreed with his decision. Novelist and AIDS activist Paul Monette,

who also suffers from AIDS, is among those who believe Nureyev had an obligation to use his celebrity to combat ignorance.

"I don't consider him a great hero of the arts. I consider him a coward," Monette told Newsweek. "I don't care how great a dancer he was."

## End Notes

■ Former senator Paul Tsongas has been released from Dana-Farber Cancer Institute after his second visit there in less than a month for treatment of complications from

chemotherapy. . . . Woody Allen has asked the judge in his custody battle with ex-love Mia Farrow to order a "full psychological evaluation" of the actress, according to his attorney Harvey Sladkus. . . . Madonna, on love scenes with Willem Dafoe in their upcoming film "Body of Evidence," on tonight's "Entertainment Tonight": "It was very scientific. It's not sexual at all. . . . There's lights everywhere and there's 50 people on the set. It's not anywhere as fun as the real thing."

—Compiled from staff and wire reports by Mary Alma Welch

## THE RELIABLE SOURCE

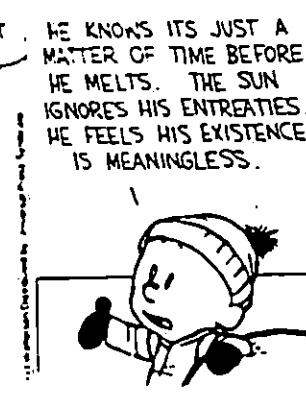
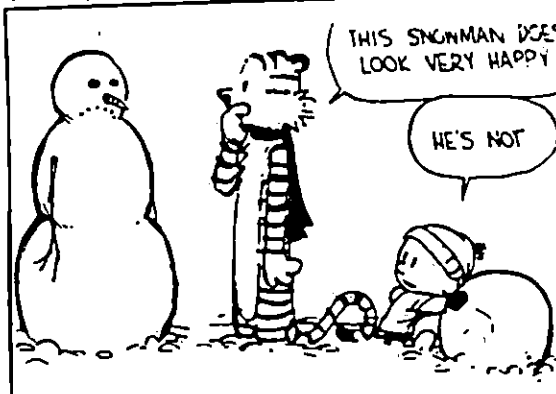
Lois Romano's column will resume tomorrow.

## DOONESBURY

By G.B. Trudeau



## CALVIN AND HOBES BILL WATTERSON



# INSIDE THE BELTWAY

## Sue me, sue you

Now we know why lawyers opted overwhelmingly for Bill Clinton when it came to campaign contributions.

The Washington Post, writes the New Republic in its Jan. 18 issue, wasn't paying very close attention when it announced Bill Clinton "had picked the most diverse Cabinet in U.S. history," among them four women, four blacks and two Hispanics.

True, says the magazine, "but in a more meaningful sense Clinton has chosen one of the least diverse Cabinets in memory: of its 18 members, 13 are lawyers, and those include all four top economic officials."

"In other words, Clinton (a lawyer himself, married to a lawyer) is drawing help overwhelmingly from the narrow caste of lawyers-lobbyists who are becoming the American ruling class, and who believe... that the answer to every problem is another law or another lawsuit."

## Looking good

Everyone wants to get in on the inauguration hoopla. Late last week something arrived in the mail from Clarol, "An Inaugural Refresher — An invitation to our friends in the media to enjoy complimentary beauty services and styling. Join other very special inaugural guests and make it an event for you as well."

One of Robin Weir's salons on P Street NW is doing the trumming, and members of the Washington press corps can get clipped free on Jan. 19 or Jan. 20.

## Surprise promotion

The February issue of Vanity Fair hits newsstands tomorrow, and followers of Kay Graham will find in it excerpts from Carol Felsen-thal's new book, "Power, Privilege, and the Post: The Katharine Graham Story."

Mrs. Graham, says the author, was totally unprepared when she took over the Washington Post Company after husband Phil Graham's suicide in 1963.

"Kay really knew nothing when Phil killed himself," says Richard Clurman, the former chief of corre-

spondents for Time-Life. "She knew nothing about anything. She wasn't even a Washington socialite. She seemed a pleasant woman whom you sympathized with [for] being married to this electrifying... kinetic figure."

Howard Simons, who joined the OP in 1961 as a science writer, says Kay reminded him of "a shaky little doe, coming on wobbly legs out of the forest."

But who wouldn't be shaking being married to someone the author describes as a suicidal manic-depressive? Overweight, pale, dowdy and thin-haired, Kay was Phil's most convenient target, Ms. Felsen-thal writes.

"Phil had no compunction about letting everybody know he found Kay distasteful," even asking friends to find Kay suitable things to wear so as not to be an embarrassment. But the worst years, the book continues, were between 1960 and 1963, when Phil began his very public affair with Robin Webb, an Australian.

Needless to say, Mrs. Graham has come a long way since then.



Inaugural-goers will be treated to a fireworks portrait of Bill Clinton.

## Rocket's red blare

The Grucci fireworks firm announced yesterday that the highlight of its Jan. 17 inauguration display will be a 30-by-60-foot portrait of Bill Clinton playing the saxophone. Grucci has dubbed the white and gold display "a saxophone on fire."

## Persistence pays

No one was more pleased than D.C. Delegate Eleanor Holmes Norton last week when she won the right to vote on the House floor. Mrs. Norton and four other delegates can now vote in the Committee of the Whole, where virtually all House business is done. Since they don't represent states, the five cannot vote in constitutionally prescribed full-House proceedings.

But the House vote also means that Mrs. Norton, if she so chooses and House Speaker Tom Foley approves, has won the right like other members to preside as chairman of the Committee of the Whole, in place of the speaker. Wouldn't you know the first thing the excited Mrs. Norton did after last week's vote was march right up to the speaker's aide with a request to lead — at the very first meeting, no less?

"In the ultimate ecstasy of winning on the floor that day, she approached a staff member from the speaker's office... and we'll find out on the 20th if her request was granted," Norton aide Donna Brazile confirmed.

## In total agreement

The Washington-based Joint Center for Political and Economic Studies wanted to find out once and for all what issues were of most concern to black and white Americans.

Two national surveys were conducted for the Joint Center by OMNIFACTS of Philadelphia, one for blacks and one for whites. The findings: there is a convergence of opinion between black and white Americans on three issues that concerned them most: the economy (Bill Clinton was right there), education and health care.

As for poverty and homelessness, drug abuse and the state of race relations, all three were identified by both surveys as secondary concerns.

## Man's best friend

The city of Fairfax knows one way to control its dog population. The city's 1993 dog licenses are now available, reads the announcement, "\$5 for a spayed or neutered dog and \$10 for a fertile dog."

— John McCaslin



DATE: 1.11  
PAGE: 1

# What's News—

## World-Wide

**IRAQIS** CROSSED the Kuwaiti border and seized missiles, U.N. officials said.

U.N. military observers in Kuwait reported that about 200 Iraqis crossed the border early yesterday to seize armaments, including four surface-to-surface Silkworm missiles that were captured by U.S.-led forces during the Gulf War. The U.N. officials said they tried to use their cars to block the Iraqis during the 90-minute incursion, and that one U.N. vehicle was rammed by an Iraqi truck. The incident came as the U.S. and Iraq headed toward a showdown over Iraq's recent aggressiveness along the Kuwaiti border and Baghdad's new curbs on U.N. inspectors. (Article on Page A3)

*Over the weekend the U.S. said Iraq had heeded an ultimatum and moved anti-aircraft missiles from southern Iraq. But Baghdad denied a Washington claim that it acceded to Western demands.*

France's foreign minister declared his government would act alone if necessary to liberate prison camps in Bosnia where civilians have been raped and tortured. Meanwhile, British troops in Bosnia returned fire against Serbs for the first time after coming under attack while escorting an aid convoy, officials in London said.

Serbs appeared to back off formal demands for a separate state within Bosnia, but Geneva mediators said the proposal was too vague to help peace talks. In Sarajevo, Bosnia's government said it would bring criminal charges against the U.N. Protection Force over Friday's killing of Deputy Prime Minister Turajlic by a Serb.

Lebanese Prime Minister Hariri banned further U.N. airlifts of Palestinians from Israel who are stranded in a camp in south Lebanon. He said he was upset that the Red Cross had taken two Palestinians out of the camp Saturday. In Jerusalem, Israel's Rabin met with a U.N. envoy but failed to break a stalemate on the deportees.

Gunfire erupted across Mogadishu as seven U.S. congressmen came under sniper fire. Marines killed three Somalis in a shootout, and dozens of Somalis were wounded in clan fighting. In Ethiopia, 14 Somali factions announced a truce agreement. (Related article on Page A10)

An oil slick from a grounded ship drifted 25 miles up the west coast of the Shetland Islands, threatening to destroy much of the area's salmon-farming operations. Salvage officials estimated that much less than half of the 25-million-gallon cargo has spilled since the tanker went aground last Tuesday. (Article on Page A11)

The EPA will allow a hazardous-waste incinerator in Ohio to move one step closer to commercial operation. The agency Friday approved a trial test for the plant, in apparent defiance of the Clinton administration. Environmental activists have opposed the plant's operation. (Article on Page A6)

Interior Secretary Lujan announced he plans to transfer ownership of a patch of federally owned desert in southern California to the state, a step forward in a proposal to build a dump for low-level nuclear waste.

House Democrats are anticipating further party unrest with the ouster of Intelligence panel Chairman McCurdy and a criminal investigation into the personal finances of the Ways and Means panel's Rostenkowski. (Article on Page A18)

Indian police fired on rioters in Bombay as Hindu-Muslim violence continued for a fifth day, and scores of fires raged across the city. The death toll from clashes in Bombay and two other cities rose to at least 162.

The College Board said a field test showed that the use of calculators marginally boosts SAT math scores. The board said that when calculators are allowed in future testing, all scores will be adjusted downward by a uniform percentage so that calculator use won't create a blip. Individual scores won't be changed. (Article on Page B8)

A Clinton aide told a conference that the U.S. will have to set a national budget to successfully overhaul its health system. Stuart Altman said a budget is necessary to build "fiscal discipline" into a restructured health system. (Article on Page B8)

Bush will be challenged in federal appeals court today by lawyers for a majority of the Postal Service board. The group is seeking to prevent the president from firing five governors. Bush stepped up the dispute Friday by naming a friend to the panel.