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THE WHITE HOUSE
WASHINGTON

June 28, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON
FROM: MARK DAVIS
SUBJECT: LIBRARY OF CONGRESS SPEECH

I. SUMMARY

On Thursday, ~~June 29, 1989~~ ^{June 29,} you will address an audience of 400 congressional, executive and administrative interns at the Library on Congress. The purpose of this speech is to announce the new campaign finance reform package. You will speak for approximately 15 to 20 minutes from a teleprompted text.

II. DISCUSSION

These remarks cover the topics of contributions limits by PACs, political parties and individuals; the incumbency advantage (including the use of excess campaign funds, ~~the political advantages of holding office~~, and perpetuation of incumbency through redistricting); soft money and the need for full disclosure, and banning honoraria.

58-5847
Rob Portman
7953

Davis/Martin
June 26, 1989
Draft: Two
Title: Campaign

PRESIDENTIAL ADDRESS: LIBRARY OF CONGRESS
JUNE 29, 1989/2 p.m.

Thank you. ((Acknowledgements/Joke))

((I have to admit, I feel a little awkward giving a speech at this particular place . . . all those years of being told not to speak out-loud in a library.))

The Library of Congress has been called the diary of the American people. In truth, it is a diary of the human race. And in the million stories of achievement it has to tell, one truth is revealed above all others: That for all its blemishes, government of the people is the greatest achievement of all.

As I look around me, I see the best and the brightest of a new generation. Some of you are interns. And for you, this summer of independence is just a sweet taste of adulthood. Trust me, freedom is not as far-off as it seems. Others, I see, have already embarked on the great adventure of a career. But whatever you do in Washington -- page, intern or a Congressional aide -- you are apprentices in a noble profession -- public service.

x2421 Studdert's office

Dr. Billington
(James H.)
head librarian

living

SADA Mathby
x7620
David
Demarest's
office

400
interns
staff, pres

Common Cause
833-1200

100 Senators in ~~82~~
calendar year

\$52,760,528.00

Comparison of House + Senate
FY 1978 ³484 million
FY 1988 113.4 million ↗

We exalt public service precisely because we do not exalt our government. We keep it close, close to the people it is meant to serve. And there is another fundamental concept in our way of governing -- reform. Ours is not a perfect government. It is a government which is being constantly perfected.

Every abuse in our political system has been followed by reform; and every cycle of reform has left the American political process more honest, more democratic.

The reforms of the early seventies were a vast improvement over the old system, bringing openness and accountability to federal campaign finance and public ethics. But these reforms have clearly not gone far enough. As a former Member of Congress, I care deeply about protecting the reputation and integrity of this institution. Recent events give us all cause for concern.

Recent scandals are but symptoms of a pervasive disease -- the growing lack of competition within our political system. At one time, as much as (twenty?) percent of Congressional incumbents lost to challengers. Today, the re-election rate of incumbents in the House of Representatives is better than 98 percent. A political body, like a river, must be in constant flow to remain fresh and clean. But a permanent House with a permanent majority is as unhealthy as a stagnant pond.

Boyd Gray's
memo to
6-14-89
on
campaign
reform

example Rights
Voting Act + Federal
Election Campaign Act
of 1971

Rep. from
Texas
'69-'71

7 general election
7 overall lost
some in primary

Jim
Boyd Gray
RNC
Research
Dept
8638500

98.3 95
of 6-28-89

STRENGTHENING THE ROLE OF THE PARTIES

There is yet another fundamental problem -- the erosion of the political party as a force in American political life. You have often heard me speak of the necessity of bipartisanship. And I do strongly believe we must work together when dealing with the most difficult challenges facing our country -- not as partisans -- but as Americans.

But we will not -- and should not -- cease to be Republicans and Democrats. True, the Founding Fathers envisioned no role for parties. Yet 200 years of political experience has taught us that parties are the indispensable organizers of democracy. Our political parties clarify and sharpen debate. They shape coalitions of like-minded people, giving millions of working Americans an effective way to support their beliefs and advance their candidates. A political party is a meeting house for the nation.

Yet the great parties of Andrew Jackson and Abraham Lincoln have been overshadowed by the emergence of special interest PACs, armed with a \$160 billion war chest. As parties are weakened, distinctions between candidates become muddled, and Congressional policy lacks coherence. Members of Congress are forced to engage in time-consuming and often degrading appeals for money. And

Counsel's
Campaign Reform Memo
to GR 6/14/89 p.3

vigorous competition between candidates, and between ideas, becomes muted.

Some believe public financing is the best answer. I do not. Public financing would do nothing to strengthen the parties, while directly involving government in the political process. It would force taxpayers to support extremist candidates they abhor. And it would be a siphon from the U.S. Treasury, already in deficit, to campaign coffers. Such a public-finance regime could be too easily subverted -- dangerous to democracy.

What, then, is the answer? Today, I propose a sweeping reform of our system. And the cornerstone of this reform is nothing less than the elimination of all business, union and trade association Political Action Committees.

Some PACs will still exist because they are protected by the First Amendment. These free-standing or ideological PACs, like the Sierra Club or ~~((the National Taxpayers Union))~~, account for about ten percent of all contributions. But even these I would limit, by halving their contributions to federal candidates from \$5,000 to \$2,500. And new laws must keep such PACs unaffiliated and independent, so a business or labor group could not use them as a backdoor means of influencing the process.

Memo to GB
P. 2
Committee on Political Education
Limitations Committee
PAC
SPINERS
Fed. Election Commission
316-
3140

I also propose the elimination of Congressional leadership PACs, through which Members of Congress bid for the loyalty of their colleagues. In addition, all transfers between PACs must be eliminated, and each candidate or incumbent must have only one PAC.

We must especially eliminate a dishonest practice known as "bundling," where business and unions encourage or coerce contributions from employees or members, and then give these contributions as a single donation.

As these reforms stem special-interest public finance, we must allow the parties to make the difference. Because their financial contributions come from many sources, parties donate funds free of the taint of special interest. I propose to more than double the amount of money parties may donate to congressional campaigns, and liberalize the restrictions on party contributions. Political parties must not be treated as if they were mere special-interest PACs. They should resume their fundamental role in American democracy.

CLEANING UP THE SYSTEM

But the elimination of special interest PACs still does not go far enough in cleaning up our system of financing federal campaigns. The basic strength of today's system is disclosure. Why not open the books for all to see?

In a post-PAC era, corporations, unions and trade associations will need an open way to participate in our democracy. Our proposal would allow organizations to participate in get-out-the-vote activities -- provided they make a full disclosure of their contributions and activities.

Handwritten: Counsel memo to GB 6-14-89 p. 13

This brings me to a little known and shadowy area of finance law called "soft money," concerning dollars spent on voter turnout efforts. Full disclosure is the premise behind our federal campaign finance law. Yet most money spent in American elections is **not** disclosed. I call on Congress to join me in mandating full disclosure of all soft money contributions, including voter registration and get-out-the vote activities.

Other laws govern independent expenditure groups, which can spend any amount of money to elect or defeat a candidate so long as their activities are not coordinated with those of a particular candidate. While some of these groups perform a public service, too often they mask the motives of hidden contributors, acting as mercenary character assassins. Yet all independent expenditure groups -- the good and the bad alike -- are protected by a Supreme Court ruling.

If there are to be such independent expenditure groups, at least they should have to disclose **all** their expenditures. Such

groups should also be required to more clearly identify the person or organization behind them. And those candidates who believe they are victims of an illegal collusion between an independent expenditure group and another campaign should be guaranteed a hearing before the Federal Election Commission within three days. At the very least, we can allow victims of such attacks a public forum to respond.

I also propose to strengthen the Supreme Court's Beck decision, so that no member of a union can be forced to contribute dues to political activities he or she doesn't support. To coerce political donations from working men and women is unfair and un-American. This practice must stop.

The package I have outlined is comprehensive. If it is to become law, all the major provisions must be passed -- otherwise, our reforms, like so many of the past, will spawn further unintended abuses.

REDRESSING THE INCUMBENCY ADVANTAGE

The third, and final area of reform directly concerns Congressional conduct. Jefferson envisioned a Congress of citizen-politicians, who suspended their careers in law, medicine and agriculture to serve the nation. How far we've come from that simple vision. Today, incumbents stay in office for

decades, amassing huge warchests to scare off strong challenges in election after election.

This is not democracy in the spirit of Madison and Jefferson. This is not the spirit of democracy at all. I renew my proposal to end these "rollovers," requiring all excess campaign funds to be donated to the parties, to a fund to retire the national debt or be given back to the contributors.

*Counsel's memo
to GB
p. 9
6-14/84*

Under our current law, 190 House Members who were elected before 1980 can also use their leftover campaign money as a personal retirement fund -- pocketing hundreds of thousands -- even millions -- of dollars when they leave office. Senators elected before 1980 are allowed to convert these funds for official use. Congress should bag this golden parachute.

I also propose to solve the most egregious wrong in American public life. As it stands, members of Congress can supplement their incomes by as much as 40 percent by making speeches before special-interest groups. I said on April 12 I would support a pay raise for Members of Congress. I have consulted with Congress on such a raise. And now that I recommend a pay raise for the executive, judicial and legislative branches, I also call for phase out of honoraria.

Finally, allow me to turn your attention toward redistricting -- the way in which parties in power ignore community boundaries and draw district lines favorable to their candidates. This gerrymandering (GARY-mandering) is why many Congressional Districts look like something my youngest grandchildren would draw.

Elections are nothing less than the marketplace of ideas from which the people choose. They are not just contests between individuals -- they are contests between philosophies. When this sharp edge of competition is dulled, democracy loses. No single factor is more basic to this competition than ensuring fair redistricting in 1990. I propose a new criteria for redistricting, without favor to party, to respect community and traditional lines. We must draw district lines that are tailored to the needs of the people, not to the political needs of parties.

CONCLUSION

This year, as Congress observes its 200th anniversary. ((Number)) thousand Americans have served in the House and Senate in the history of our Republic. A few names on this roster are infamous, associated with scandal or remembered as demagogues. But the Bilbos and the McCarthys are few. Most have served in the greater tradition of Clay and Webster, Dirksen and Mansfield, Dole and Mitchell. Some day, you may follow this path, the path

225-1153

1792 L12
Senate
Historian's
Office

to greatness and glory through public service. And when you do, I hope the laws that govern our campaigns and our Congress are as just and honest as the majority of those who serve the public.

This vast and honest majority in Congress live the words of George Washington, who said the noblest title in the world isn't President, or Senator, or Congressman -- but "Honest Man."

Whatever you do in life, you can have no higher title than that. Thank you, God bless you and God bless America.

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Davis/Martin
June 28, 1989
Draft: Six
Title: Campaign

PRESIDENTIAL ADDRESS: LIBRARY OF CONGRESS
JUNE 29, 1989/2 p.m.

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As I look around me, I see the best and the brightest of a new generation. For you, this summer of independence is just a sweet taste of adulthood. Trust me, freedom is not as far-off as it seems. Whatever you do in Washington -- page or intern -- you are apprentices in a noble profession -- public service.

We exalt public service because we do not exalt our government. We keep government close, close to the people it is meant to serve. And there is another fundamental concept in our

way of governing -- reform. Ours is not a perfect government. It is a government constantly perfected.

A steadily improving government is the result of our open political system. And in this system, elections are more than the deadlines of democracy; they are the marketplace of ideas. They are not just contests between individuals -- they are contests between philosophies. When this sharp edge of competition is dulled, democracy loses.

STRENGTHENING THE ROLE OF THE PARTIES

In April, I proposed comprehensive ethics legislation for all branches of government. Today, I call on Congress to pass that package. But I also want to address other problems -- how to free our electoral system from the grip of special interests, how to spur the free competition of ideas.

You have often heard me speak of the necessity of bipartisanship. And I do strongly believe we must work together when dealing with the most difficult challenges facing our country -- **not as partisans -- but as Americans.**

But we will not -- and should not -- cease to be Republicans and Democrats. True, the Founding Fathers envisioned no role for parties. Yet 200 years of political experience has shown their value. Political parties clarify and sharpen debate. They shape

coalitions of like-minded people, giving millions of working Americans an effective way to support their beliefs and advance their candidates. **Parties are the indispensable organizers of democracy.**

Yet times have changed. Today's special-interest Political Action Committees and their \$160 million war chest overshadow the great parties of Thomas Jefferson and Abraham Lincoln. As the strength of our parties erodes, so does the strength of our political system. Distinctions between candidates become muddled, and Congressional debate lacks coherence and discipline. By necessity, Members of Congress engage in time-consuming and often degrading appeals for money outside the party structure. As vigorous competition between candidates, and between ideas, wanes, the clear winner in the race for PAC dollars is incumbency.

Some believe public -- or taxpayer -- financing is the best answer. I do not. If we exclude individuals from the process, we exclude the public. This is the ironic result of taxpayer financing. It would force taxpayers to support extremist candidates they abhor. It would be a siphon from the U.S. Treasury, already in deficit, to campaign coffers. Taxpayer financing would do nothing to strengthen the parties; if anything, it would strengthen the status quo. What the voters really need is more choice.

Spending limits are not the answer either. If candidates have equal resources, incumbents will hold a tremendous advantage. Spending limits amount to an incumbent protection plan.

The answer is reform. We need reforms that curtail the role of special interests, enhance the role of the individual and strengthen the parties. So today, I propose just that -- a sweeping reform of our system. More than 90 percent of all PAC contributions come from PACs sponsored by corporations, unions and trade associations. So the cornerstone of our reform is **the elimination of all special-interest Political Action Committees.**

*** I propose the elimination of Congressional leadership PACs, through which Members of Congress bid for the loyalty of their colleagues.

*** I propose to end a practice known as "bundling," where business and unions encourage or coerce contributions from employees or members, and then give these contributions as a single donation.

As these reforms curtail special-interest money, we must encourage the role of the parties. I propose to more than double the amount of money parties may donate to Congressional

campaigns. Increasing party donations to federal candidates will allow legislators to spend more time legislating and less time raising money. It will give challengers the means to compete with incumbents. And it will allow all candidates to avoid having to raise money from special interests.

Still, some PACs should remain because they are protected by the First Amendment. These independent PACs account for about ten percent of all contributions. But even these I would limit, by halving their allowable contributions to federal candidates from \$5,000 to \$2,500. And new laws must keep such PACs unaffiliated and independent, so a business or labor group could not use them as a backdoor means of influencing the process.

I also propose to strengthen the Supreme Court's Beck decision, so that no member of a union can be forced to contribute dues to political activities he or she doesn't support. **To coerce political donations from working men and women is unfair and un-American. This practice must stop.**

CLEANING UP THE SYSTEM

We must do more to truly clean up the system. The basic strength of today's system is disclosure. Yet most money spent in American elections is **not** disclosed. This little known area of campaign finance law called "soft money" concerns dollars spent on voter turnout and registration efforts. I call on

Congress to join me in mandating full disclosure of all soft money contributions by the political parties, as well as corporations, unions and trade associations.

Other laws govern independent expenditure groups, which can spend any amount of money to elect or defeat a candidate so long as their activities are not coordinated with those of a particular candidate. While some of these groups perform a public service, too often they mask the motives of hidden contributors, acting as mercenary character assassins. Often, they deceive the public into thinking that they are a candidate's campaign. Yet all independent expenditure groups -- the good and the bad alike -- are protected by the Constitution. In order to provide more information to the public, I propose that such groups be required to more clearly identify the person or organization behind them.

REDRESSING THE INCUMBENCY ADVANTAGE

The third, and final area of reform directly concerns the powers of incumbency. Jefferson envisioned a Congress of citizen-politicians, who suspended their careers in law, medicine and agriculture to serve the nation. How far we've come from that simple vision. Today, incumbents stay in office for decades, amassing huge war chests to scare off strong challenges in election after election.

This is not democracy in the spirit of Madison and Jefferson. This is not the spirit of democracy at all. I propose to end the "rollover" of campaign war chests, requiring any excess campaign funds to be donated to the parties, to a fund to retire the national debt or be given back to the contributors. This would apply to all unspent campaign funds -- whether it is a race for Congress or the Presidency.

Under our current law, 190 House Members in office in 1980 can also use their leftover campaign money as a personal retirement fund -- pocketing hundreds of thousands -- even millions -- of dollars when they leave office. Senators are allowed to convert these funds for official use. **This practice must end . . .** And this same principle should apply to Presidential candidates as well.

Another advantage of incumbency arises from the way in which Members of Congress use the public frank to pay for mass mailings that amount to political advertising. The cost to the taxpayers runs into the hundreds of millions of dollars. The cost to our democracy is also steep. I propose to prohibit the use of the frank for unsolicited mailings.

Yet another area in need of reform is redistricting -- the way in which parties in power ignore community boundaries and draw district lines favorable to their candidates. No single

factor is more basic to restoring competitive elections than ensuring fair redistricting in 1991. I propose a new criteria for redistricting, without favor to party, to respect established community boundaries. **We must draw district lines that respect the needs of the people, not tailor them to the political needs of either party.**

Finally, in the next few days I will also send up legislation to ban honoraria and to address certain aspects of compensation for federal officials. This package will include a 25 percent pay increase for judges, which I have previously recommended, a 25 percent increase for the Senior Executive Service and senior level Presidential appointees, and a substantial increase for a limited number of specialized professionals -- such as nuclear scientists and surgeons -- where the Executive Branch is not competitive. I will also work with Congress on the development of details for increasing the pay of those in the Congress, as well as the remainder of the Executive Branch.

CONCLUSION

This year, as Congress observes its 200th anniversary, eleven thousand Americans have served in the House and Senate in the history of our Republic. Most have served in the great tradition of Russell and Rayburn, Dirksen and Mansfield, Dole and Mitchell. Some day, you may follow this path, the path to

THE WHITE HOUSE
WASHINGTON

June 28, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON
FROM: MARK DAVIS *MD*
SUBJECT: LIBRARY OF CONGRESS SPEECH

I. SUMMARY

On Thursday, June 29, 1989, you will address an audience of 400 congressional, executive and administrative interns at the Library on Congress. The purpose of this speech is to announce the new campaign finance reform package. You will speak for approximately 15 to 20 minutes from a teleprompted text.

II. DISCUSSION

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 12, 1989

REMARKS BY THE PRESIDENT
TO AMERICAN SOCIETY OF NEWSPAPER EDITORS

J.W. Marriott Hotel
Washington, D. C.

1:35 P.M. EDT

THE PRESIDENT: Thank you all very much. John, thank you -- please. Well, I'm delighted to be here and look forward to taking a few questions. I've been getting such a ribbing about my highly stylized prose, I thought it only appropriate for me to share a few recent headlines with you. (Laughter.) I'm sure nobody here would write things like this, but "Dentist receives plaque" -- that was one. (Laughter.) "Actor sent to jail for not finishing sentence." (Laughter.) And "The rest of the year may not follow January." I'm tempted to gloat. If that's the standard, I'm not doing too bad. (Laughter.)

Adlai Stevenson said, "An editor is a person who separates the wheat from the chaff and prints the chaff." (Laughter.) So I know I'm probably responsible for providing my fair share of chaff, but after all, I am the guy that said during the campaign, "A kitchen in every pot." (Laughter.) And also that "America's freedom" -- I was reminded by some of these back here -- "America's freedom is the example by which the world expires." (Laughter.)

So, let no one miss the message, as editors you uphold a certain ethical standard in your newsrooms and you've got to do that because a newspaper is only as good as its word. And I think this is no less true of government. High ethical standards are central to this administration and we're going to enforce them -- strictly, comprehensively, fairly, and to the letter and spirit of the law.

And we've got to work together to reform a public code of conduct that at times appears to be in disarray. And it's not logical or fair a code; it's both too harsh and too lenient. And it elevates detail over substance; precept over principle.

And so today I want to talk to you about some proposals of our administration, because such a system as now constituted ultimately breeds cynicism and contempt for the law. To truly reform it, we must remember that standards of trust and honesty are not dictated from regulations written in Washington, D.C. Ethics in public service derive from the natural integrity of the American people. They are to be found in the everyday conduct of working men and women; in the postman who checks out the -- checking up on the elderly resident at home; or in the cashier who runs after the customer that's been overcharged. The millions of Americans who meet their obligations honestly and teach their kids to do it the same way, see nothing extraordinary about asking the same of their government.

The American people are troubled when they hear of officials in every branch of government, at whatever level of government, who show a brazen contempt for the letter or spirit of the law. And the American people do not understand why certain behavior is considered criminal when committed by an executive branch official -- are perfectly legal when committed by someone in another branch of government. Is not a crime a crime? Should there not be

MORE

an underlying standard of integrity for all?

And as President-elect, I heard about talented men and women who, though perfectly honest, declined to come to serve in government out of fear. Fear of the sheer complexity of federal ethics laws. Fear that a simple, honest mistake could lead to a public nightmare.

And these concerns led me to issue an executive order creating the President's Commission on Federal Ethics Law Reform. And I asked its members to recommend steps to foster full confidence in the integrity of all federal public officials and employees.

And on March 9, as you may remember, this Commission filed its report and its recommendations. It was chaired by Ambassador Wilkie* -- Judge Wilkie,* co-chaired by former Attorney General Griffin Bell. In fact, the legislation now resulting from their recommendations and other ideas that I have -- the legislation is being sent to the Congress today. And just this morning, I issued an executive order announcing ethical principles for the conduct of executive branch employees.

Both actions seek a common end -- to raise ethical standards, to avoid conflicts of interest, and to ensure that the law is respected in fact and in appearance.

There are those, of course, who say that public ethics and values cannot be legislated. But they can -- and I'm inclined to agree -- you're never going to legislate away impropriety or through legislation guarantee that everybody lives beyond the, you know, perception of criticism -- but these values and ethics can be encouraged, respected, and adhered to in government. Public service must reflect the best values of America. And let me add that most public servants, in my view, do that. And I have served in the Congress and I have served in the executive branch as well.

Jefferson said, "The whole art of government consists in being honest." And yet, too often, simple honesty is not enough. Government rules have worked at cross-purposes. Our regulations have been complicated and unequally applied. Our laws have been contradictory and unclear. And we've spent more time trying to understand federal ethics laws than we have trying to live by them.

My ethics program seeks to remedy these defects. How? By setting four objectives: First, to establish clear ethical principles; second, to ensure uniform standards among all three branches of government; third, to insist that these standards be fair and reasonable; and fourth, to ensure that these standards attract, not drive out, talented men and women to government.

My ethics program first insists that ethical standards must be exacting enough to ensure that officials act with the utmost integrity, for the public's confidence is not ours to inherit. We must earn that confidence. And it must be constantly renewed. With this in mind, I have placed a ban on outside income for noncareer presidential appointees in the executive branch, including all employees in the immediate White House office. I am proposing expanded financial disclosure for all three branches of government. And I have instructed my staff to perform a comprehensive review of federal campaign finance laws.

Regarding the last, I have already reached one determination. Congress should extend for all members the prohibition against the conversion of political contributions for personal or office use. Political donations should not become a sort of individual retirement account for members of the United States Congress. And I call on Congress to close this loophole, and to close it this year.

Modern democratic government works best when organized by strong political parties. And yet we've allowed our parties to become weakened and overshadowed by special interests. And we can

MORE

best restore the role of the parties by limiting political action committees. PACS weaken the parties, restrain competition, and deaden the political debate. And I believe we should eliminate contributions to candidates by political action committees, and I'll be consulting with the Congress about that. And I also oppose federal funding of congressional campaigns. My legislative proposal also strengthens the rules against abusing the revolving door for private gain at the expense of public trust. These rules must not make government service a bar to productive work in the private sector, but they must prohibit the appearance of profiting from government service -- and this must include the legislative branch as well.

I'm proposing a 25 percent pay raise for federal judges, while restricting their acceptance of honoraria. I also believe that honoraria for members of Congress should be banned. And I believe Congress should have a pay increase. And I will not make a formal proposal on Congress until after I consult with the leaders of Congress on the issue of congressional pay. There is no point, absolutely no point, in putting Congress through another traumatic bashing like the one just completed. And I will include in those consultations the question of a pay increase for certain executive branch positions, including specialized jobs like those out there at the National Institute of Health. And I will strongly support pay increases for these jobs which are so important to this country.

My ethics program's second goal recognizes that ethical consistency demands equitable standards across all three branches of government. And under our Constitution, every branch of government is equal and none warrants preferential treatment. The same standard that applies to a staff person at HUD should also apply to housing subcommittee staff on Capitol Hill. And a practice is either ethical or it is not. And if Washington is to be a level playing field, then every player should be treated the same.

And therefore, I am proposing that we must extend the independent counsel statute to cover the Congress. I am also proposing that the federal statute that prohibits employees from taking actions that enhance their own financial interest be extended to cover legislative and judicial branch employees. There should also be an independent ethics office for Congress, to be headed by a clearly nonpartisan official, confirmed by both Houses. And I ask that the existing one-year post-employment "cooling-off" period for the senior executive-branch employees also apply to the legislative and judicial branches.

And then there's the third objective of this ethics program. It insists that standards be reasonable and reflect good old-fashioned common sense.

Some financial interests, for example, are too minor to create any meaningful conflict of interest at all. So I want the Office of Government Ethics to have the authority to issue regulations authorizing waivers from these -- conflict of interest statute. But at the same time, we're urging tougher penalties when intentional violations of criminal conflict of interest laws occur.

We're asking officials from all three branches to simplify the forms that must be completed by prospective appointees. And I'm also requiring mandatory annual briefings on ethics for presidential appointees.

My program's fourth objective is to attract and keep the best people in government by keeping federal ethics laws fair and balanced.

An ethics law is not a weapon -- a blunt instrument with which to pound a public servant. It's not a gag with which to silence the outspoken. It's a tool to ensure a government as honest as the American people.

We must not allow overly restrictive requirements to be

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abused, or to keep talented people from entering public service. And that is why we have carefully crafted new post-employment restrictions. And that's why we want to allow persons who are required to divest assets to defer their tax liability.

My ethics program shows exactly where we are going, and why. We seek to attract, and keep, the best and brightest in government. And by helping others, by building a better America -- honorably, ethically -- we seek to show how public service is not the sum of our perks or possessions, but a measure of how we conduct ourselves and what we achieve.

Come to think of it, this is a good code for all occupations, from high school to the highest callings in journalism and government. I am delighted to have the opportunity to present to you the principles of this ethics package and obviously -- I don't want to see this powerful crowd escape without a pitch -- I'd like to have your editorial support for the objectives that I've outlined here today.

Thank you all very much and I'd be glad to take your questions. (Applause.)

Q Mr. President, my daughter thanks you for the autograph you gave us last week, and I'm asking this question on her behalf. She is a 12-year-old 6th grader -- and I'm a little nervous here -- 12-year-old 6th grader at Shepherd Elementary School. And she asked me after I left the White House, "Daddy, will I ever be president? Will I have a chance to be president like Mr. Bush?" She's black and also female. Do you envision, sir, a time when this country might be prepared to elect a black and/or female as President?

THE PRESIDENT: Yes I do. I'd say to her, if I can make it, she can make it. But nevertheless -- (laughter) -- no, but seriously, Ben, of course we're in changing times here, and the great thing is that she might, by her question, aspire to be President. And I hope that I can keep alive for at least the time I'm in the White House, the concept -- the honor of public service, the obligation to put something back into the system, and also the fact that if you get into the arena, you get a very different perspective than when you're sitting outside.

I'll always love what Sam Rayburn said. And this is a little off your question for your daughter, but, as he was listening to some debate with a bunch of staffers, I think it was, up on the Hill, he said, "Well, the problem is, they never ran for sheriff." And it makes a difference. So I hope that the question means she is interested, and I hope that the progress this country has made and will make in the future will guarantee that a black teenager today, female, might well be president of the United States.

Q How do you square that excellent program you've just outlined to us, sir, with the Tower nomination and your support right to the end?

THE PRESIDENT: I see no contradiction whatsoever. As you know, I don't want to relive the Tower question, but I believe that judgments should be made on reality, not on perception. I didn't like what happened, and I don't think that it is any conflict at all with any of the four points I made here today. So I'd simply -- and nothing convinced me from the hearings of that because I don't think that there was anything that was pointed out to definitively -- that conflicts with what we've talked about here. So I just would respectfully disagree with the conclusion that the United States Senate reached. And I'm going to work with them; we're going forward now and they promptly confirmed Dick Cheney. But I just don't see any there -- at all.

Q Mr. President, this week the House committee reported out a bill which most of the people in this room think would severely limit and hamper the 1st Amendment. It would pass into law

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the so-called fairness doctrine. The head-counters say that it will probably go through both chambers quite comfortably. Will you stand with your predecessor in vetoing that bill should it come to you?

THE PRESIDENT: Well, I don't want to indicate a veto would be necessary, but I will stand with the previous position that I was a part of in the last administration. (Applause.)

Q Mr. President, since you've taken office, you've greatly increased the access to the presidency on the part of the press and you've taken such initiatives as hosting small dinners in your private residence with reporters and editors. This has sparked some debate, and if I can frame it, if you'll permit me to frame it in the spirit of our morning session with Morton Downey and Geraldo Rivera and others -- is he trying to woo us and may he succeed in seducing us? -- Mr. President, if you would explain your philosophy to press coverage of the presidency and the relationship with your administration? I realize that some of the debate is probably our ability to complain, no matter what kind of access we get. But I'd like to hear your views of your relationship to the media.

THE PRESIDENT: Well, in the first place, when Barbara and I invite a reporter and her spouse or a reporter and his spouse to the White House for an upstairs dinner, we're doing that not to seduce the press -- (laughter) -- treating them as human beings. And one of the reasons -- you've asked my press policy -- one of the reasons I don't take questions over the sound of the helicopter blades out there is, I want to treat the press with the dignity to which it is entitled. And if you have to get your question answered by screaming at me when I don't want to answer it, you don't look very good, and I don't think it's very good for the White House.

And so what I've tried to do is have enough availability -- in fact, I'm going to cross this one up as a press conference for the record. One more notch so I can go to those doubters -- (laughter) -- and say, look, we want to be accessible. But I would separate out -- you know, I don't know what we'll do at Christmas. So what Barbara and I try to do at our house is say, hey, you and Joan and Gene, or whoever it is, come on to the Christmas party and not have to have it all categorized and so afraid that somebody thinks I'm trying to seduce some reporter that you have to be treated as something so different than anybody else.

And so availability -- don't get made when they ask stuff you don't like, and treat people as you would whatever walk of life or whatever occupation they come from. And if it's misinterpreted, fine. You don't have to come. And so I understand -- I remember back a few years ago when one of the great news organizations said, "Okay, we're no longer going to be used. We're not going to any backgrounders or off the record. It lasted about 30 seconds, and those reporters came trooping back in. (Laughter.)

But I respected that if that's they want to do it, but please believe me that when we do it this way, it's what we feel is appropriate. And if it's not, I'll sure -- I think we'll take a hit, but I'm unpersuaded by the gentle logic of Morton Downey and whoever that other guy was that was here.

Q Mr. President, since you've announced this ethics program for the executive branch, I'd like to ask your comments about another situation involving ethics.

THE PRESIDENT: Oops. Nice try, Jack. (Laughter.) Go ahead.

Q That is the long-running Ethics Committee investigation of House Speaker Jim Wright. The Washington Time reported this morning that the findings of this committee would be turned over to the Justice Department for investigation of possible federal law violations. And also, there is a belief by some in Texas that since the rejection of John Tower as your first nominee for secretary of defense that there might be an attempt by the Republican

Party to retaliate against Speaker Wright. Would you comment on that, please?

THE PRESIDENT: Well, let me comment on the last part first, and I know of no such retaliatory action. I think it would be impossible to do anyway, and it would be wrong, and certainly I would condemn anyone in our administration that had any hand in anything of that nature. Secondly, there is nothing in this ethics package -- when I call for an even playing field, Congress, executive branch and judicial branch do have the same standards that should in any way, directly or indirectly be interpreted as intervening in the matter now before the House Ethics Committee.

And surely, Jack -- and I know there's this interest, particularly in your area and in my state. And I think it's wider than that now in the matters that are going forward there, but the last thing I want to do is involve myself in any way -- and please believe me, there is no, on my view, I answered the first question as frankly as I could about the John Tower matter -- but in terms of getting even or something of that nature by unfairly intervening into a process that is now being handled by the Ethics Committee in the House, I simply wouldn't condone that at all, and I would condemn it. So I want to separate out what's happening there from this package, and certainly in response to your question from any politics of retaliation because of my view that the Tower matter was not handled the way I would like to have seen it handled.

Q At this point in time, would you call Ollie North an American hero?

THE PRESIDENT: Anybody that gets a purple heart and sheds his blood fighting for his country deserves to be called an American hero. And it was in that context that I made those claims, and in that context that I will repeat them. And the last thing I want to do is intervene in that matter that is now before the courts. But that's how I feel about those who risk their lives to save this country.

Q In view of the fact that there's a program on the table to put a space establishment in Houston and the supercollider is going to be built in Jack's backyard or has been selected to be built in Jack's backyard, and two or three of the top administrative officials are from Texas, is there a real backlash developing because of that? We saw the Georgia Mafia, we saw the California Mafia talked about by the press. Is this going to happen and is it going to hurt your program?

THE PRESIDENT: No. (Laughter.) No, we've made appointments that are excellent in my view -- men and women of standing. And the fact that some of them come from my home state, hey, what's wrong with that? And the supercollider decision was made by President Reagan; it's a good decision. I want to support it. The space center was made by -- I guess when President Johnson was in office, or maybe under President Kennedy -- I'm not sure. And it should have strong support. But I don't see any risk of backlash at all, provided you get people that measure up. And that's what I'm trying to do.

Q Mr. President, I apologize. I've neglected the far left -- which some would say is out of character for me. (Laughter.)

THE PRESIDENT: Note that he said that, not I. (Laughter.) Go ahead.

Q Mr. President, I live and work in a state with a 2,500-mile coastline, a coastline that includes an oil terminal as well as the village of Kennebunkport. I'm wondering why it took so long for the government to move on the Alaskan oil spill. Why didn't the government, the federal government move more boldly, more quickly to clean up the spill?

THE PRESIDENT: I think the federal government moved much

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more quickly and more boldly than it gets credit for. I consider the United States Coast Guard a part of the United States government. And the Coast Guard moved very rapidly. What we did not want to do -- and I'm convinced now, even in retrospect, that this decision is correct -- was to relieve the Exxon Corporation of its liability by federalizing. And when I promptly sent our able EPA Administrator and our head of the Coast Guard, Admiral Yost; and Sam Skinner, the Secretary of Transportation up there, they came back with the unanimous recommendation that federalizing wasn't appropriate. The federal assets -- we have moved forward now on the cleanup. The first was containment, and now it's mainly in the cleanup phase, although there still are some containment problems.

Subsequently -- and maybe I should accept some criticism on whether I should have done this a week before we did or something of that nature, I'm giving you the reasons -- but I think that the federal government is properly involved, but we should not have done what some are urging upon us -- federalize that whole cleanup.

And, you know, it's a tough one. I do know the corner of the Maine coast you're talking about, and something about the pristine nature of Prince William Sound. And I do have a great concern about the environment. I want to do better. I want to do better and set higher standards in the environment. But I also happen to believe that the national security needs of this country are served by having a production offshore and by producing oil from the North Slope. And it is awful hard to guarantee against a contingency in a 10-mile-wide channel after thousands and thousands and thousands are -- put it millions of barrels have gone through there safely, and now apparently what human error seems to have caused this aberration. It's hard to have a contingency plan against that.

And the other day, they asked me about that, and said, well, you know, because there were some saying, well, you ought to shut down the oil coming out of Prince William Sound coming through -- out of the Port of Valdez. And I said, well, to guarantee against what happened, should shut down all the production off of Louisiana and Texas? I'm not sure I understand the difference. And I think we have got to do everything we can to learn from this. We've got to do everything we can to have a plan that is based not on a third of this bill, but on the totality of this bill in terms of recovery. But I simply do not want this disaster to -- this isn't all your question, but projecting a little -- to weaken the national security interest by making us further and further dependent on foreign oil. We're about up to 50 percent now, and that is not a good enough standard. So let's learn from this, let's do better in protecting the environment. If there's a lesson here that one agency or another might have moved faster, I will be the first to learn from that. But we've got to keep a certain perspective.

And I am very pleased that the federal government is as involved as it should be now. I also would like to see more volunteers involved. And therein, I would make a pitch for strong support for revision of our liability laws. Some, I am told, volunteers are -- in volunteer groups, are kept from helping out -- maybe not on this one, but in many other areas -- because of the fear outrageous liability claims. So this is a good -- we can maybe learn this from -- that much from this disaster up there.

But I don't -- I think maybe we should take some blame, but not -- I think we've had prudent action and I hope it's been timely.

Q Mr. President, when the North trial is over, will you tell the American people if you were the so-called "discreet emissary" sent to Honduras during the Iran-Contra affair and, if you were, give a full accounting of what you did there?

THE PRESIDENT: I think I've given a full accounting. I would refer you, sir, to what -- incidentally, in today's paper, to what was said by Ambassador Negroponte and also Tony Motley, who sat in on that meeting. And having said that, every attorney that

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advises the President has advised me not to do something that inadvertently would cause a mistrial or would disturb the process that is underway.

And so, I don't like reading charges that I happen to feel are untrue, but I have to stand on that. And that just goes with the territory. And I am confident that the process that has gone on and the process that undoubtedly will go on after this trial is over will say that anything I have heretofore said is correct. But I do not want to be pushed into doing something for self-aggrandizement that would be ruled by some judge to have aborted a trial that is underway.

Well, thank you all very much. (Applause.)

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