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OA/ID Number: 13725
Folder ID Number: 13725-007

Folder Title:
New York GOP 7/24/90 [OA 8314]

Stack:	Row:	Section:	Shelf:	Position:
G	26	20	6	6

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Three

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JULY 24, 1990

((Senator D'Amato and all the Members of the New York Delegation, Senate Majority Leader Ralph Marino, Chairman Pat Barrett, Pierre Rinfret, Comptroller Regan, Guy Vellella, Assembly Minority Leader Clarence [["RAPP"]] Rappleyea.))

((You know, for two years, when I was ambassador to the United Nations, Barbara and I lived in this very hotel, in room 42 A. And whenever I complained about anything, Barbara would just roll her eyes and say: "Just where do you think we live? The Waldorf Astoria?"))\\\

((Now I understand that New York City has been selected as the site of an important event in 1992 -- a convention that will attract thousands of participants from all over the country -- people who hope to put their past setbacks behind them and plan a winning strategy for the future.\\ That's right -- the first reunion of all the ex-managers of the New York Yankees.))\\\

But then there is that **other** future New York convention -- the Democrats. Of course, many Democrats in Washington have supported me in meeting this fantastic era of change abroad; have worked with me to pass the first revision of the Clean Air Act in more than thirteen years -- tougher standards to cut down on acid rain and other air pollutants. And they worked with me so I

could sign into law a bill ending discrimination against disabled Americans. So tough negotiations **can** get results. But differences between the parties are still broad and deep, and much remains to be done -- too much. With more Republicans in Washington and in Albany, think of how much more we can achieve.

In New York, we face a tremendous opportunity to end the Democrat gerrymander -- an opportunity to end discrimination against voters by race and by party. That is our mission this November, and it is one that transcends mere politics because we are deeply concerned about the future of this great state.

To coin a phrase, we love New York, **all** of New York, from the oak-lined avenues of Long Island, to Yankee Stadium, to Broadway. From the city streets of Buffalo, to the New York of farm towns and the Adirondacks -- New York is a city of lights, a state of grandeur, a place where dreams come true.\\ ((It certainly is for me -- After all, New York is where the Silver Fox was born.))\\

But we are concerned for the future, because New York has become something else -- a showcase of liberal policies. And after sixteen years of dominance by liberal Democrats, it is time to judge the results.

For 92 months, America has enjoyed peacetime economic expansion and the creation of more than 22 million jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York --

especially in the City -- was becoming more expensive, more difficult and more dangerous than ever before.

~~In Albany~~, liberal Democrats blame every problem on Republican policies, especially Republican economic policies. But in the late seventies, a large airline centered in New York didn't go out of business. It just decided to move south, to Texas, taking more than a thousand jobs with it. And in 1987, a large energy corporation based in New York didn't go out of business. It just decided to move south to Virginia, taking 3,600 jobs with it. ((In fact, since 1983, almost a third of the Fortune 500 corporations based here have chosen to leave.))

Now New York's credit rating is in a bigger slump than the Yankee's batting average. And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation! ((No wonder Rapp here said: "This is not a budget, it's a buffet."))\\

Who let this happen? The same people who've been in power in Gracie Mansion and Albany for years -- liberal Democrats.

→ Well, New Yorkers are sick and tired of a declining quality of life that drives away companies and good jobs. New Yorkers are sick and tired of open-air drug marts and muggings. And New Yorkers are sick and tired of the liberal anti-reform mentality.

Twenty-nine out of the last thirty-five years of Democrat dominance in Congress have also taken their toll. Only a President carries a national mandate. But, like Republican Presidents before me, I know that to deal with a Democrat

Congress is to often face government by gridlock -- with spending skyrocketing out of control, good legislation thrown aside for pork, and a budget deficit looming over our children's children.

It is time we asked the American people **to end the gridlock. To choose the liberal mindset of the Democratic Party or to choose <u>our</u> path -- the Republican path. To empower government to run their lives, or to empower people to run their lives for themselves. To ask America to CHOOSE.**

Here in New York, you must choose a governor. Let it be a Republican Governor -- **Pierre Rinfret.** Here is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen, and wants to lead others out of poverty. He may not be a politician. But maybe New York doesn't need another politician. **Maybe New York needs a change.**

New York must also make another choice -- to keep your outstanding Senate Leader Ralph Marino and his colleagues as your last line of defense against a liberal governor and his Assembly. Republicans like what works. That's why your Republican Senate has been -- and will remain -- your watchdog against big spenders.

Gatt. Ed Rubenstein

And believe me, you're matched up against big spenders. Example: An adjunct fellow of the Manhattan Institute reports that the state payroll ballooned from $3 billion in 1983 to almost $7 billion in 1988 -- **a 130 percent increase!** No wonder New Yorkers are among the highest taxed people in the country.

So be thankful that your Republicans in the Senate forced a spending cap and base-line budgeting. It is the Republicans in the Senate who managed to trim $1.5 billion in Democratic spending proposals. ((They know you can't trust a party that would double the fare of the Staten Island Ferry.))\\\ Kidding aside, think of what these Republicans would achieve if they could work with a **Republican governor, a Republican Assembly.**

Jobs and taxes **are** important. But safe streets are of equal concern, especially in a city that lives in fear. That's why New York agrees with us -- these violent criminals deserve nothing less than punishment swift and sure.

So Republicans want to change lenient, blame-the-victim laws, and liberal Democrats don't.

Republicans want to allow the women of this state to be able to defend themselves with MACE, and liberal Democrats don't.

And Republicans want murderers and drug kingpins to pay the ultimate penalty -- and liberal Democrats don't.

In Washington, we argued that those who sell drugs are selling death. And we proposed that drug kingpins reap what they sow. But our crime bill faces another obstacle. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination **to take back the streets.**

The Senate has now cleared a crime bill, a major new package -- 423 days after I proposed it. It is not a perfect bill. It does nothing to ensure that evidence gathered by **good** cops acting in **good** faith isn't barred by technicalities that let **bad** people

go free. But it is a crime bill, and it does toughen sentences for violent crime.

Now this legislation is before the House. And let us tell the Members of the House, **423 days is long enough. Don't keep our men and women in blue waiting.** Pass a tough crime bill, and pass it soon.\\\

Let me give you another example of how a liberal Congress, long in power, jealously clings to the failed policies of the past. In April of last year, our Administration asked Congress to pass the Educational Excellence Act -- reform proposals to reward achievement and allow educational choice. Yet Congress killed many of these sensible and cost-effective proposals. And then they **doubled** our request with hundreds of millions of dollars worth of unnecessary, unrelated and costly changes.

If liberal Democrats should have learned anything, it is that you cannot reform an education system by throwing billions of dollars at it. ((After all, Al Shanker, President of the American Federation of Teachers, estimates that New York State has more school administrators than all of Western Europe.))

So when is it going to penetrate liberal thinking that we shouldn't throw money at an ineffective education system that is already the most expensive in the industrialized world? When are they going to start demanding results and stop measuring the value of a program by the size of its price tag? When are they going to stop blocking reform?

But where the liberal mindset dominates, ~~as it does in Albany and in Washington~~, the net result is the same: bad schools, dangerous streets, big deficits. And as long as liberal Democrats run Congress and run Albany, we -- ~~a Republican President and a Republican New York State Senate~~ -- will often be forced to measure our successes in catastrophes averted and calamities mitigated.

The genius of the American system is that it allows for checks and balances. But this doesn't mean that the voters must choose political stalemate, year after year, decade after decade. Let me be blunt: Divided government isn't working very well.

Divided government just isn't good enough, for America or for New York. **We must have more Republicans.**\\

It is time to ask the American people to let us show what we can do without the albatross of liberal legislatures. It is time to ask America to choose.

As we go into the 1990 election season, remember an adage from a great Republican governor of New York, and a great President. Theodore Roosevelt said: "In life, as in a football game, the principle to follow is: Hit the line hard."

The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

THE WHITE HOUSE

WASHINGTON

July 21, 1990

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON

FROM: MARK DAVIS MD

SUBJECT: NEW YORK GOP

I. **SUMMARY**

You will speak to about 1,400 New York Republicans at the Waldorf Astoria Ballroom, Tuesday, June 24, at about 7:45 p.m. Your remarks are about fourteen minutes long and will be on teleprompter.

II. **DISCUSSION**

This speech praises gubernatorial candidate Pierre Rinfret, but looks to the New York Republican Senate as our last line of defense against gerrymandering. While praising New York State, it details the failure of liberal government. And it draws an explicit comparison between liberal legislators in Albany and in Washington, and asks the American people to -- once and for all -- choose between the parties.

Because this speech "hits the line hard," we are double-sourcing certain sections (in some cases, triple-sourcing.) When you find a few lines in brackets, it means that the item mentioned has a document to verify it -- and we are waiting to gather even more sources to back it up.

Δ in acknowledgements

THE WHITE HOUSE
WASHINGTON

Date:_____

TO:

FROM: **KRISTEN GEAR**
Special Assistant to the Deputy Assistant for Communications
122 OEOB, EXt. 2930

The attached is for:

- ☐ **Per our conversation**
- ☐ **Information**
- ☐ **Direct Response**
- ☐ **Draft Reply**
- ☐ **File**
- ☐ **Please Return by** _____
- ☐ **Per your request**
- ☐ **Review & Comment**
- ☐ **Appropriate Action**
- ☐ **Signature**
- ☐ **Other**

Comments:

THE WHITE HOUSE

WASHINGTON

This has been sent.



FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES INCLUDING COVER 2

DATE 7/24/90

TO Dave Demarest

FAX NUMBER 215 496-4516

OFFICE NUMBER _____

COMMENTS _____

FROM Mark Davis

OFFICE NUMBER 456-2930

THE WHITE HOUSE

WASHINGTON

July 24, 1990

INFORMATION

MEMORANDUM FOR THE PRESIDENT

TO: **DAVE DEMAREST**

THROUGH: **CHRISS WINSTON**

FROM: **MARK DAVIS** MD

SUBJECT: **New York State**

Both Borough President Molinari and Assembly Minority Leader Rappleyea liked the passage about the declining standard of living and the loss of Fortune 500 corporations in the New York area. Neither of them felt that this language would pose a problem for New York Republicans.

In addition, Molinari also lobbied me to pass along a request to you to include a few lines about the opposition of Mayor Dinkens to Navy home-porting for New York. Molinari said that this was an astonishing position for any mayor to take -- one that could cost his city hundreds of millions of dollars. He said you could comment on this irony -- greatly benefiting both Molinaris -- without making a presidential endorsement of basing the home-port in New York.

Expect to be lobbied on this when you arrive in New York.

# # #

THE WHITE HOUSE

WASHINGTON



FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES INCLUDING COVER 2

DATE 7/24/90

TO Steph Laudner

FAX NUMBER 212-421-7646

OFFICE NUMBER

COMMENTS

IMPORTANT! CRUCIAL!

FROM Carol Blymire

OFFICE NUMBER 7760

THE WHITE HOUSE

WASHINGTON

July 24, 1990
3:10pm

MEMORANDUM

TO: STEPH LAUDNER

FROM: CAROL BLYMIRE

SUBJECT: NY GOP

Hello! Here are the revised acknowledgements, in the order they should appear (according to CW):

1. Senator D'Amato, and other Members of the New York Congressional Delegation
2. Senate Majority Leader, Ralph Marino
3. Assembly Minority Leader Clarence "Rap" Rappleyea [[RAP-lee-ay]]
4. Guy Molinari, Staten Island Borough President
5. The great Republican ticket of Pierre Rinfret, Geoff Yancy, and Bernard Smith
6. Pat Barrett, New York State Party Chairman
7. Ned Regan, State Comptroller
8. Richard Rosenbaum, RNCommitteeman for New York
9. Rita DiMartino, State Republican Party Vice Chairman
10. Bag Bill Green.

The President's brother, Jonathan, will be there with his wife, Jodi. Chriss thinks that this could somehow be worked into an amusing anecdote, joke, or acknowledgement. Good luck!

SEATING DIAGRAM
VISIT OF THE PRESIDENT
TO NEW YORK CITY, N.Y.
TUESDAY JULY 24, 1990

1 3 4 5 6 7 8 9 10 PODIUM 11 12 13 14 15 16 17 18 19 20 21

Green

AUDIENCE

1 Robert Father Yeasel - Immaculate Conception, Syracuse
2 (9) Rita DiMartino-State Republican Party Vice Chair
3 (4) Clarence "Rap" Rappleyea - Minority Leader State Assembly
4 Chris Barrett - Wife of Pat Barrett
5 Geoff Yancey - Republican candidate for Lt. Governor
6 Jodi Bush - Wife of Jonathan Bush
7 (1) Senator Al D'Amato - U.S. Senator of New York
8 Pierre Rinfret - Republican candidate for Governor
9 PRESIDENT BUSH
10 (2) Ralph Marino - State Senate Majority Leader
[] PODIUM
11 (6) Pat Barrett - New York State Party Chairman
12 Jonathan Bush - Brother of the President
13 Guy Velella - State Senate Campaign Chairman
14 (7) Ned Regan - State Comptroller
15 (5) Guy Molinari - Staten Island Borough President
16 Ethel Marino - Wife of Senator Marino
17 Bernard Smith - Republican candidate for Attorney General
18 Ida Rinfret - Wife of Pierre Rinfret
19 (8) Richard Rosenbaum - Republican National Committeeman for New York
20 Pat Velella - Wife of Senator Velella

5 1/2 Grand Rep. friend of Pierre Rinfret, Geoff Yancey and Bernard Smith

Add -- Jonathan Bush

Davis/Blymire
Title: Newyork1
Date: June 16, 1990
Draft: Four

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7:30 p.m., TUESDAY, JULY 24, 1990

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It is time we asked the American people **to end the gridlock. To choose the liberal mindset of the Democratic Party or to choose <u>our</u> path -- the Republican path of opportunity and growth.**

To empower government to run their lives, or to empower people to run their lives for themselves. To ask America to CHOOSE.

Here in New York, you must choose a governor. Let it be a Republican Governor -- **Pierre Rinfret.** Here is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen, and wants to lead others out of poverty. He may not be a politician. But maybe New York doesn't need another politician. **Maybe New York needs a change.**

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Now this legislation is before the House. And let us tell the Members of the House, **423 days is long enough. Don't keep our men and women in blue waiting.** Pass a tough crime bill, and pass it soon.\\\

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killed many of these sensible and cost-effective proposals. And then they **doubled** our request with hundreds of millions of dollars worth of unnecessary, unrelated and costly changes.

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Where the liberal mindset dominates, the net result has been the same: bad schools, dangerous streets, big deficits. Of course, times **can** change -- and I hope they do. As you know, I met this morning -- and will meet every morning this week -- with the Congressional leadership to work for an agreement to lower our federal deficit.

We all know that the Democrats have a long track record on spending. ((But if the Berlin Wall could come down in the same year that America goes nuts over Teen-Age Mutant Ninja Turtles,\\ who knows what could happen next?)) Again, times can change. The leaders of Congress can work with me to break the impasse on reducing the budget deficit. The spotlight is on both sides to place progress over partisanship, and the national interest over special interests. I welcome sincere efforts from both sides of

the aisle, and I am eager to get an agreement with Congressional leaders to achieve meaningful budget reform.

This is my hope. But as long as the liberal mindset dominates, we will be forced to measure our successes in catastrophes averted and calamities mitigated.

The genius of the American system is that it allows for checks and balances. But this doesn't mean that the voters must choose political stalemate, year after year, decade after decade. Let me be blunt: Divided government just isn't good enough, for America or for New York. **We must have more Republicans.**

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The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

Bobby Chung
- tomorrow AM

Liasion - Army
697-7425

Lt. Col. Phillips
Lt. Col. Stokely 724-5018

Pierre Rinfret > [redacted]
Bronze Star

CW3 Steinkellner
Sgt 1st Class Davis
(314) 263-7434
(314) 263-6438

CK that Congressman Bill Green is ~~from~~ representing Manhattan.

Come in by 8 AM. —

Col. Bob Burkey
Let me know by 12 hr. (7:30 pm) ish

Carol, I asked of the Colonel, he say: Pierre Rinfret OTAY! Mark

ALBERT SHANKER
PRES

AFT AMERICAN FEDERATION OF TEACHERS AFL-CIO
555 NEW JERSEY AVENUE NW
WASHINGTON, DC 20001
202 879-4400

FAX COVER LETTER

DATE: 7-23 TIME: 12:49 EDT

TO: CAROL

VOICE # _____ FAX # 456-6218

FROM: _____

VOICE # _____ FAX # _____

COMMENTS: _____

PER YOUR REQUEST

PLEASE ACKNOWLEGE RECEIPT 879-4458

NUMBER OF PAGES: 16 (including this cover)

'arewell to the Eighties

A CURIOUS thing happened on our way through the 1980s. The decade began with a push for school reform that focused on "more" nore required courses, more exacting dards, more hours in the school day, e homework, more testing, more days e school year. It took us a while to de- that more of the same doesn't add up xcellence.

time, we shifted our focus to "restruc- g." We began to see that better educa- l outcomes would require some cata- nic changes in the ways we do busi- . While we talked glibly about reshap- he schools, however, we educators n't very strong on specifics.

eems only proper, then, for the *Kap-* o kick off the new decade with some and specific ideas on ways to go about sk of school restructuring. In this is- Albert Shanker and Joseph Carroll their compelling visions of organiza- changes that could transform the ls.

the heart of both Shanker's plan for cturing (an Incentive Schools Pro- and Carroll's vision for school reor- ıtion (the Copernican Plan) lies the ınd certain knowledge that children They approach learning in idiosyn- and amazingly diverse ways. Yet, individualization has been the rally- / of education for years, the fanfare 'gely been drowned out by bureau- dictates and by standardized text- and tests. Now Shanker and Carroll t structural changes that would free rs to develop an array of instruc- ıpproaches designed to improve the ment of *all* their students and to has- advent of a genuine learning com- . That freedom, while daunting, is e mark of professionals.

ıer Shanker's vision nor Carroll's should be viewed as "The Solution" to the grave problems of American education in the closing years of the 20th century. One-size-fits-all school reform has never worked, as Donald Orlich made clear in the March 1989 *Kappan*. But the kind of thinking that Shanker and Carroll are doing should be a model for the rest of us, as we seek to reshape our schools to respond more effectively to the needs of our own students.

In the process of rethinking schooling, we ought to be aware of some potential pitfalls. For example, restructuring must involve continuing self-renewal; enduring change cannot depend on charismatic individuals, who tend, when they move on, to leave their brain children gasping for life. If it is to last, restructuring must be a common cause that springs from a schoolwide consensus.

Moreover, restructuring plans that provide such organizational benefits as smaller class sizes and better-balanced course offerings (as Carroll's proposal does) run the risk of being implemented for the wrong reasons. The middle school is a prime example of a misused innovation.

Philosophically, the middle school makes good sense, since its program is intended to provide a bridge between the self-contained elementary classroom and the fully departmentalized secondary school. In reality, however, the middle school has too often become a tactic for managing classroom space that has little to do with program design or with the needs of students in the middle years.

Our goal, as this new decade begins, should be to establish pockets of excellence — school programs that serve students effectively in our own locales. With enough such pockets, we will be able to stitch together a nationwide system of schooling that effectively serves the needs of young people in the 1990s and beyond. — PBG

PHI DELTA KAPPAN USPS 429-840

(ISSN 0031-7217) Published monthly, except July and August, by Phi Delta Kappa, Inc., Eighth & Union, P.O. Box 789, Bloomington, IN 47402. Subscription rate, $30 per year, domestic; $32.50 per year, foreign. Single copies $3.50 each; remit with order. Indexed in *Education Index* and in *Current Index to Journals in Education*; available on microfilm, University Microfilms, Inc., Ann Arbor, Mich. Second-class postage paid at Bloomington, Ind., and at additional mailing offices. *Postmaster:* Send address changes to *Phi Delta Kappan*, P.O. Box 789, Bloomington, IN 47402. Copyright 1990 by Phi Delta Kappa, Inc.

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The End Of the Traditional Model of Schooling — and A Proposal for Using Incentives to Restructure Our Public Schools

The signs are unmistakable, and they are piling up fast: public education will either improve or be destroyed. As one way to avert disaster, Mr. Shanker proposes an Incentive Schools Program that would revolutionize the way schools operate.

BY ALBERT SHANKER

AFTER MORE than six years of intensive effort, public education in America is still at the edge of disaster. Virtually every state and thousands of school districts have applied their favorite remedies to their schools to little avail. Why are the results in student learning still so disappointing?

We've heard many explanations, but two predominate. The first is that public schools haven't really carried out the reforms, perhaps because teacher unions and other groups with vested interests have "hijacked" them[1] or perhaps because schoolpeople have watered them down beyond recognition or perhaps because public education is unusually resistant to change. This explanation has the virtue of simplicity, and it has a certain headline appeal. Yet the evidence doesn't bear it out: studies show that what's remarkable about this reform movement is not how little has been implemented but how much.[2]

The second explanation is that six years is too soon to expect to see much change. Certainly it is unreasonable to expect a mass enterprise to be turned around in a short period of time, yet by now we should be seeing at least some consistent signs of improvement. In fact, there isn't even any significant progress on the one indicator that everyone in the school system has been obsessively working on: raising student scores on standardized tests. What's wrong?

Our persistent educational crisis shows that we've reached the limits of our traditional model of education. Given our present and foreseeable demographic, economic, social, and educational circumstances, we can expect neither greater efficiency nor more equity from our education system. That statement is dramatic, but it also seems obvious. After all, there seems to be widespread agreement that we must do things differently in our schools. And if we are to believe the rhetoric of school reform, we are now in the midst of a "school restructuring" movement. But experience has taught me that, when diverse groups of people start using the same new word or phrase, there is usually not much new happening. Everyone may now be in favor of restructuring, but very little restructuring is actually taking place.

This is not to suggest deliberate deception. Indeed, a failure of imagination seems more likely. Most of us went to traditional schools, most of us have worked in traditional schools, and we have grown accustomed to them. It's easier to think in terms of improving the kind of school we all know than it is to imagine totally different kinds of schools. An even bigger stumbling block in the path of fundamental change is the fact that almost everyone believes that we can solve all our problems by improving the traditional model of education. After all, didn't that model work here once? And doesn't it still work in Japan and Europe?

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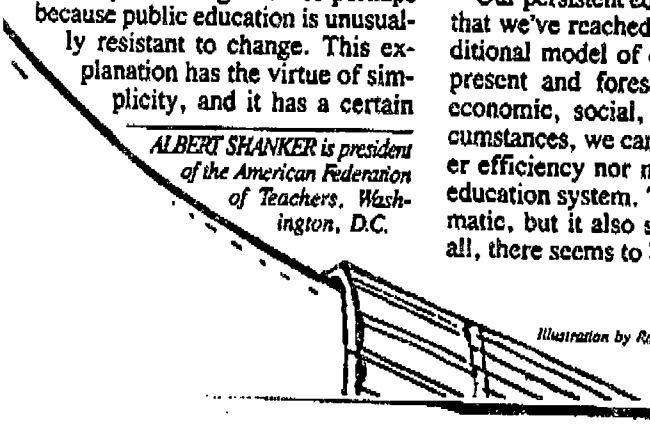


Illustration by Roger T. De Muth

Doesn't it still work for most of our own children?

But even if tomorrow everyone were to buy the arguments for restructuring and start having new visions of new schools, the system under which our public schools operate would still make it very difficult to bring about more than marginal improvements. To be sure, there are places where people are departing significantly from the traditional model of education; our public schools do not lack for visionaries and heroes. But if change is to be widespread, ordinary people must be able to carry it out. And because today's reforms may be tomorrow's problems, the capacity for responding to new challenges must itself be institutionalized. Unfortunately, the bureaucratic nature of our system of public education makes it impossible for our schools to work in these ways.

Some have explained this condition by calling our system a "failed monopoly." I believe it would be more accurate to compare it to a planned economy. And as the bitter lessons of the world's planned economies suggest, we must remake our schools and our school system according to a new model, one that reflects the principle of self-renewal. Otherwise, no reform, however ambitious, will produce the kinds of improvements needed to save public education and guarantee a decent future for our students and our nation.

HOW BAD ARE THINGS?

People and systems generally don't change unless there is a compelling reason to do so, and complacency about the performance of our students does not bode well for remaking public education. To the extent that parents and the public in general believe that there is a crisis in public education, they believe it to be a crisis in somebody else's school district -- across town, across the state, across the country. Even many educators will tell you that, though things are not as good as they'd like them to be, the problem is attributable to poor public relations or to increasing numbers of at-risk students. The facts tell a different story.

Crossroads in American Education, released in 1988 by the National Assessment of Educational Progress (NAEP), gives an overview of 20 years of assessments of reading, math, and science. It shows that we have an educational disaster on our hands that involves *all* students. *Crossroads* presents only two pieces of good news. The first is that blacks and Hispanics have made great strides in reading and math during the last 20 years. The gap between these groups and whites remains unacceptably large, but it has been narrowed by about half. The other piece of good news is that everybody has mastered the basics by now. Students can read simple material, and they can add, subtract, multiply, and divide whole numbers. But from there on, the news is all bad.

The assessment results for 17-year-olds who are still in school are particularly dismaying. Most of the 25% of high school students who drop out are gone. The 17-year-olds who are there to be tested are our successful students, the ones who are about to march down the aisle and get diplomas. Yet the findings of the NAEP indicate that few of these students are ready to do real college-level work or to handle a good job. For example, only 6% could solve the following multistep math problem: "Christine borrowed $850 for one year from the Friendly Loan Company. If she paid 12% simple interest on the loan, what was the total amount she repaid?"[3]

Asked to write a letter to a high school principal advocating a change in school rules, only 2.6% of 17-year-olds could come up with one as good as this:

> I am writing this letter in order to discuss the rule of "sharing lockers." I know I don't like this rule and I'm sure many other people don't like it either. I think I can understand why you would like lockers to be shared. I guess the first reason would be so that new kids to the school have an almost "automatic friend." Another reason could be a shortage of lockers.
>
> I believe this rule should be abolished because I know about myself and others who had books "borrowed" without permission. This causes trouble when one is forced to go to class without his books. My locker partner also smokes, which is a severe problem. Our locker always smells of smoke. The locker shortage can be solved by placing a row or two of lockers in the basement.
>
> Thank you very much for taking your time to read this and I hope you will give it some thought.[4]

And only about 5% of 17-year-olds could grasp a moderately complex paragraph that begins: "In the years between 1940 and 1960, literature, the arts, and culture in general became increasingly oriented to the many. In an economy of high productivity, deluging millions of people daily with movies, magazines, books, and television programs, American culture achieved a degree of homogeneity never dreamed of before."[5]

Please note that none of these questions has much intellectual content. They do not require knowing Dickens or Shakespeare or calculus or difficult concepts in history or science. They require the kinds of skills people who have completed high school need in order to find their way in the world. Nor can the NAEP results be explained away by the poor performance of minority students. By and large, the majority of students assessed by the NAEP are privileged middle-class students. Moreover, minority performance on NAEP assessments has improved substantially over the years, while that of whites has not. Even if tomorrow minority students reached the same levels of performance as white students, we would still have an educational disaster on our hands.

This fact becomes painfully clear when we compare the results of the NAEP exams with those of school-leaving tests in other countries. The comparison is, admittedly, not technically valid, but it is instructive. For although the NAEP assessments are far less demanding than the national or provincial exams taken by students graduating from secondary schools in other industrialized, democratic nations, such as Great Britain, France, or West Germany, the NAEP results indicate that only 5% to 6% of our graduates leave high school prepared for college-level work, whereas 17% to 28% of secondary school graduates in these European nations handle the more demanding tasks on their school-leaving exams at levels high enough to earn admission to universities.

Of course, we send a much greater percentage (55%) of secondary students on to college than these nations do. But comparing the NAEP results with those of European examinations suggests that the overwhelming majority of American students who go on to college will be learning what their European counterparts learned in high school (or even junior high) and that few of our non-college-bound high school graduates are qualified to get and keep a good job.

The dismal results reported in *Crossroads* are confirmed by other NAEP studies. About half of the 17-year-olds still in school could not do much math beyond adding, subtracting, and multi-

plying with whole numbers; only 12% of them could arrange a series of simple fractions with different denominators in the order of size; and few could provide enough information in their writing exercises to communicate their ideas. What the NAEP finds, experience supports: college faculty members are complaining more bitterly than usual, and businesses are shrieking about the poor quality of high school graduates.

TINKERING VS. RESTRUCTURING

Jack Bowsher, the former director of education at IBM, has said that if IBM were producing results comparable to those of our schools – that is, if 25% of their computers were falling off the assembly line before they reached the end and if 90% of the completed ones didn't work 80% of the time – the last thing in the world the company would do would be to run that same old assembly line an additional hour each day or an extra month each year. Instead, IBM would rethink the entire production process.

We, however, have acted as though we have a good system that has somehow become soft – perhaps because teachers and students aren't working hard or long enough or because standards have slipped. We've presumed that the system could be shaped up through a regimen of central regulations. The reforms this perspective produced are by now familiar: teacher testing and tougher inservice evaluation, higher teacher salaries, career ladders or merit pay, stiffer academic requirements for students, no more social promotion, more frequent standardized testing, and so forth. Certainly, a number of these reforms have some merit. But it is also clear that this approach – the educational equivalent of stepping up the old assembly line – hasn't worked.

For all the tough, businesslike rhetoric accompanying these reforms, they demonstrated a faith in the traditional model of education that was almost religious. What were these reforms aiming for? What, for example, did William Bennett's James Madison High School most strongly resemble? The New York City schools that I attended during the 1930s and 1940s.

In those days, the New York City schools had a surplus of highly qualified teachers. Aspiring teachers had to pass rigorous and lengthy exams, both written and oral. Standards for students were rigorous, too. There was a mandated curriculum, plenty of homework, no social promotion, and considerable pressure for achievement on both teachers and students. Times were simpler. Broken families were unusual unless a parent had died. Parents pushed their children to excel; mothers stayed at home; commercial television didn't exist; drugs were practically unknown. Most students were respectful toward their teachers – their parents encouraged them in that – and school violence was rare. In other words, if ever there was a time when the traditional system could and should have shown its powers, this was it. Yet in 1940 only 20% of students graduated from high school. It was not until 1953 that a majority graduated.

> Shortages are relative to standards, and standards for entering teaching tend to be low.

History, therefore, suggests that the traditional model of education is dependent for its success on at least three conditions: a cohesive family and social structure; a willingness to accept educating the vast majority of children to only a low level (and then pushing them out or letting them drop out) and a small minority to a high level; and a large supply of well-qualified teachers. Schools have no control over the first condition. The second is unacceptable for moral, economic, and social reasons. In the 1940s and 1950s dropouts dropped into a different world. Decent-paying jobs were available to unskilled workers. Times were tough, certainly. But a grade school dropout could still work his way up, and a high school dropout could almost count on being able to afford a house.

Times have changed. *A Nation Prepared: Teachers for the 21st Century* puts the situation starkly: "If our standard of living is to be maintained, if the growth of a permanent underclass is to be averted, if democracy is to function effectively into the next century, our schools must graduate the vast majority of their students with achievement levels long thought possible for only the privileged few."[6]

But if it's beyond our control to meet the first condition for the traditional model of education and if the second condition is unacceptable, can we perhaps overcome our problems by concentrating on the third: getting a large supply of well-qualified teachers?

THE ECONOMIC CASE FOR RESTRUCTURING

Unfortunately, given the egg-crate structure of traditional schools and some facts of demography, the prospects for getting the teachers we need are dim. Deomographic projections tell us that, by the early 1990s, we will need to replace 1.3 million teachers, about half of our current teaching force. This means that 23% of each college graduating class must enter teaching to meet the demand.[7] If in the interests of quality we were to insist on recruiting new teachers from only the top half of the class, we'd need to attract 46% of the students in that group. Yet in 1982 only 4.7% of all college students said that they were heading for a career in teaching. In 1985 that figure was up to 6%, and in 1988 it reached 8.8%. The outlook has brightened slightly each year, but it's not nearly bright enough. Even with a high proportion of returning teachers among new hires in the last couple of years and even with the proliferation of alternative teacher-certification programs, we're still not within striking distance of the numbers we need.

Some people call this talk of a teacher shortage nonsense because they can't find any classrooms that don't have teachers in them. But shortages are relative to standards, and standards for entering teaching are by and large very low. Of course, teaching continues to attract some highly qualified people, but it does so despite the standards for entry, not because of them. Even those states that have licensing exams for teachers do not ask candidates to demonstrate skills beyond the level of a high school junior, and many exams don't go beyond the sixth- or eighth-grade level. And yet, despite these low standards, many states are still

> We're going to have a hard time hiring more than one million teachers by the mid-1990s.

issuing emergency credentials to meet shortfalls in the supply of teachers, and many districts continue to assign teachers to subjects out of their fields because they can't find qualified staff.

If we care about standards and if we accept the fact that this nation faces an overall labor shortage in the coming decade, then public education must learn how to compete in the labor market. That means making teaching more attractive relative to other occupations. We could start by raising teacher salaries, since there's no question that teachers are poorly paid in comparison with other professionals. That's part of the reason that women and minorities, who used to become teachers because they were denied better opportunities elsewhere, are now choosing other fields.

But each teacher's salary would need to be substantially raised to bridge the gap between salaries in education and those in the private sector, and some quick calculations show that the cost of even a modest across-the-board increase in teachers' salaries would be enormous. We have some 2.3 million teachers, so every thousand-dollar increase would mean a $2.3 billion increase in the education budget nationwide. If we take an average competitive professional salary to be about $40,000 and add pension benefits and Social Security costs, we would face a staggering $30 billion beyond what we now spend for education.

In 1989 the largest federal education program, Chapter 1, had a budget of $4.57 billion, and that still isn't enough to reach all eligible students, despite their dire needs. How likely, then, are we to raise teachers' salaries to levels competitive with those in other professions? And if we did, how likely is it that other professions – business, industry, and the military – would stand idly by? The shortage of top graduates from our colleges is real, and these other employers would be forced to raise their salaries to compete with the schools. It's not hard to see who would be the loser in such a bidding war.

What about improving working conditions? Teachers care passionately about reducing class size and teaching loads, so it's reasonable to assume that changes in these directions would help to attract and retain teachers. But this, too, would be costly and demographically unrealistic.

Take an English teacher who has an average teaching load – five classes a day of 30 students per class. That means 150 papers per writing assignment. If the teacher were to spend only five minutes on each assigned paper (almost impossible) and five minutes discussing the paper with each student, the tally comes to 25 hours of teacher time per writing assignment. Moreover, that figure doesn't count the time needed to prepare daily lessons and do the standard paperwork. No wonder, as the NAEP's *Writing Report Card* tells us, teachers assign so few papers.[8] And no wonder our 17-year-olds do poorly on the NAEP writing samples.

Any reduction in class size would be a help, but a 20% reduction would still mean 20 hours of work (instead of 25) for an English teacher to read and respond to written assignments – still a crushing burden. The financial numbers don't add up either. A 20% cut in class size would mean a proportionate increase in staff and in the education budget. And if, by some magic, the money appeared, demographic realities would still stand in the way. It would be possible to find enough warm bodies to staff those additional classrooms, but it would be impossible to find enough qualified teachers.

Clearly, no matter what strategies we employ, we're going to have a hard time hiring more than one million teachers by the mid-1990s. If we remain with the traditional egg-crate structure of schools, which necessitates putting a teacher in each classroom, we'll undoubtedly have many teachers who fail to meet current standards. In the name of covering our classrooms and for the sake of discharging the custodial function of schools, we will have created a disaster – for students, for the teachers who are qualified, for public education, and for our nation.

But schools are not alone in facing demographic and economic problems such as these. Business is facing them, too. For example, the plentiful supply of skilled machinists that many companies once depended on no longer exists. Companies have had to rethink the way they deploy, develop, and maximize scarce talent and how they organize the workplace to make the best use of that talent. Successful companies have restructured their management and staffing arrangements and have made increasing use of teams and technology. They are trying to get the job done with the resources now available.

The education profession, too, will have to be restructured if schools are to make more intelligent use of their human resources. But doing so is not simply a matter of developing career ladders or involving teachers in decision making or getting more computers, as some would like to think. It requires rethinking all our assumptions about schools, from the egg-crate organization to the concept of class size, from age-grading to the uses of teachers' time. Restructuring the education profession so that all young people have access to good teachers means restructuring our traditional model of education.

EDUCATIONAL ARGUMENTS FOR RESTRUCTURING

But suppose we somehow do find the large numbers of talented people that the traditional model of education needs in order to function. And suppose we put these people in the existing structure and tell them to do their best. Their best still would not be good enough. Our most academically inclined students would probably do better, but the vast majority of our students would not. Of course, this assertion cannot be proved. However, its accuracy is strongly suggested by the high dropout rates in schools before the mid-1950s, by the enormous percentage of students in our schools today whose achievement barely rises to the minimum, and by the low performance even of European students in non-elite schools. The rigid and confining structure that the traditional model of education imposes on teachers and students doesn't enable even the majority of children to be educated – and it never did.

Some students need more time to complete a task than others, and most learn better through one method than another.

Some learn best by reading chapters in a book, others by watching and listening to a videotape, and still others by direct experience. Some children comprehend new material most readily when they analyze it in a teacher-led seminar, others when they teach it to younger students or when they grapple with it alone. Some students can master a concept the first time around because they have prior knowledge that has established a context for the unfamiliar material. Others need two tries or three or more and opportunities to see that beliefs they have acquired — say, about the flatness of the earth — are wrong. Some children shine in large groups; others are too insecure to participate. Some students can pace their efforts over a semester or a year, while others need the sharper incentives provided by shorter time periods.

These common-sense observations are increasingly supported by research. Howard Gardner and Robert Sternberg tell us that people have multiple intelligences and that different ones predominate in different people.[9] Thomas Sticht and E. D. Hirsch, Jr., have demonstrated in different ways that reading comprehension is influenced by background knowledge and context.[10] Lauren Resnick has pointed out that there are major differences between learning in and out of school, differences that prevent many otherwise bright youngsters from succeeding in school — and differences that may prevent some highly successful students from succeeding at work. Of course, a raft of research findings about the different rates at which children learn exists.[11]

Much of this we know not only from research but from our own experience. And others before us have known it, too: consider Socrates or William James or John Dewey. But our schools don't reflect this knowledge; the rigidity of the traditional structure forces us to try to fit diverse children into the same mold. Given the way we organize schools, children must learn in lock step or not at all. We should not have been surprised when John Goodlad found that teacher talk takes up an overwhelming percentage of class time; lecturing (and questioning) is the most obvious and "natural" way to operate in the traditional structure.[12]

Our schools are based on a fundamentally mistaken idea about the role of students in their own education. The traditional model of education sees students either as vessels into which knowledge must be poured or as raw materials that the education process turns into finished products — high school graduates. But people become educated because of the work *they* do. No matter what the root meaning of the word *educate* is, no one can *educate you*. You must talk, you must read, you must imagine, you must build, you must listen. Merely being present as someone else tries to pour something into you does not mean that you are learning. You must be actively engaged.

The student, therefore, is a worker. And the job of the school system is to figure out how to keep the student working. In that respect, teachers and principals are much like managers of a factory or a business. Their job is to get workers to want to come to work every day and to do their jobs, even when no one is watching. But are schools organized to encourage students to be active learners, to take their work seriously, and to monitor its quality?

Charles Handy, a British authority on organizations, suggests that secondary schools are certainly not encouraging students to be active learners.[13] Since schoolwork is like office work, he asks us to imagine an office in which a new employee is seated at a desk and told who his or her supervisor is and what job is to be done. The new employee is surrounded by 20 to 30 others at similar desks but is told not to communicate with them. Also, every 45 minutes or so, the new employee is told to move to another desk in another room where there will be a different supervisor (with a different personality and a different set of expectations), a different task to do, and a different group of 20 to 30 employees working at their desks.

"How many of us," asks Handy, "if asked to organize an office, would so arrange things that people worked for eight or nine bosses in a week, in perhaps five different work groups, in seven different rooms without any desk or chair to call their own [or anywhere] to put their belongings, and were discouraged, if not prohibited, from talking to anyone while working?" How much work would get done under these conditions? Yet that is exactly how most schools operate.

Handy points out that this system doesn't make sense if we consider the student a worker, but it makes perfect sense if we consider the student as raw material that adults are turning into a finished product. "Raw material," he says, "is passed from work station to work station, there to be stamped or worked on by a different specialist, graded at the end and sorted into appropriate categories for distribution. . . . That so many come through it smiling, grateful and grown up, is a tribute to the dedication of many teachers who impose their humanity and personality on those huge processing plants. But many do not come through as well. They leave alienated by an institution that seems to them oppressive, irrele-



"You just can't pat kids on the head anymore!"

vant, and dismissive of their possible contribution to the world. Truly, for them, it is a disabling system."

Our system of schooling also supposes that students will be able to sit still five or six hours a day. Most adults can't do that, and neither can young people. And it's not as though sitting still most of the day is necessary for learning. However, it is useful in a system that operates mostly by chalk and talk. And it is useful to a bureaucracy that values control and order.

When we're not expecting children to sit still and listen, we're probably trying to get them to participate so we can check on their understanding. In other words, we're asking them questions in front of their peers. For those who often know the answers, this is a fine system. But for the ones who don't, it's a daily humiliation. And pretty soon these children will decide that school is just not their game. They may continue to show up, but they've turned off school, perhaps for good.

The rigidity of our system can be particularly devastating to young children. Look, for instance, at the implications of the policy we use in admitting them to kindergarten. In most places, children enter kindergarten the September after they reach the age prescribed by law in their locality. In other words, a child who is barely 5 years old will be expected to be on a par with a child who's almost 6. But a year is a long time, developmentally speaking, for 5- and 6-year-olds; it's 20% of a 5-year-old's entire life. So children who are a year younger can easily conclude that they're dumb when they can't do what their "peers" who are a year older can do. Or the older, abler children may become bored and impatient with school if their class is pitched to the level of their younger classmates. Either can be a disastrous experience for a young child.

Some school districts, with all good intentions, now flunk kindergartners who are not deemed ready for first grade. Other districts, with equally good intentions, move them ahead with their "age-peer" group. Again, both practices can lead children into serious difficulty. But does this indicate a problem with the children? Or has the system, through its rigid school-entry schedule, its assumptions about age and grade levels, and its lockstep structure, created the problem? Do we really need to have all students start school and each grade at the same time? If not, why do we do it? One reason is bureaucratic convenience. And the other is that it makes it easier for the teacher to start talking and to cover the curriculum. It has little to do with children learning.

The limitations of our factory model of education have become manifest, and they are crippling.

The traditional model of schooling is, therefore, incompatible with the idea that students are workers, that learning must be active, and that children learn in different ways and at different rates. The factory – rather than a moral, learning community – is the inspiration for the traditional model. When the factory was touted as the ideal organization for work and when most youngsters were headed for its assembly lines, making a mass public education system conform to the model of a factory may have seemed like a great achievement. When we were content to educate a small percentage of our students and flunk the others or let them drop out, the limitations of that model were not much apparent and did not seem serious. But America's old-fashioned factories are dead or dying and will not be resurrected as we knew them. Nor can we accept – morally, politically, or economically – educating only a small percentage of our students to a high level. The limitations of America's traditional factory model of education have become manifest, and they are crippling.

LAST GASP OF THE TRADITIONAL MODEL

But if our system has reached its limits, what about the flourishing traditional systems in other countries, the ones that produce students who outscore ours in every international comparison? Aren't systems such as those in Japan, Korea, West Germany, and British Columbia an argument that the traditional model does work and that our version of it can be improved?

In fact, many of the education reforms of the past several years, as well as the critiques of restructuring, have been based on this belief. Stiffer teacher and student requirements, more homework, a longer school day and school year are all among the reforms aimed at introducing – or reintroducing – features associated with successful school systems in other countries. So perhaps we haven't gone far enough in following the example of countries with traditional systems and high student achievement. Perhaps. But we'd have to go very far indeed, because the many crucial differences between our school system and theirs are of great significance.

For example, each of those nations has a national or provincial curriculum – and often nationally prescribed textbooks. But a national curriculum has always been anathema to the U.S. Moreover, given our highly decentralized system of school governance and our fear of federal control, it is likely to continue to be. Only the U.S. has local school boards as we know them and superintendents who must maintain majority support of a board while trying to manage the system. And none of these countries has our huge school bureaucracy. As early as the 1960s (and things in the U.S. have gotten worse), Martin Mayer found that there were more school administrators in New York City than in all of France and more in New York State than in the whole of Western Europe.[14]

The U.S. is also the only nation that is obsessed with standardized multiple-choice tests. Many countries don't use them at all, and most emphasize tests that are tied to a national or provincial curriculum and include essay questions. Another major difference between our system and those in foreign countries is that theirs have far more elaborate tracking systems. In fact, many of them run three separate school systems into which students are sorted, beginning at a very early age. Therefore, their schools – and even the classrooms in any given school – have a student population that is far more uniform in level of ability than that found in American schools and classrooms. Both our system and theirs may stress the traditional lecture method of teaching, but lecturing to a homogeneous group is easier and more effective.

Last, but hardly least, since entrance standards for universities in these nations

are very high, teachers are drawn from the top group of secondary school graduates, a group whose members are comparable to those who enter elite colleges in the U.S. Moreover, teaching in these foreign nations is a high-status occupation. As a result, the academic qualifications of all school personnel are very high, and there is now no shortage of teachers.

Of course, we could make our traditional model of education conform more closely to theirs. But we are not likely to muster the political will to transform our system of school governance; to pare down our school bureaucracy; to devise and implement content-specific national curricula; to throw out commercial, norm-referenced standardized tests; and to raise college entrance standards significantly. Nor will we find the number of qualified teachers we need to make a traditional system work in the foreseeable future. They're not in the pipeline, and it would take a generation or more to produce them, even if we were able immediately to devise a scheme for doing so. As for emulating the tracking systems of other countries, that flies in the face of our ideals and might also fail. Moreover, we can't afford to weed out students. We need to cultivate them all.

So on our own terms and on others', we've reached the limits of what the traditional model of education will yield. We are not alone in this. In fact, we are in a position very like the one American auto makers found themselves in several years ago. They, too, were producing more and better cars in, say, 1975 than in the 1950s. But doing better than in the past wasn't good enough, because the Japanese were doing still better than we were.

Faced with plummeting sales, American auto makers (like American educators) thought their problems were just a matter of poor workers who needed to be fired or told exactly what to do and made to work harder. The auto makers, too, complained about lousy raw materials and poor public relations. It was not until they examined the Japanese system of production and management that they began to see that they had to rethink and restructure their own system. And when they saw the first-rate results Toyota got when it reopened a notoriously bad American auto plant in Fremont, California, with a different production process, different relations between workers and managers, a different auto design, and the very same "poor" raw materials and "recalcitrant" union workers, the revelation was dazzling.

A CASE HISTORY OF RESTRUCTURING

What might a school look like if we rethought all the givens about the way schools should be organized and run? The Holweide Comprehensive School in Cologne, West Germany, is an example of such a place. It is not a model for everybody to copy, but it illustrates what can happen when the assumptions behind the traditional model of education are overturned.[15]

Holweide, which started as an experiment and has been operating for 15 years, runs from the equivalent of our grade 5 through grade 11. Its student body of 2,200 has a diversity that, though common in the U.S., is still rare in Europe. The students include the children of Turks, Moroccans, and other foreign "guest workers," as well as many native German children from poor or single-parent families. Unlike most other German schools, in which children are tracked according to perceived ability, Holweide has a mixture of students, almost all already identified as not being "college material." But what makes Holweide radically different is its structure.

Teachers work in teams of six or eight. The teams are assigned the same number of students they would ordinarily teach – about 120 – and are responsible for breaking the students down into classes. This arrangement does not last for just one year but for the full six years that the students are in the school. Adjustments can be made, but first teachers and students must try to resolve whatever problem has come up.

The team of teachers decides how to group students; how the school day will be organized; which teachers will teach science, math, history, and so forth; who will serve on the schoolwide curriculum committee; how much time will be devoted to each subject; and what materials will be used. No one is locked into a schedule for the whole year, because the system allows for readjustments according to the needs of students and teachers.

A second major difference between Holweide and the traditional model of schooling is that the Holweide arrangement provides for genuine accountability. Since each teaching team has the same students for a full six years, no one can blame a student's deficiencies in reading or math on last year's teacher or just mark time with a problem student until he or she is passed on to next year's teacher. Teachers have to confront difficulties and live with the consequences of their decisions. On the other hand, because they are part of a team, teachers need never face these challenges alone. Holweide's approach thus turns the usual bureaucratic, assembly-line processing of children into a teaching and learning enterprise, a moral community.



"Don't tell me Sally Ann Hackberry isn't the teacher's pet! She got the gold star for naming 50 states, when I named 66."

The system also has the practical effect of vastly increasing instructional time without adding hours to the day or days to the school year. In the U.S., it may take junior high and high school teachers weeks to get to know the names of their 150 or so students. In addition, massive program changes during the first weeks of each term mean that a substantial portion of the term has passed before teachers really know who their students will be.

Similarly, our end-of-year rituals that process students so they can be passed on to their new teachers insure that days are spent with little or no instruction. In Holweide, where teachers have the same students from year to year, the teaching teams just keep on going because they don't have to finish up with their current students or get ready to start again with a new batch of students in the fall.

Holweide's structure allows for approaches that actively engage students in their own education. One of the central assumptions of the school is that the students are workers who are responsible for their own education, as well as for helping their teammates. There is a minimum of teacher talk, and questions predominate over answers. Pupils of mixed ability sit at tables in groups of five or six. They work together on problems, helping and taking responsibility for one another. Peer influence promotes learning, and children are not continually humiliated by being called on before the whole class to give answers they don't know.

Not surprisingly, in this more intimate and responsible atmosphere, most of the discipline problems that plague urban schools disappear. Children's affinity for peer groups becomes an asset, not a liability. Since teams suffer when individuals suffer (academically or socially), students take more responsibility for shaping one another up, including helping to solve one another's personal problems. Each student can also form a close relationship with at least one teacher, something that is very difficult to do in our schools.

The results at Holweide are impressive. Most students come to the school already written off as lacking academic potential. Despite this, a disproportionately large number end up going to universities, which, in Germany, means passing a national examination that requires a high level of scholastic achievement.

> People in schools are not rewarded for improving outcomes — but for following routines.

All of this is accomplished without the bureaucracy that characterizes American public schools. Holweide has only three administrators (a principal and two assistants), and all three continue to teach, as required by German law. In fact, the principal teaches six to eight periods a week and is a member of a teaching team. Though many elements of Holweide's structure are worth trying in some American schools, I'm not offering it as a panacea for our problems. What Holweide does represent, however, is a fundamentally different model of schooling. It is an example of the kind of rethinking we'll have to do if we are to develop schools that will reach the large numbers of youngsters who are failing in one way or another in the current system.

Some rethinking of this kind is already occurring in school districts in the U.S. That's the good news. The bad news is that there are so few that *Kappan* readers could probably name most of them. But we have 16,000 school districts in this country and 100,000 schools — and not much time left.

What's the problem? Mostly that change is extraordinarily difficult to create and maintain. We've seen some bold initiatives in several districts in which the school management and the union saw the need for reform and the community supported change. We also know that a dedicated group of people can transform an individual school. But there simply aren't enough heroes to go around — there never are. If we are to get out of the hole we are in, we have to turn school restructuring into something everyone can do — and can carry on, because a lack of continuity is also part of the problem.

Even in places in which steady changes are taking place, we have to ask whether the changes will last. What will happen when the superintendent moves on? When a new school board is elected? When the leader of the local union retires? When the cadre of staff members at a school who have led the restructuring effort get worn out or promoted? The retirement of a bank president doesn't take the bank back to the time when tellers wore celluloid cuffs and used mechanical calculators. The same must be true of school restructuring. Will the movement for school restructuring end up as a historical footnote to the events surrounding the demise of the American system of public education at the end of the 20th century? It probably will, unless radical changes of the kind we need to make are deeply rooted in the institution. The question we must ask is, How do we do that?

LESSONS FROM THE WORLD'S ECONOMIES

I believe that the way to institutionalize changes in our schools is to adapt to our schools some of the principles on which our economy is based. For many years, throughout the world, two theories about how to make people work effectively have competed with each other: the free market theory (or capitalism) and the theory of the planned or command economy (or communism). Command economies are planned from above. They try to eliminate what they see as the wasted effort and wasted resources that go into making competing products by deciding who will do what and allocating resources accordingly. So they don't have 25 different kinds of cars competing for buyers or 50 different kinds of breakfast cereals. And everybody is supposed to be paid at pretty much the same rate, which eliminates the inequalities that stem from some people earning a lot of money and others earning very little.

The debate over the merit of the two systems has gone on in many countries, including our own. But we live in a fascinating time in world history, when it seems that this debate is turning into a chorus of approval for the free market approach. The leaders of communist countries, who had been maintaining that you don't need individual economic incentives to get people to work, have now admitted

that their command systems simply don't work. No matter how much they plan from the top, no matter how many accountability systems they create, no matter how many inspectors they use, no matter how many little award programs they devise to recognize outstanding workers – no matter how many people they send off to the gulag as punishment for not working hard enough – the system doesn't produce.

The Soviet Union produced less wheat last year than it did in its last year under the czar. And Mikhail Gorbachev is calling for *perestroika* – restructuring. A decade ago, the farmers in China couldn't feed themselves. Then the party bosses said to the farmers, "All right, you keep what you grow; you keep the wheat, the rice, and the tomatoes. Just pay a tax on it." All of a sudden a system that didn't produce enough to sustain itself was able to feed all of China and parts of the rest of the world as well.

A market system has lots of problems, but in the long run it gets people to be innovative. It gets them to be entrepreneurial. I'm not saying that the only thing that can move people to action is the prospect of making or losing money; there are other important and valuable incentives – the desire to do a good job or to solve a difficult problem or to gain the respect of colleagues or to attain professional norms. But systems that have totally ignored financial incentives haven't worked. If a system is to be successful, it must use *all* incentives.

How is all of this relevant to the breakdown of our traditional model of education and to school restructuring? The point is that our schools operate as command economies. Incentives, where they exist at all, are lined up the wrong way. People in schools are not rewarded for improving student outcomes. They're rewarded for following a bunch of routines – such as handing in attendance registers on time or following a lesson plan – that have little to do with the success of the school as an educational institution. For students, the problem is different. Instead of incentives leading in wrong directions, there is only one incentive – getting a high school diploma.

Many reports and the experiences of a couple of million teachers tell us that most students – like workers in a command economy – do not work very hard. The exception is the 5% or so who want to go to elite colleges. The great majority of students are bored; they're disengaged; their biggest question is, "Will this be on the next test?" It's not that our students are stupider or lazier than students elsewhere in the world. And most of them have parents and teachers who urge them, "Work hard, study. You'll be glad you did later on."

But adolescents are like adults; they do exactly as much as they have to do in order to get what they want. They also know that, to get a job or to get into college, they probably don't have to do much except graduate from high school.

Both John Bishop and James Rosenbaum have pointed out that achievement in high school may not matter to young people who are going directly into the work force, because it doesn't seem to matter to potential employers.[16] The only thing an employer typically asks entry-level job applicants is, "Did you graduate from high school?" It will make no difference whether or not a youngster had a good attendance record, and it won't matter whether the student took three years of math, one year of physics, and one year of chemistry or a whole bunch of soft courses. What message is this sending to students? How well you do in school doesn't count.

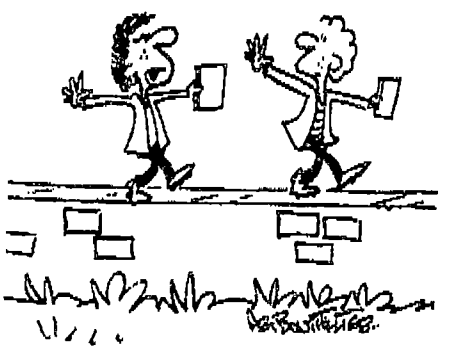
Youngsters have gotten the message. (And so have schools, which may be one reason they've always shortchanged work-bound students.) Youngsters get it as soon as they go looking for a part-time job at McDonald's. If an applicant looks okay, the manager just says, "You're hired." The youngster who is failing every single course gets hired just as quickly and at the same rate of pay as the straight-A student. And when young people leave school to get a permanent job, they have exactly the same experience. Employers do not ask for high school transcripts; they do not give preference to students who worked hard and did well in school. Most of the companies offering the best jobs don't even hire high school graduates until they're 24 or so. They want young employees to sow their wild oats while they're working for other employers. This, too, discourages students from taking high school seriously, because it forces those who have done well in school to compete for the same low-level jobs as those who have done poorly.

All along the line, then, students learn that there is no connection between doing well in school and getting a good job with good pay. And if someone is a little slow in getting the point, friends will clue the youngster in: "Hey, why are you doing your homework? Are you crazy? The school can't do anything to you, and it doesn't count for anything anyway."

In England, France, Germany, Holland, and Belgium, if you do well in school, you're the first in line for an apprenticeship or a job. And if you do well in school, you'll begin at a higher salary than a mediocre student. Every parent and every teacher in these nations can tell students that working hard and doing well count. And they know that students will pay attention, because there is tangible proof that school performance pays off.

So for American businesses that worry about the quality of students our high schools are turning out and wonder what they can do, the answer is simple: provide incentives. Pay attention to student achievement in high school, and make it count for something. One possible approach is for the business community to establish long-term partnerships with high schools in which businesses agree to hire graduates on the basis of how well they did in school. Partnerships such as these will accomplish more than all the adopt-a-school programs put together.

Schools, in turn, must be able to supply employers with accurate and timely information about students. There are probably few high schools right now that could get a transcript to an employer in one or two days – three weeks is more like it. No other country does as poor a job as we do in this respect. And the employer who finally gets a transcript might well need the services of a translator to figure it out. Schools must have a system for providing transcripts that the business community can rely on. And many will need to rethink their transcripts



"I'd be an honor student if it wasn't for school."

so that they can give employers the information they need in a form that is useful.

The result of this cooperation between schools and businesses will be a system in which non-college-bound students will have strong incentives to work hard because they'll know that achievement in school might mean the difference between being the first or last to get a job or between getting a low-level job or one that pays more and offers some chances for promotion. Another result is that schools will have a strong incentive to do more than they now do for their work-bound students.

Admittedly, this system poses a dilemma. On the one hand, it could initially put a disproportionate number of poor and minority youths at a disadvantage because of their high school performance. But these young people are able to get only dead-end jobs, and they rarely stay long before moving on to different dead-end jobs. On the other hand, the system will help show inner-city students the relationship between school performance and getting a good job, and it will give them an incentive to begin working in school. Moreover, it will help protect qualified minority youngsters against discrimination in hiring. We are entering a period in which we will have a tremendous labor shortage, one so severe that employers will not be able to turn down applicants because they don't like their skin color or their ethnic background. Qualified applicants will get jobs, and they'll get promoted. Poorly qualified workers, however, will still languish in dead-end jobs. So employers and schools need to make it clear that the world is changing and that, if minority students have the skills to get the jobs, they'll be hired.

Restoring incentives for college-bound students is equally important. Getting into college used to be a very important incentive, but for most youngsters that is no longer the case. It's true that incentives to work are still in place for young people who want to attend elite institutions. They must meet high standards, and they work very hard. But the rest of our high school students know that they can get into some college no matter how poorly they do. All they need is a high school diploma and enough money. Like employers, the colleges are sending young people a message that what they do in high school does not count. This is not true in other industrialized countries. Parents and teachers in Japan or Great Britain can tell children that, if they don't learn certain things, they won't be able to go to college. We should be able to say that, too.

> We ought to establish a voluntary, multi-year competition open to all U.S. schools.

This is not a call for a return to the time when 5% to 10% of high school graduates went to college. All students who can profit from further education should be able to get it, whether or not they have the money. But no one should be admitted to college without being able to do college-level work. That seems obvious – yet, as many college teachers agree, such admissions happen all the time.

Getting incentives lined up so that high school means something again – and so that students know it does – would benefit the businesses now facing the prospect of hiring high school graduates who read at the sixth-grade level. It would help colleges, which frequently complain of having to run remedial classes for students who can't do college-level work. And it would make an enormous difference to students, many of whom now perceive school as some kind of holding tank – or perhaps jail – instead of as a place to learn something of importance. To solidify this perception, we need to make basic changes in our schools, changes that also involve a reordering of incentives. The question of incentives for schools – and, indeed, incentives within the entire education system – is far tougher.

Talk of incentives in public education may seem new, but it's been going on for a long time. Yet incentives in education have tended to be rather primitive in conception. Merit pay, for instance, aims at changing teachers' behavior. And it does: it pits one teacher against another. But this is not the kind of change we need if we expect teachers to work together to improve schools. Public school choice, another incentive plan, tries to improve education by letting parents pick the schools their children attend. But the idea of choice does not take into account many important facts, among them that good schools have just so many places. Moreover, the idea of school choice assumes that most parents will choose on the basis of educational criteria instead of on which school has the best football team or the most convenient location.

It's easy to take shots at the flawed incentive plans that have been offered. But it's more important to recognize that incentives *do* work; they are major motivators of the behavior of individuals and systems. Instead of abandoning the idea that the system needs incentives, we must experiment with some incentives that have a better chance of producing the outcomes we value. Here, then, is my proposal for an experiment. A preliminary proposal such as this is likely not to have all the details right, but I hope it will stimulate a discussion on how best to introduce incentives into public education.

INCENTIVE SCHOOLS

When President Bush announced his $500 million-per-year merit schools plan last spring, the fact that he talked about merit *schools* rather than merit *pay* was encouraging. Furthermore, he seemed to be talking about incentives for system-wide change. But it turned out that what the President really had in mind was one of those programs of school recognition where a committee or some collection of state officials looks around for schools that seem to be doing well and gives them a plaque and a little bit of money. This kind of program doesn't hurt, but it's no way to bring about a major restructuring of American public education. However, that same $500 million could be the foundation for an Incentive Schools Program that would revolutionalize the way schools operate.

My proposal is to establish a voluntary, nationwide, multi-year competition open to every school in the United States. The winners could be the 10% of participating schools that achieved the greatest improvement over the time of the competition, which might be five years. The prize would be money – generated from the $500 million invested over the time the competition was running – to b

divided among the staff members of the winning schools. If every school in the country volunteered to compete, that $500 million a year, invested for five years, would yield about $15,000 for each staff member in the winning schools. If only half of the schools in the country participated, the incentive award would be $30,000 per staff member. That's real money, and, since one in 10 schools would win, that's a real incentive to participate.

If this plan is to work, participating schools must be free to develop new ideas and to try new practices. So management would be required to waive all regulations that might keep schools from considering any and all promising changes – except of course for rules dealing with health, safety, and civil rights. Similarly, unions would have to grant their members the right to waive provisions of union contracts that stand in the way of promising changes. School boards would also have to give each participating school control of its share of the budget – not just control of trivial, discretionary funds but control of all the funds.

Each school would perform all functions for itself, from curriculum development to maintaining the heating plant. Schools might purchase some of these services from the central office, or they might contract for services from private vendors. And to the extent that schools did not need the services of the central office, that bureaucracy would have to shrink, thus making more money available to the schools themselves. Finally, since the participating schools in a district would vary a good deal in what they were doing, school boards would have to permit parental choice.

A time span of three or more years is essential for the competition. With less, people wouldn't have enough time to experiment with new ways of doing things. If you take a wrong turn during the first year of a two-year project, that's it – you're not going to recover. So most people would play it safe and make some simple change instead of taking a risk with something that might really make a difference. Moreover, it takes time for new practices to show results, and better results are the basis for winning the competition.

The terms of the competition and the methods of assessing the competitors would need careful thought. The object is not to reward schools that are already on top but to reward improvement. We'll need to figure out how to create a level playing field, so that an inner-city school that isn't used to success can have as good a chance of making it into the top 10% as a school that usually produces impressive student outcomes.

The object is not to reward schools that are already on top but to reward improvement.

The assessment process will have to involve demonstrations of students' abilities to think and to do. It will have to go beyond relying on multiple-choice questions and paper-and-pencil tests and concentrate on skills we value, such as the ability to read a decent book, to express an idea in writing, to engage in a discussion of an important national or international issue, to explain the physics of everyday phenomena, and to set up and conduct an experiment and show the mathematics behind it. Prototypes of these kinds of assessments exist, and more are being developed. The details of the assessment process can be worked out, but one thing is certain: if we don't get the assessments right, the incentives will lead to the same wrong outcomes. People will work toward the same wrong things tested by the same narrow standardized tests we use today.

One important feature of the competition is that it will make the school staff into a team bent on achieving the goal of increasing student learning. Team members will read, talk together, conduct school-level research and evaluation, and try out new ideas. Even under school-based management schemes, the decisions made are not likely to be risky. But when much is at stake – as it will be in the competition – team members will deal with difficult issues they now avoid, such as how to shape up their weaker colleagues. They'll make important decisions that depend on having control of the finances – such as whether to put more money into salaries to attract teachers in shortage areas, whether to invest in technology, or whether to hire more paraprofessionals. Team members will have to demand ideas and services that are competitive, just as successful businesses do. And, like successful businesses, they will be relatively free to get what they want where and when they want it. The Incentive Schools competition will set schools free from their routines and from the constraints of the bureaucratic factory model of education. It will provide them with a concrete incentive to raise the levels of achievement of all their students.

As sketched here, the Incentive Schools Program is voluntary. But we should think ahead to the possibility of a mandatory plan in which there would be losers as well as winners. Schools that do a consistently wretched job of educating their students ought to be at risk, and the most miserable schools ought to be closed. Where possible, students could choose to attend other schools, or the failed school could reopen with a new education plan devised by a new school staff. The staff of a winning school might take over the failed school just as a successful company often takes over a firm that has failed. Teachers from a failed school would be back on the hiring line. They might even be rehired by their old school, now reopened under new management.

Should a union president be saying these things? What will they mean for the union and its members? The role of unions, like that of the administration and the school board, is going to change radically. We have no choice. Certainly a union can change and can take risks; I know my union has done both before. And the kind of thing I've been talking about is not unlike what happened when the United Auto Workers (UAW) sat down with the management of General Motors to map out the Saturn project. Union members agreed to work in teams at lower than prevailing industry rates of pay but with an opportunity to make much more through a profit-sharing arrangement, and they agreed to monitor one another's performance – all previously unheard of. Management agreed to pare down its supervision system, to make drastic changes in the usual management perks, and to involve workers in important decisions – all previously unheard of. These things happened because the UAW and General Motors knew

that they were in a life-or-death situation; they were dealing with the future of the American auto industry.

We are in a perilous spot, too. The future of public education in America is at stake.

The Incentive Schools plan doesn't have to be carried out in exactly the way I've described. What I'm really proposing here is a model for discussion. Perhaps five years is too long a time to wait for rewards; perhaps three might be better to get and keep schools interested. Perhaps $15,000 (or even $30,000) might be too small a sum of money. Or perhaps the plan needs to be more responsive to the market by giving larger sums to schools that make the greatest improvements and giving smaller rewards to all schools that make some improvement. This is the way it happens in business: some companies strike it rich, while others make modest profits.

The national scope of the competition isn't essential either. A governor could set up a statewide competition. A large school district could run a competition for its schools, or a few small districts could form a consortium, pool some money, and start a competition. Or a private foundation might offer to fund a competition among the schools in a community or in a group of communities. In all these variations, however, the plan embodies elements that would help remake our schools: incentives to arouse the imagination and creativity of the people in our schools; freedom to make meaningful experimentation possible; and substantial rewards – in terms of both money and the satisfaction of having achieved a goal of professional and national importance.

But promising though I believe my proposal to be, this particular plan isn't the point. The point – in fact, the imperative – for American public education is to discover and apply the principles that will give our schools the capacity for self-renewal that characterizes other institutions in our society. Indeed, we should not be asking ourselves what plan or program will work this year or next. We should be asking what we can do to make our schools strive continually for improvement.

The one thing of which we can be certain is change. No institution will ever solve its problems once and for all, because every solution generates a new set of problems. Moreover, conditions change; new knowledge or new problems discredit methods that worked in the past.

What mechanisms will build the capacity for self-renewal into our schools?

Unless an institution has the capacity for change, it will not succeed for long.

Looked at in this light, the disappointing results of the education reform movement thus far are not surprising. The initial tendency of most reform efforts is to tighten rules and do more of the same. This tactic for responding to change can bring about minor improvements, but it cannot deal with the effects of major change. What it does instead is to strip an institution of its capacity to read its environment and change itself. And nowhere is this more apparent than in our schools.

Dynamic institutions have the capacity for self-renewal. They deal with challenges by changing – by reexamining what they have been doing and by reshaping it to new circumstances. In the case of businesses, if they do it right, they may strike it rich – or stay alive. If they fail, they may go out of business.

Recently, American companies have faced this kind of challenge. The first time was the energy crisis of the early 1970s. Most businesses were dependent on a steady supply of cheap energy. So when the price of energy shot up and the very availability of energy was threatened, businesses had to rethink almost everything they did, because the world had changed. What kind of machinery would be more energy efficient? Should they raise prices? By how much? Were there alternative sources of energy? Should they relocate to save on the costs of transportation and energy?

A decade later, another challenge changed the rules of the game for American businesses. The dollar became very strong in world financial markets, and, as a result, American goods became very expensive for people abroad. At the same time, the quality and the price of foreign goods improved relative to ours. So our export-producing companies were under tremendous pressure to find ways of making better-quality products for less money in order to compete both in international and in domestic markets. The response to this situation – by successful companies – was leaner management, better methods of production, and a whole series of changes, many of them painful.

What mechanisms will build the capacity for self-renewal into our schools? In the business world, competition is the spur – and success, the reward. My Incentive Schools Plan shows how these mechanisms can be adapted from business and applied to the problem of improving student achievement. But creating such mechanisms for our schools will require flexibility and experimentation. We don't yet know what will motivate people over time or encourage them to rethink the way they do things and to make tough decisions. We do know, however, that the last thing American schools need is another bureaucratically designed, one-size-fits-all education policy or program that, though it might work today, will close out possibilities for change tomorrow.

A similar point about the principle of self-renewal was made by Wei Jingsheng, a Chinese dissident, a little over a decade ago, when Chairman Mao had just left office and the current top officials had taken over China. The new rulers decided to solve China's problems through centralized plans for modernizing manufacturing and agriculture. In fact, they planned "four modernizations" of various sectors of their society. Wei Jingsheng countered by calling for a "fifth modernization": democracy. He saw democracy as a means for people at every level of society to develop and exercise the capacity for seeing, responding to, and making changes. He saw in democracy the capacity for self-renewal. And without it, he believed, the other "four modernizations" could never succeed.

Developing the capacity for self-renewal in public education will be neither simple nor painless, but we have no choice about changing. For make no mistake about it: the country will not tolerate our failure much longer, no matter how legitimate our explanations and excuses. The question is not whether there will be change. The question is whether

change will be done to us by others or led by us – whether it will be on behalf of public education or for the purpose of destroying it.

Desperate remedies already abound. First, public education was subjected to an avalanche of regulations – just when deregulation was the order of the day elsewhere in society. Since then, a number of states have passed educational bankruptcy laws permitting state education authorities to take over local school boards – one of the most sacrosanct of American institutions – and run the schools themselves. The takeover of the Jersey City schools is the most publicized example, but it is not the only one.

If these signs that school boards, administrators, and teachers are no longer trusted to run the schools are too subtle, other messages are blunter. Last year the Illinois legislature passed a bill to reorganize Chicago's schools and, in effect, fired the city's central school board. Each school is now mandated to have a board composed primarily of parents that will have power over virtually every aspect of school life. This may turn out to be a good move, but it may also institutionalize conflict and lead to changes that make Chicago's schools worse instead of better.

And then there's the movement for public school choice. What is its message? Legislatures are expressing their skepticism about whether school boards and professionals can ever get things right – despite all the state regulations that have told these people precisely what to do. So the legislatures are allowing parents to pull their children out of their assigned school or school district in the hope that the threat of a mass exodus will scare schools into shaping up. And the same message, albeit one more fundamentally hostile to public education, is being sent by proponents of tuition tax credits and vouchers, a movement that is steadily gaining popularity at the state and local levels.

There are now even new variations on the privatization theme. For example, in Chelsea, Massachusetts, when the school board asked Boston University, a private university, for help in running the school system, the university successfully demanded that the school board hand over to the university virtually all its powers – hiring, firing, controlling finances, negotiating contracts, and so on. And the university was equally successful at getting the state to allow it to take over Chelsea's schools without being subject to most of the state public interest laws. The aim of the university is to provide the nation with "a model for excellence in urban education." And this is also the aim of the coalition of 50 companies that opened a private, tuition-free school to serve children in one of Chicago's poorest neighborhoods. An anomaly? Perhaps. But as more and more firms spend substantial portions of their training budgets on giving new employees a basic education, they are likely to find the idea of running their own elementary and secondary schools increasingly attractive.

The signs are unmistakable, and they are piling up fast. We in public education will either change the schools, or public education will be changed for us. Public education will either improve or be destroyed.

Last year I visited Poland twice. Poland used to be the breadbasket of Europe. Now, as the result of its command economy, it is very poor. After one of my visits, I read a short article in the *Wall Street Journal*. At first, I thought I was reading a Polish joke, but it was an interview with a Polish economist. And I quickly realized that it was also an American education joke. So please translate.

The reporter who interviewed the economist about economic conditions in Poland asked, "Do you think it's really possible to lift the Polish economy from this terrible state of poverty to a state of prosperity?" The Polish economist answered, "Yes, I think it is. As a matter of fact, there are two ways to do it. There's a natural way and there's a miraculous way." The reporter asked, "Well, all right, what's the natural way?" "The natural way," said the economist, "would be for a band of angels to descend from heaven and lift Poland into prosperity." "If that's the natural way," the reporter asked, "what's the miraculous way?" To which the economist responded, "The miraculous way would be if the Poles did it themselves."

We in public education have no band of angels to lift our schools into effectiveness. It is a miracle that we must make happen ourselves.

1. William J. Bennett, "Is the Education Reform Movement Being Hijacked?," speech delivered to the Education Writers Association, San Francisco, 5 April 1987.
2. See, for example, *A Nation Responds* (Washington, D.C.: U.S. Department of Education, May 1984).
3. Arthur N. Applebee, Judith A. Langer, and Ina V. S. Mullis, *Crossroads in American Education: A Summary of Findings* (Princeton, N.J.: National Assessment of Educational Progress and Educational Testing Service, 1989), p. 51.
4. Ibid., p. 47.
5. Ibid., p. 29.
6. Task Force on Teaching as a Profession, *A Nation Prepared: Teachers for the 21st Century* (New York: Carnegie Forum on Education and the Economy, 1986), p. 21.
7. Ibid., pp. 26-32.
8. Arthur N. Applebee, Judith A. Langer, and Ina V. S. Mullis, *The Writing Report Card: Writing Achievement in American Schools* (Princeton, N.J.: National Assessment of Educational Progress and Educational Testing Service, 1986), Table A-4, pp. 102-3.
9. See, for example, Howard Gardner, *Frames of Mind: The Theory of Multiple Intelligences* (New York: Basic Books, 1985); and Robert Sternberg, *The Triarchic Mind: A New Theory of Human Intelligence* (New York: Penguin, 1988).
10. Thomas G. Sticht, "Job Skills and Basic Skills: Training 'Mid-Level Literates' for Work with New Technologies," paper prepared for Work in America Institute, Scarsdale, N.Y., February 1986.
11. Lauren B. Resnick, "Learning In School and Out," *Educational Researcher*, December 1987, pp. 13-20.
12. John I. Goodlad, *A Place Called School: Prospects for the Future* (New York: McGraw-Hill, 1984), p. 229.
13. Charles Handy, *The Future of Work: A Guide to a Changing Society* (London: Basil Blackwell, 1985), pp. 135-37.
14. Martin Mayer, *The Schools* (New York: Harpers, 1961), p. 22.
15. Anne Ratski, "The Remarkable Impact of Creating a School Community: One Model of How It Can Be Done, An Interview," *American Educator*, Spring 1988, pp. 10-17, 38-43.
16. John H. Bishop, "Why the Apathy in American High Schools?," *Educational Researcher*, January/February 1989, pp. 6-10, 42; and James E. Rosenbaum, "Empowering Schools and Teachers: A New Link to Jobs for the Non-College-Bound," paper prepared for the U.S. Department of Labor, Commission on Workforce Quality and Labor Market Efficiency, Washington, D.C., 1989.



"For my book report, I read The Chocolate Lover's Cookbook."

Manhattan Institute (212) 988-7300
Ed Rubenstein
or (212) 679-7330

↓ NY State report done by a private Business Group

State report
private business group in upstate NY

(518) 465-7511
Contact:
Feb 1990 – "a blueprint budget for NY State"
The bus council of NY State, Inc.

↓ Bob Ward (518)
PR guy

Shanker wrote in journal
Phi Delta Kappan

Jan. 1990
pg. 350
Article: "A proposal 4 using incentives to restructure our public schools"

→more than 10x NY State pop.

Library of Congress - 707-5000
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MONDAY

- 9AM : CALL AMERICAN FEDERATION OF TEACHERS 879-4400
  ALBERT SHANKER, PRES. [said it in a speech]
  - SOURCE OF : MORE SCHOOL [redacted] ADMINISTRATORS IN NY THAN ALL OF WESTERN EUROPE

- 10AM: CALL FORTUNE 500 ; VERIFY "SINCE 1983, ALMOST A THIRD OF THE FORTUNE 500 CORPORATIONS BASED IN NYC HAVE CHOSEN TO LEAVE." SOURCE?
  (212) 522-2581

- CHECK ACKNOWLEDGEMENTS AGAIN - THREE TIMES (w/ Bruce & Craig)

FIRST THING ↓ CALL BRAD MITCHELL (2998) - verify... "For 92 MONTHS AMERICA HAS ENJOYED PEACETIME ECONOMIC EXPANSION AND THE CREATION OF MORE THAN 22 MILLION JOBS."

↓ CALL ED MARTIN (518) 455-2264 - VERIFY : "DEMOCRAT LEADERS PROPOSED AN ALMOST 10% INCREASE IN SPENDING -- TWICE THE RATE OF INFLATION."

↓ ALSO, "THE STATE PAYROLL BALLOONED FROM $3 BIL IN 1983 TO $7 BIL IN 1988 - A 130% INCREASE."

* HAVE AN INTERN PHOTOCOPY THE MISSING BOOK OF PRESIDENTIAL DOCUMENTS (FROM LIBRARY)

Larry Lindsey

331-1972

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PHONE: (202) 328-2000

MONDAY

10AM: CALL FORTUNE 500
"SINCE 1983, ALMOST A THIRD OF THE FORTUNE 500 CORPORATIONS BASED IN NYC HAVE CHOSEN TO LEAVE."
(212) 522-2581 SOURCE?

9AM: CALL AMERICAN FEDERATION OF TEACHERS
879-4400 ALBERT SHANKER, PRES.

ARE THERE MORE SCHOOL ADMINISTRATORS IN NEW YORK THAN ALL OF WESTERN EUROPE?
SOURCE?

Century
COURTYARD CAFE
RESTAURANT AMERICUS
BAR · RAW BAR
SEAFOOD & STEAK

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Three

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JULY 24, 1990

((Senator D'Amato (Duh-mah-toe), Bill Green and the other Members of the New York Congressional Delegation, Senate Majority Leader Ralph Marino (Muh-REE-no), Chairman Pat Barrett, Pierre Rinfret (Rin-fray), Comptroller Regan, Guy Vellella (Va-LELL-uh), Clarence [["RAPP"]] Rappleyea (Rap-lee-ay).))

((You know, for two years, when I was ambassador to the United Nations, Barbara and I lived in this very hotel, in room 42 A. And whenever I complained about anything, Barbara would just roll her eyes and say: "Just where do you think we live? The Waldorf Astoria?"))\\\

((Now I understand that New York City has been selected as the site of an important event in 1992 -- a convention that will attract thousands of participants from all over the country -- people who hope to put their past setbacks behind them and plan a winning strategy for the future.\\ That's right -- the first reunion of all the ex-managers of the New York Yankees.))\\\

But then there is that **other** future New York convention -- the Democrats. Of course, many Democrats in Washington have supported me in meeting this fantastic era of change abroad; have worked with me to pass the first revision of the Clean Air Act in more than thirteen years -- tougher standards to cut down on acid rain and other air pollutants. And they worked with me so I

could sign into law a bill ending discrimination against disabled Americans. So tough negotiations **can** get results. ~~But~~ differences between the parties are still broad and deep. ~~Much~~ remains to be done. ~~-- too much.~~ With more Republicans in Washington and in Albany, think of how much more we can achieve.

In New York, we face a tremendous opportunity to end the Democrat gerrymander -- an opportunity to end discrimination against voters by race and by party. That is our mission this November, and it is one that transcends mere politics because we are deeply concerned about the future of this great state.

To coin a phrase, we love New York, **all** of New York, from the oak-lined avenues of Long Island, to Yankee Stadium, to Broadway. From the city streets of Buffalo, to the New York of farm towns and the Adirondacks -- New York is a city of lights, a state of grandeur, a place where dreams come true.\\ ((It certainly is for me -- New York is where the Silver Fox was born.))\\

But we are concerned for the future, because New York has become something else -- a showcase of liberal policies. And after sixteen years of dominance by liberal Democrats, it is time to judge the results.

For 92 months, America has enjoyed peacetime economic expansion and the creation of more than 22 million jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York --

especially in the City -- was becoming more expensive, more difficult and more dangerous than ever before.

In Albany, liberal Democrats blame every problem on Republican policies -- especially Republican economic policies. But in the late seventies, a large airline centered in New York didn't go out of business. It just decided to move south, to Texas, taking more than a thousand jobs with it. And in 1987, a large energy corporation based in New York didn't go out of business. It just decided to move south to Virginia, taking 3,600 jobs with it. ((In fact, since 1983, almost a third of the Fortune 500 corporations based in New York City have chosen to leave.))

Now New York's credit rating is in a bigger slump than the Yankee's batting average. And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation!

Who let this happen? The same people who've been in power in Gracie Mansion and Albany for years -- liberal Democrats. Well, New Yorkers are sick and tired of a declining quality of life that drives away companies and good jobs. New Yorkers are sick and tired of open-air drug marts and muggings. And New Yorkers are sick and tired of the liberal anti-reform mentality.

Twenty-nine out of the last thirty-five years of Democrat dominance in Congress have also taken their toll. Only a President carries a national mandate. But, like Republican Presidents before me, I know that to deal with a Democrat

Congress is to often face government by gridlock -- with spending skyrocketing out of control, good legislation thrown aside for pork, and a budget deficit looming over our children's children.

It is time we asked the American people **to end the gridlock. To choose the liberal mindset of the Democratic Party or to choose our path -- the Republican path. To empower government to run their lives, or to empower people to run their lives for themselves. To ask America to CHOOSE.**\\\

Here in New York, you must choose a governor. Let it be a Republican Governor -- **Pierre Rinfret.**\\\ Here is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen, and wants to lead others out of poverty into opportunity. He may not be a politician. But maybe New York doesn't need another politician. **Maybe New York needs a change.**\\\

~~But~~ New York must also make another choice -- to keep your outstanding Senate Leader Ralph Marino and his colleagues as your last line of defense against a liberal governor and his Assembly. Republicans like what works. That's why your Republican Senate has been -- and will remain -- your watchdog against big spenders.

And believe me, you're matched up against big spenders. Example: An adjunct fellow of the Manhattan Institute reports that the state payroll ballooned from $3 billion in 1983 to almost $7 billion in 1988 -- **a 130 percent increase!** No wonder New Yorkers are among the highest taxed people in the country.

So be thankful that your Republicans in the Senate forced a spending cap and base-line budgeting. It is the Republicans in the Senate who managed to trim $1.5 billion in Democratic spending proposals. ((They know you can't trust a party that would double the fare of the Staten Island Ferry.))\\\ Kidding aside, think of what these Republicans could achieve if they could work with a **Republican governor, a Republican Assembly.**

Jobs and taxes **are** important. But safe streets are of equal concern, especially in a city that lives in fear. That's why New York agrees with us -- these violent criminals deserve nothing less than punishment swift and sure.

So Republicans want to change lenient, blame-the-victim laws, and liberal Democrats don't.

Republicans want to allow the women of this state to be able to defend themselves with MACE, and liberal Democrats don't.

And Republicans want murderers and drug kingpins to pay the ultimate penalty -- and liberal Democrats don't.\\\

In Washington, we argued that those who sell drugs are selling death. And we proposed that drug kingpins reap what they sow. But our crime bill faces another obstacle. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination **to take back the streets.**

The Senate has now cleared a crime bill, a major new package -- 423 days after I proposed it. It is not a perfect bill. It does nothing to ensure that evidence gathered by **good** cops acting in **good** faith isn't barred by technicalities that let **bad** people

go free. But it is a crime bill, and it does toughen sentences for violent crime.

Now this legislation is before the House. And let us tell the Members of the House, **423 days is long enough. Don't keep our men and women in blue waiting.** Pass a crime bill, and pass it soon.\\\ I can sign

Let me give you another example of how a liberal Congress, long in power, jealously clings to the failed policies of the past. In April of last year, our Administration asked Congress to pass the Educational Excellence Act -- reform proposals to reward achievement and allow educational choice. Yet Congress killed many of these sensible and cost-effective proposals. And then they **doubled** our request with hundreds of millions of dollars worth of unnecessary, unrelated and costly changes.

If liberal Democrats should have learned anything, it is that you cannot reform an education system by throwing billions of dollars at it. After all, ((Al Shanker, President of the American Federation of Teachers, estimates that New York State has more school administrators than all of Western Europe.))

So, **When is it going to penetrate liberal thinking that we shouldn't throw money at an ineffective education system that is already the most expensive in the industrialized world? When are they going to start demanding results and stop measuring the value of a program by the size of its price tag? When are they going to stop blocking reform?**

But where the liberal mindset dominates, as it does in Albany and in Washington, the net result is the same: bad schools, dangerous streets, big deficits. And as long as liberal Democrats run Congress and run Albany, we -- a Republican President and a Republican New York State Senate -- will often be forced to measure our successes in catastrophes averted and calamities mitigated.

The genius of the American system is that it allows for checks and balances. But this doesn't mean that the voters must choose political stalemate, year after year, decade after decade. Let me be blunt: Divided government isn't working very well.

Divided government just isn't good enough, for America or for New York. **We must have more Republicans.**\\

It is time to ask the American people to let us show what we can do without the albatross of liberal legislatures. It is time to ask America to choose.

As we go into the 1990 election season, remember an adage from a great Republican governor of New York, and a great President. Theodore Roosevelt said: "In life, as in a football game, the principle to follow is: Hit the line hard."

The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

FACT-CHECK II

Do ack. a million times.

10:30am-Sat.

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Two

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JULY 24, 1990

"Clarence "Rapp" Rappleyea, [Rapp-lee-ay] Assem. min. Leader

((Acknowledgements -- Senator D'Amato, ~~Congressman Bill Green~~, Pierre Rinfret, Chairman Pat Barrett, Senate Majority Leader Ralph Marino, Comptroller Regan.)) Members of NY Cong. Delegation

Bruce & Craig Ck Ray

1971-1973

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Guy Vellella State senate campaign Ch.

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~~But I am here tonight to talk about our differences with~~ those people with that **other** future New York convention -- the Democrats. Of course, many Democrats in Washington have supported me in meeting this fantastic era of change abroad; have worked with me to pass the first revision of the Clean Air Act in more than thirteen years -- tougher standards to cut down on acid rain and other air pollutants. And they worked with me so I

Re-write

Rob Portman

could sign into law a bill ending discrimination against disabled Americans. But much remains to be done -- too much. Tonight, I will speak of our disagreements. ~~And what better place to discuss these differences than in a state run by Democrats.~~

In New York, we face a tremendous opportunity to end the Democrat gerrymander -- an opportunity to end discrimination against voters by race and by party. That is our mission this November, and it is one that transcends mere politics because we are deeply concerned about the future of this great state.

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New York's credit rating is in a bigger slump than the Yankee's batting average, and its annual budget deficit is higher than those of the three largest South American countries combined. And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation!

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Pierre Rinfet for Gov. in Manhattan
(212) [redacted]
[redacted]486-4222

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WWII Bruce Stebbins

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Yours outstanding

Double CK w/ WSJ source & Ed Martin & John McCardle

Fax Bruce final draft
(212) 421-7646 fax
NY Office

fax us a bio Rinfret

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Leslie Goodman
NY RNC

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Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

# # #

maintenance. This is the turnaround challenge of Central Europe.

And it is the prosperity and stability not just of Central Europe that is at stake, but that of Western Europe as well. A successful turnaround of Central Europe offers unprecedented opportunities to Western Europe, and above all to West Germany. It promises a long investment-led boom that would make Europe the world's

All its emphasis is on the heavy industries of the 1920s: coal mining, steel, commodity chemicals. As a result, employment in Central Europe is concentrated in the "smokestack" industries in which there is over-capacity world-wide. A good many, some very big employers among them, will shut down. A likely candidate for the padlock is the large chemical complex in Bitterfeld, East Germany, probably Europe's

friend said, "we could find someone like your Mr. Levitt who built the Levittowns in Long Island and around Philadelphia after World War II."

But the biggest employment opportunities lie in services. Communist regimes consider them "bourgeois" and are hostile to them. There is, therefore, tremendous demand all over Central Europe for every kind of service: retail and wholesale distri-

munism. This is not really true. Communism collapsed from within, economically, politically and, above all, morally: It defeated itself. Free enterprise and market economics—and democracy as well—will have won only when they have turned around Central Europe.

Mr. Drucker is a professor of social sciences at the Claremont Graduate School in California.

The Empire State Strikes Out

By Ed Rubenstein

As Gov. Mario Cuomo prepares to campaign for a third term, and ponders a run for the White House in 1992, his role in New York's fiscal deterioration is under increased scrutiny.

Earlier this year, while unexpectedly slow revenue growth was forcing the governor's budget office to increase its deficit estimate by $2 billion, Mr. Cuomo called for a double-digit rise in state spending. As a result, New Yorkers—already the highest-taxed people in the country—will pay an additional $1.8 billion in state taxes and fees this year, including $400 million in higher income taxes. Despite the state's pledge to reform future fiscal operations, Moody's lowered its rating on the state's long-term debt. Only the bonds of Massachusetts and Louisiana are rated lower.

So far the governor has successfully side-stepped questions about his fiscal competency. He insists that the state's problems stem from the economic slowdown in the Northeast, and many New Yorkers accept this view. But New York state has incurred deficits for eight of the past 10 years. During most of that period, the state's economy performed better than the most Polyannish futurist would have dared to predict in 1980.

Population, after declining by 683,000 between 1970 and 1980, rose 2.2% between 1980 and 1989. Real income rebounded from no growth to average annual increases of more than 3% since 1980. Although it lagged neighboring states, New York grew faster than the nation, with per-capita income rising from 8.1% above the national average in 1980 to 16.9% above in 1989. There are 1.2 million more New Yorkers working today than when Mr. Cuomo took office in 1983, and the state jobless rate has been cut to below 5% from 8.6%.

Had state spending merely kept pace with personal income, Albany would be dispensing a multibillion-dollar surplus today. But this opportunity was squandered: Spending rose from 14.7% of personal income in 1983 to 16% in 1988.

Paying for this profligacy is fairly painless when personal income taxes, business taxes and taxes on real estate transfers automatically rise relative to personal income. Comes an economic slowdown and the process is reversed—last year business taxes fell 3.1% and real-property gains taxes were off 28.6% even as personal income continued to grow. But old spending habits die hard. The fiscal 1991 budget, hammered out after the longest, most contentious budget debate in state history, compromised on a 7.5% spending increase. The governor had requested a 10.9% rise.

Assessing the true size or even the direction of state spending is not easy. The state's affairs are tangled in a network of trust accounts, special funds and off-budget enterprises expressly designed to confuse outsiders. Thus the governor can claim to have "cut" school aid by $400 million this year simply by waiving the state's annual pension contribution to the teacher retirement fund. Similarly, revenues will be "increased" by selling a state office building to the state-run Urban Development Corp.

These shenanigans are reminiscent of New York City before the financial community shut it out of the credit markets in 1975. Ironically, part of the legacy of that crisis is that New York state now requires the city to balance its budget on the basis of Generally Accepted Accounting Principles. The fiscal discipline imposed by GAAP forced the city to lay off workers and reduce essential services to close its budget gap this year. In contrast, the state simply sold short-term notes (a record $4.1 billion this spring) to cover its shortfall, thereby avoiding unpleasant spending choices during this election year.

Is New York's deficit due to circumstances beyond its control? Hardly. The state's payroll, for example, ballooned from $3 billion in 1983 to $6.9 billion in 1988, a 130% increase during a period when consumer prices rose 19%. In 1988 New York had 168 full-time employees for every 10,000 residents, compared with 107 in California, 124 in Texas, 114 in Florida and 104 in Pennsylvania. Over-staffing is obvious: The newly established New York State Grace Commission might explore why the Highway Department employs more than twice as many workers per lane mile as the national average, and why there are only 1.5 inmates per corrections worker here vs. two per worker nationwide.

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Talking Points for the White House

* Pierre Rinfret is a citizen politician. Fresh, new thinking for New York

* Running an issue oriented campaign. Has issued two position papers, in the form of Letters to New York. Going to heart of the problems which New York has after 16 years of Democrat rule.

* Pierre wants to use line item veto when he is Governor. Wishes we had the ability to use the line item veto at the federal level

* Pierre is an economist. He is very qualified to handle state fiscal matters.

*Pierre has a solid reputation as an economist and creative thinker

* This is a real race; Pierre is a very viable candidate; White House is 100% behind this candidacy; Cuomo vulnerable

* Cuomo is a big government person; Pierre believes in the free enterprise system as the most dynamic and creative force in society.

*

New York State's Financial Crisis

by Pierre Rinfret, Republican for Governor

My fellow New Yorkers:

The other day a friend told me about a scene from the movie, "Dick Tracy," an entertaining fable about a detective fighting a group of gangsters trying to take over a big city.

About halfway through the movie, Big Boy Caprice, the arch villain played by Al Pacino, outlines his plan for how he and his fellow gangsters will live off the people.

"We got a town with thousands of small stores and businesses - people who are working real hard," he tells his motley crew. "I think they should be working real hard - for us.

"We will become the people's silent partners. Every time some citizen buys a pound of hamburger, we get a nickel. Every time some guy gets a haircut, we get a dime. Together, we will own this town!"

The setting was a cartoon Chicago of the 1930s, but I was struck by how much I was reminded of New York State in the 1990s. Every time you earn a dollar, the State of New York takes up to

15 cents. Every time you buy a $25 hair dryer, the state takes a dollar in sales tax. Buy a $10,000 car and you will pay $400 to the state government.

Now I know it is always fashionable to complain about taxes. Many a populist politician has gotten a rise out of people by railing against the cost of government.

But do we New Yorkers really understand how much more we pay to our state and local governments than everyone else in the country? Do we realize that when we combine state taxes with local taxes (much of which is mandated by the state), New Yorkers are taxed ahead of their nearest rival - Massachusetts - by 26 percent? Does anyone know why we have 154 state employees per 10,000 citizens when no other state has more than 120? Do we recognize that, as all this comes unravelled in Albany, we are teetering over a bottomless black hole of financial ruin that may change life in New York for decades?

First the facts.

In April, 1990, both Moody's and Standard and Poor's reduced New York State's bond rating to the third lowest rate in the country, above only Louisiana and Massachusetts (whose bond rating is only one step above that of "junk bonds)."

After a delay of 53 days, the state government has adopted a budget that - on paper, at least - has been "balanced" by a $1.8 billion tax increase. That's $300 for every taxpaying family in the state.

Governor Mario Cuomo has blamed everything from Washington

to the 1987 stock market crash for his troubles, yet it is clear that New York's problems are home-grown. From 1983 to 1989, state spending actually decreased nationwide in relation to personal income. But in New York it increased 7.0 percent. As both bond-rating services noted, this year's budget "gap" was no accident. Stripped of one-shot revenues and other gimmicks, the state's annually recurring expenses are now outrunning annually recurring revenues by $3 billion. This year's crisis was no one-time event. We will be facing the same problem next year and the year after that, as far as the eye can see.

Higher Tax Rates, Lower Tax Revenues?

What is truly frightening about the budget is that the solution for this year's crisis - raising everyone's taxes - only works if the sheep will stand still while they are being shorn. What is far more likely is that an increase in the tax rate will lead to a loss in tax revenues. This is what happened at the Federal level when capital-gains rates were raised from 35 to 49 percent in 1969. Tax revenues fell $1.5 billion and never recovered until the rate was lowered again in 1979.

Can we really expect businesses in New York will take a hit for another 15 percent business-tax surcharge without thinking about cutting their New York operations? Will individuals wave goodbye to their tax cuts without wondering how much it might save them to move to New Jersey or Florida?

Even during this year's budget merry-go-round in Albany,

early revenue estimates had to be revised $1 billion downward when the actual income-tax returns started arriving in April.

If past experience is any standard, the new taxes are not going to close the budget gap. They will only encourage evasion, defection, and downright desertion by many of the state's current residents. What will Governor Cuomo do then, pass a law saying people can't move to Connecticut or Florida?

The Great Taxing Machine

New Yorkers are now the most highly taxed people in the nation. Only oil-rich Alaska takes more of its citizens' income for tax purposes. The spending rate in New York is $5,025 per person - 50 percent higher than the national average. Government spending now consitutes 16 percent of New York's personal income. This is the highest rate in the country and up from 14.7 percent in 1982.

We spend more than 48 other states to educate our children, yet our students have lower SAT scores than children in Mississippi. We have more school administrators than does Western Europe, even though we have one-tenth their population. We have 25 percent more prison workers per inmate than the rest of the country, 110 percent more highway workers per highway mile. We pay twice what California does to treat drug addicts.

During the eight years of the Cuomo Administration, New York State lagged behind the rest of the nation in economic growth but exceeded everyone else in the government growth. From 1980 to

1989, New York State's budget rose 9.6 percent annually at a time when inflation was only 5.6 percent and the state's population grew only 0.3 percent.

Under our Federal system, the states are supposed to serve as "laboratories for democracy," testing different processes of government before they are used at the Federal level. Well, New York State has turned into one vast experiment to see how many taxes can be loaded onto the backs of ordinary citizens before they collapse from exhaustion.

Before our poor beleaguered taxpayers start fleeing the laboratory altogether, I propose we try a new experiment. Let's see how productive and happy New Yorkers can be if the state just provides us with reasonable services at reasonable tax levels and lets us keep the rest of our hard-earned money!

Budgetary Gimmickry

As bad as things may appear, they are actually worse. When you see how this year's budget has been patched together with scotch tape and baling wire, you will understand just how frightening the state's long-range prospects truly are.

When Governor Cuomo's office submitted its executive budget last January, it was already $557 million in the red. This would be illegal, since the State Constitution does not allow deficit spending.

Out the window went the scheduled tax reduction, which still would have left us paying the highest state and local taxes in

the nation. By March, the estimated deficit had ballooned to $1.5 billion and a whole new series of taxes were imposed on everything from auto rentals to janitorial services. ("Every time some guy pushes a broom, we get a nickel.")

Yet even after the abandoned tax cuts and the new taxes, the state's financial house is not nearly in order. In addition to the $1.8 billion in expected tax revenues, the state has patched together a financial package that takes $1.5 billion in "one-shot" revenues that are only good for this year! These revenues will not be available in 1991. In fact, some - like the advance revenues for two-year auto-registration fees - actually take money away from next year's budget. In order to save state-aid revenues, the state has also allowed local governments to move more of their expenditures off-budget.

Here are a few examples of the fiscal sleight-of-hand practiced in Albany:

- the state raided the state's employee pension fund by delaying new contribution requirements advised by the State Comptroller. (Similar raids on the Massachusetts pension fund by Governor Michael Dukakis preceded that state's financial downfall.) One-shot revenues: $290 million.

- the state required local school districts to borrow their 1989-1990 contributions to the Teachers' Retirement System so the state government could divert these moneys to the general fund. One-shot revenues: $494 million.

- the state has used the state-owned Battery Park City

Authority to issue bonds for the purpose of meeting some of New York City's operating expenses. One-shot revenues: $150 million.

- the state has used a portion of the proposed 21st Century Environmental Quality Bond Act to fund routine 20th century maintenance projects that would normally be paid out of the annual budget. One-shot revenues: $135 million.

- the state has used the New York State Thruway Authority to issue debt to finance projects for the State Department of Transportation that would normally be paid out of the annual budget. One-shot revenues: $82 million.

- in 1989, the state switched to a two-year auto registration, collecting one year's fees in advance. One-shot revenue: $114 million. (The result has been a five-month back-up in refunds for people who have sold their cars.)

The Credit-Card Governor

Very simply, the Governor has spent seven years playing a shell game designed to hide actual spending from the public. One favorite gimmick has been to use the various state borrowing authorities to fund current expenditures. Another is to move current expenditures "off-budget," into that fiscal never-never-land where even diligent reporters and sharp-eyed financial analysts may have trouble tracking the red ink. Off-budget spending has increased 303 percent since Governor Cuomo came to office. In 1982 it made up 8 percent of the state's annual spending. Today it constitutes 20 percent.

Over the seven years of the Cuomo Administration, our long-term debt has increased $18.8 billion - $1,056 for every man, woman, and child in the state. This exceeds the entire per-capita debt for 26 other states, including California, Ohio, Michigan, Pennsylvania, and Florida. In seven years, the Cuomo Administration has loaded more individual debt on the backs of New York taxpayers than 26 other states have accumulated in their entire history!

Borrowing from Peter to pay Paul

To get an idea of what's going on here, just think of your own experience. Suppose you took out a fistful of credit cards and started borrowing money to buy food and clothing - arguing that these were really "capital" expenditures that should be retired through long-term debt. It might work for awhile. You might even be able to use your Visa and Mastercard accounts to prove to American Express that you are a good credit risk. But sooner or later, the whole house of cards is going to come tumbling down.

Miss only one or two payments and all the other credit-card companies are going to start wondering what's going on. Before you know it, you'll be scrambling to pay off current expenses plus all your accumulated debt out of current income. This is what happened in 1974, when a single missed payment by the State Housing Finance Agency set off a panic that eventually led to the bankruptcy of New York City.

The state is ripe for disaster again today. Annual debt service now costs New York $1.2 billion a year. Our debt obligation is 65 percent above the national average and 21 percent above the nearest rival state, Massachusetts. With only 7.3 percent of the nation's population, we owe 15 percent of all the long-term debt issued by the 50 states.

Less Spending or More Taxes?

The whole budget fiasco boils down to one simple question. Does New York have a "spending" problem or a "taxing" problem?

Governor Cuomo, for one, thinks it is a taxing problem. To put it bluntly, although you may be working hard out there, Governor Cuomo doesn't think you work hard enough. He sits in Albany, scanning the newspapers, letting out howls of glee every time he sees another governor raising taxes. When New Jersey's Governor Florio recently raised that state's taxes, Governor Cuomo wanted him to run for President.

State and local taxes currently eat up nearly 16 percent of the income generated by people and businesses of New York State. In the eight years of the Cuomo Administration, state spending has risen 91 percent and taxes have risen 88 percent. That's twice the rate of inflation and 49 percent ahead of the national average. New York, already a high spender before Governor Cuomo came to office, has emerged as the undisputed national champion.

And for what? Is life in New York State so much better that

New Yorkers don't mind paying higher taxes? Do you notice a marked improvement in the roads when you cross the border from Connecticut or Pennsylvania? Is crime in New York handled more efficiently than in other states? (It's true, our prison inmates do get free cable TV and free postage, but that's a different story.) Is there any service you can name that is noticeably better in New York than elsewhere?

Where Are the Jobs?

Governor Cuomo would have us believe that his whole budget problem is the result of an economic slowdown that has only affected the Northeast. Yet once again, he may have things reversed. It is far more likely that the tax-and-spend policies of states like New York and Massachusetts are themselves a cause of the economic slowdown.

The truth is that while the rest of the country has been through an economic renaissance in the 1980s, the prosperity of the Reagan Revolution has never really been able to penetrate the high-tax borders of New York's economy.

While the whole country produced an astounding 22 million new jobs during the 1980s - a growth rate of 24.7 percent - New York lagged behind, producing only 1.1 million jobs - a growth rate of only 15 percent.

Even more striking are the kinds of jobs being created. In the manufacturing sector, national employment rose 7.5 percent

from 1982 to 1989 - an overall increase of 1.4 million jobs. But New York lost 151,000 manufacturing jobs for a decline of 11.1 percent - the worst record in the nation.

So where has the job growth been in New York? I'll give you one guess. Government! From 1980 to 1989, New York outpaced the national average in the creation of government jobs. Even while New York already surpassed the number of bureaucrats per citizen, the size of the public payroll continued to grow faster than in most other states!

My friends, New York does not have a "taxing" problem. New York has a spending problem created by state and local administrations that sincerely believes they own 15 cents of every dollar you earn. Even the august New York Times, which has generally supported tax increases, concluded: "[L]ooking at from a long-term perspective, New York's fiscal distress appears to be a product of persistently high spending. By almost every measure available, government spending in New York exceeds that of other states." ["Why It Costs So Much To Run New York State," New York Times, June 19, 1990.]

Across the River

Let's take a another look at New Jersey, the state which Governor Cuomo admires so much because of its ability to raise taxes. Although Governor Florio has recently pushed through a tax increase in order to redistribute wealth between suburban and urban school districts, he increased overall spending only 2

percent. If New York had a similar increase this year - instead of our 8 percent - we would have saved $2 billion and there wouldn't have been any budget gap.

Comparing with other states, it is astonishing to realize how much New York's state and local taxes would have to be reduced to put us on a par with other states:

HOW MUCH WOULD NEW YORK TAXES HAVE TO BE REDUCED TO MATCH OTHER STATES?

STATE	GENERAL TAX CUT TO EQUAL OTHER STATES (Percent)	PERSONAL INCOME TAX CUT TO EQUAL OTHER STATES (Percent)
NEW YORK	-	-
CONNECTICUT	22.3%	85.6%
NEW JERSEY	24.4%	56.2%
MASSACHUSETTS	26.4%	10.7%
CALIFORNIA	33.6%	40.0%

Is it any wonder that thousands of New Yorkers continue to migrate to other states in order to save on personal taxes? Is it is any wonder that of the 1,000 manufacturing companies to leave New York in the last decade, 38 percent located right across the river in New Jersey? Does anybody want to guess how that tide will swell once Governor Cuomo's 15 percent three-year business-tax surcharge goes into effect?

What We Can Do

In order to put an immediate stop to the current disastrous fiscal policies, I propose the following four-point program:

1) I will freeze on all non-contractual state spending at current levels for the coming fiscal year, 1991-92.

2) I will propose a bill to restore the tax cuts promised to the citizens of New York in 1990.

3) I will use the line-item veto to stop any unnecessary or wasteful projects added to the budget by the legislature.

4) I will use every means possible to see that state monies are spent more efficiently.

Why is it that, with only 10 percent of all Medicaid patients, we account for almost 20 percent of the nation's Medicaid spending? Why do we have almost twice as many prison guards per prisoner than most other states? These are questions I'd like answered.

My friends, all this talk about millions and billions of dollars may make the problem seem completely beyond our control. When the state suddenly finds itself $1.5 billion short and must squeeze another $300 out of every family's pocket, there doesn't seem much any of us can do about it. That's why we need an alternative to the policies of Mr. Cuomo.

I believe that ordinary people can make a difference. I believe that government can be held accountable for the way they spend our money. In fact, one of the purposes of my campaign

will be to put the reins of government back in the hands of the people.

For that reason, I am asking you to join me in the effort to root out government waste and inefficiency. Send me examples you have found of ways in which New York State squanders money. Write Citizens for Rinfret, 575 Lexington Avenue, New York, NY, 10022, call our office any time between 9 and 5 on weekdays (212-486-4222), or FAX your message to me personally at (212) 486-0036. We'll be airing a series of television commercials in the fall about government waste and if we use your idea, we'll put you in the commercial. We'll be especially glad to hear from you if you're a civil servant or public employee, since we know most public servants are even more frustrated by government inefficiency than the average citizen.

Let's put an end to this runaway spending! Together we can end New York's reckless financial gambling, stall the governor's moonshot tax increases, and allow New Yorkers go about living our lives without being constantly panhandled by the state.

What's at Stake

I know you may still be a little skeptical about all this. From what you've read in the newspapers, you probably think of me as a curmudgeonly old grouse complaining about the price of cigars and wondering why things aren't the way they used to be.

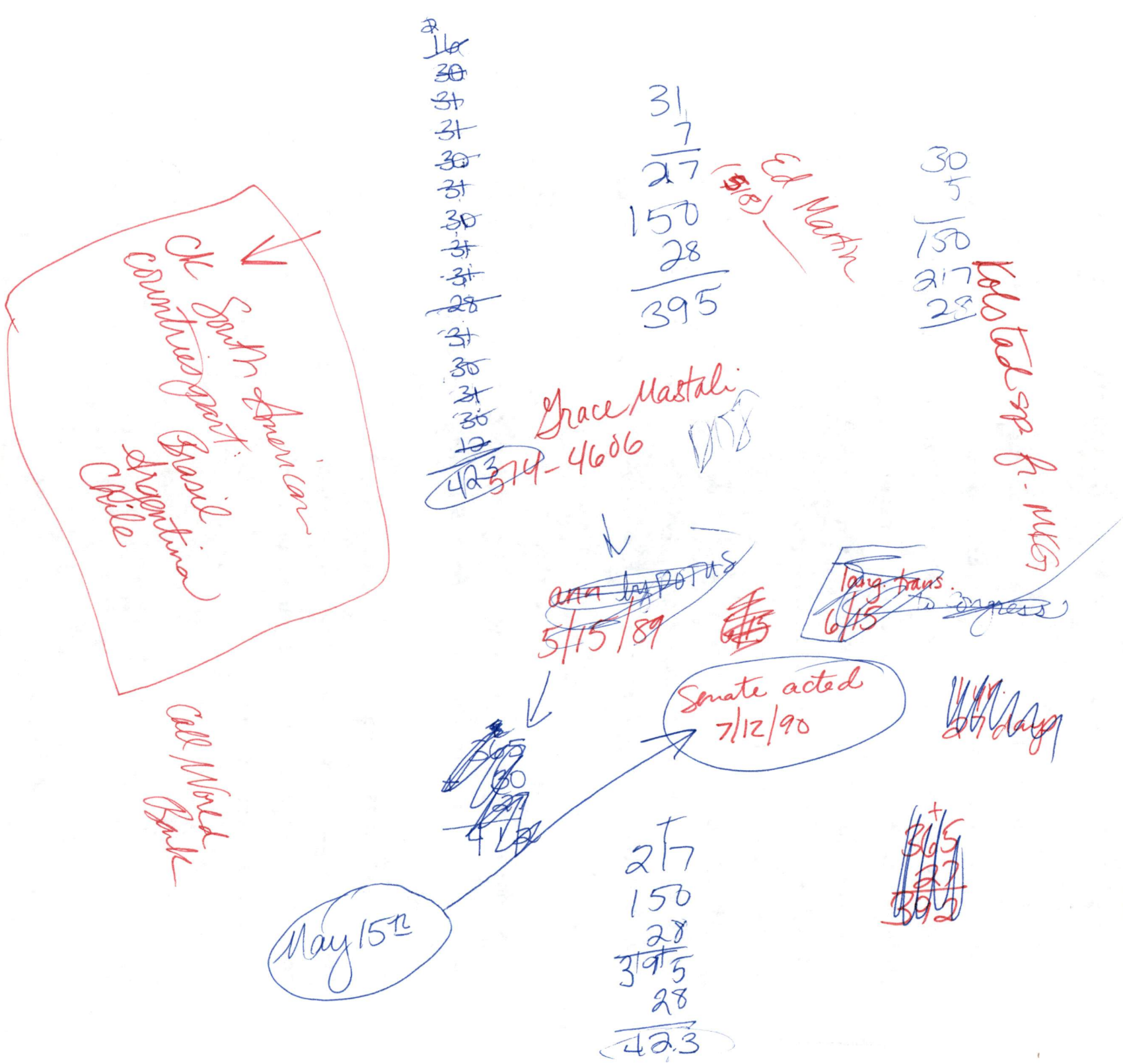
Well let me tell you something. I've made my livelihood out of economic forecasting and one thing I've learned is that while

things may take a long time developing, once they happen they happen quickly.

I sit on the board of directors of one of New York City's largest corporations. The last time we met, I was astonished to find that everyone was talking about pulling out of New York. "Why should we stay here when the state's going to take another 15 percent of our income?" they said. "Is it worth putting up with the crime and the filth just to pay twice as much taxes as we would in any other state?"

How many conversations like that do you think are taking place in similar board rooms and <u>living</u> rooms around the state? How many families are saying to themselves, "We can't pay these kind of taxes anymore! This state's never going to come back. Let's go for the Sunbelt where there's real opportunity." And once these trickles turn into an avalanche, just imagine the tax burden that is going to tumble on top of all those who remain behind!

My friends, I say to you what I say to everyone who despairs about the future of New York. "Don't give up hope. We still have the chance to turn things around. Don't leave yet, the Republicans are coming!"


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The Empire State Strikes Out

By Ed Rubenstein

As Gov. Mario Cuomo prepares to campaign for a third term, and ponders a run for the White House in 1992, his role in New York's fiscal deterioration is under increased scrutiny.

Earlier this year, while unexpectedly slow revenue growth was forcing the governor's budget office to increase its deficit estimate by $2 billion, Mr. Cuomo called for a double-digit rise in state spending. As a result, New Yorkers—already the highest-taxed people in the country—will pay an additional $1.8 billion in state taxes and fees this year, including $400 million in higher income taxes. Despite the state's pledge to reform future fiscal operations, Moody's lowered its rating on the state's long-term debt. Only the bonds of Massachusetts and Louisiana are rated lower.

So far the governor has successfully side-stepped questions about his fiscal competency. He insists that the state's problems stem from the economic slowdown in the Northeast, and many New Yorkers accept this view. But New York state has incurred deficits for eight of the past 10 years. During most of that period, the state's economy performed better than the most Polyannish futurist would have dared to predict in 1980.

Population, after declining by 683,000 between 1970 and 1980, rose 2.2% between 1980 and 1989. Real income rebounded from no growth to average annual increases of more than 3% since 1980. Although it lagged neighboring states, New York grew faster than the nation, with per-capita income rising from 8.1% above the national average in 1980 to 16.9% above in 1989. There are 1.2 million more New Yorkers working today than when Mr. Cuomo took office in 1983, and the state jobless rate has been cut to below 5% from 8.6%.

Had state spending merely kept pace with personal income, Albany would be dispensing a multibillion-dollar surplus today. But this opportunity was squandered: Spending rose from 14.7% of personal income in 1983 to 16% in 1988.

Paying for this profligacy is fairly painless when personal income taxes, business taxes and taxes on real estate transfers automatically rise relative to personal income. Comes an economic slowdown and the process is reversed—last year business taxes fell 3.1% and real-property gains taxes were off 28.6% even as personal income continued to grow. But old spending habits die hard. The fiscal 1991 budget, hammered out after the longest, most contentious budget debate in state history, compromised on a 7.5% spending increase. The governor had requested a 10.9% rise.

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These shenanigans are reminiscent of New York City before the financial community shut it out of the credit markets in 1975. Ironically, part of the legacy of that crisis is that New York state now requires the city to balance its budget on the basis of Generally Accepted Accounting Principles. The fiscal discipline imposed by GAAP forced the city to lay off workers and reduce essential services to close its budget gap this year. In contrast, the state simply sold short-term notes (a record $4.1 billion this spring) to cover its shortfall, thereby avoiding unpleasant spending choices during this election year.

Is New York's deficit due to circumstances beyond its control? Hardly. The state's payroll, for example, ballooned from $3 billion in 1983 to $6.9 billion in 1988, a 130% increase during a period when consumer prices rose 19%. In 1988 New York had 158 full-time employees for every 10,000 residents, compared with 107 in California, 124 in Texas, 114 in Florida and 104 in Pennsylvania. Over-staffing is obvious: The newly established New York State Grace Commission might explore why the Highway Department employs more than twice as many workers per lane mile as the national average, and why there are only 1.5 inmates per corrections worker here vs. two per worker nationwide.

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Mr. Rubenstein, an adjunct fellow of the Manhattan Institute, writes on economics for National Review.

Taxing Sin—As Bad As Taxing Virtue

By David L. Littmann

When Washington becomes desperate in its search of new tax revenue, it inevitably moves toward "sin" taxes. Taxes on alcohol, tobacco, oil, gasoline, firearms and a host of other sources are always fair game to politicians. Sin taxes help politicians to avoid hornet nests—income taxes for example—and to dodge the wrath of taxes can drive federal spending upward in perverse ways. It might at first seem, for example, that a 50 cent increase in the current 9 cent per gallon federal excise tax on gasoline and gasohol would generate an added $30 billion for Uncle Sam's coffers.

That 50 cent tax hike, though, translates into a 51.4% increase (on average) in prices of gasoline at the pump. And "me- sumers cut back their cigarette use, and as the black market in untaxed cigarettes grew, tobacco revenues contracted. By fiscal 1989, tobacco tax revenues had slumped to $4.29 billion.

Other examples are even starker. Over the past three years, one excise tax rate after another has been raised. Taxes that

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add - ~~Guy Molinari, St. Island Borough Pres.~~

- bag Regan

-

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533-3581

Arthur Morgenroe
(212) 533-1313

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Event: NY GOP Dinner

Date: 1/14/90

OFFICE OF PRESIDENTIAL ADVANCE

CONTACT SHEET

Name	Office	Phone Number
Presidential Advance Office		202/456-7565
Presidential Advance Fax Number		202/456-2820
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Lucy Muckerman	" "	"
Jay Parmer	" "	"
Spence Geissinger	" "	"
Brian Montgomery	" Press-NY	"
Tim Simonson	" "	"
Craig Ray	" Lead-NY	"
Mac McKoown	WHCA TO	Waldorf
Larry Feast	White House Communications	(202) 395-4040
Larry Sabl	USSS	202-395-4112
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Craig Raty — WH Advance — " " " "

Barbara Lane — Asst Tours Mgr - ~~872-458~~

FACT-CHECK COPY

Get new one STAFFED 7/19 w/ changes

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Two

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JUNE 24, 1990

((Acknowledgements -- Senator D'Amato, Chairman Pat Barrett, Senate Majority Leader Ralph Marino, ~~Commissioner Regan.~~))

Bruce & Craig

((You know, for two years, when I was ambassador to the United Nations, Barbara and I lived in this very hotel, in room 42 A. And whenever I complained about anything, Barbara would just roll her eyes and say: "Just where do you think we live? The Waldorf Astoria?"))\\\\

DSR Cummings

((Of course, we've changed addresses. But every time I come back to New York, someone always asks if I have any comment on the plight of a certain charismatic New York celebrity. You know who I'm talking about -- that celebrity whose financial problems have made so many headlines, a luminary who is waging a day-to-day battle to avoid the creditors.\\\\ Well, I have absolutely nothing to say about that: You see, I promised myself I wouldn't talk about Mario Cuomo tonight.))\\\\

But I am here tonight to talk about the differences between our parties. Of course, many Democrats in Washington have supported me in meeting this fantastic era of change abroad; have worked with me to pass the first revision of the Clean Air Act in more than thirteen years -- tougher standards to cut down on acid rain and other ~~toxins~~. And they worked with me, so I could sign

Rob Portman

air toxics.
~~acid rain~~
~~Emissions (auto)~~

into law a bill ending discrimination against disabled Americans. But much remains to be done -- too much. Tonight, I will speak of our disagreements. And what better place to discuss these differences than in a state run by Democrats.

In New York, we face a tremendous opportunity to end the Democrat gerrymander -- an opportunity to end discrimination against voters by race and by party. That is our mission this November, and it is one that transcends mere politics because we are deeply concerned about the future of this great state.

We love New York, **all** of New York, from the oak-lined avenues of Long Island, to the Brooklyn Arts Museum, to Broadway. From Yankee Stadium, to the city streets of Buffalo, to the New York of farm towns and Adirondacks. New York is a city of lights, a state of grandeur, a place where dreams come true.

But we are concerned for the future, because New York has become something else -- a showcase of liberal policies. And after sixteen years of dominance by liberal Democrats, it is time to judge the results.

John McArdle (518) 455-2264

Brad Mitchell

For 92 months, America has enjoyed peacetime economic expansion and the creation of more than 22 million jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York -- especially in the City -- was becoming more expensive, more difficult and more dangerous than ever before.

Here in Albany, liberal Democrats blame every problem on Republican policies -- especially Republican economic policies. But in 198((x)) a large energy corporation based in New York didn't go out of business. It just moved south to Virginia, taking ((number)) jobs with it. And in 19 ((x)), a large airline centered in New York didn't go out of business. It just moved south to Texas, taking ((number)) jobs with it. In fact, since 1983, almost a third of the Fortune 500 corporations based in New York City have chosen to leave.

New York's credit rating is lower than Donald Trump's, and its annual budget deficit is higher than those of the three largest South American countries combined. And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation!

Who let this happen? The same people who've been in power in Gracie Mansion and Albany for years -- liberal Democrats. Well, New Yorkers are sick and tired of a declining quality of life that drives away companies and good jobs. New Yorkers are sick and tired of open-air drug marts and muggings. And New Yorkers are sick and tired of the liberal anti-reform mentality.

Thirty-four years of Democrat dominance in Congress have also taken their toll. Only a President carries a national mandate. But, like Republican Presidents before me, I know that to deal with a Democrat Congress is to often face government by gridlock -- with spending skyrocketing out of control, good

legislation thrown aside for pork, and a budget deficit looming over our children's children.

It is time we asked the American people **to end the gridlock. To choose the liberal mindset of the Democratic Party or to choose <u>our</u> path -- the Republican path. To empower government to run their lives, or to empower people to run their lives for themselves. To ask America to CHOOSE.**\\\

Here in New York, you must choose a governor. Let it be a Republican Governor -- **Pierre Rinfret.**\\\ Here is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen, and wants to lead others out of poverty into opportunity. He may not be a politician. But maybe New York doesn't need another politician. **Maybe New York needs a change.**\\\

But New York must also make another choice -- to keep Senate Leader Ralph Marino and his colleagues as your last line of defense against a liberal governor and his Assembly. Republicans like what works. That's why your Republican Senate has been -- and will remain -- your watchdog against big spenders.

It is the Republicans in the Senate, after all, who forced a spending cap and base-line budgeting. It is the Republicans in the Senate who managed to trim $1.5 billion in Democratic spending proposals. ((They know you can't trust a party that would double the fare of the Staten Island Ferry.))\\\ Kidding aside, think of what these Republicans could achieve if they could work with a **Republican governor, a Republican Assembly.**

These matters of jobs and taxes are important. But safe streets are of equal concern, especially in a city that lives in fear. That's why New York agrees with us -- these violent criminals deserve nothing less than punishment swift and sure.

So Republicans want to change lenient, blame-the-victim laws, and liberal Democrats don't.

Republicans want to allow the women of this state to be able to defend themselves with MACE, and liberal Democrats don't.

And Republicans want cop killers and drug kingpins to pay the ultimate penalty -- and liberal Democrats don't.

In Washington, we argued that those who sell drugs are selling death. And we proposed that drug kingpins reap what they sow. But our crime bill faces another obstacle. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination **to take back the streets.**

The Senate has now cleared a crime bill. But it is a bill that does nothing to end the endless appeals process, or to ensure that evidence gathered by **good** cops acting in **good** faith isn't barred by technicalities that let **bad** people go free.

Let me give you another example of how a liberal Congress, long in power, jealously clings to the failed policies of the past. In April of '89, our Administration asked Congress to pass the Educational Excellence Act -- reform proposals to reward achievement and allow educational choice -- and yes, spend more money on worthy programs like Head Start. Yet Congress killed many of these sensible and cost-effective proposals. And then

they **tripled** our request with one **billion** dollars worth of unnecessary, unrelated and costly changes.

If liberal Democrats should have learned anything, it is that you cannot reform an education system by throwing billions of dollars at it. Right here in New York State, spending on education increased by ((dollar amount)) over ((years)); and yet SAT scores dropped ((number)), and graduation rates fell from ((numbers)). **When is it going to penetrate liberal thinking that we shouldn't throw money at an education system that is already the most expensive in the industrialized world? When are they going to stop measuring the results of a program by the size of its price tag? When are they going to stop blocking reform?**

But where the liberal mindset dominates, as it does in Albany and in Washington, the net result is the same: bad schools, dangerous streets, big deficits. And as long as liberal Democrats run Congress and run Albany, we -- a Republican President and a Republican New York State Senate -- will often be forced to measure our successes in catastrophes averted and calamities mitigated.

Let me be blunt: Divided government isn't working very well.

Divided government just isn't good enough, for America or for New York.

It is time to ask the American people to let us show what we can do without the albatross of liberal legislatures. It is time to ask America to choose.

As we go into the 1990 election season, remember an adage from a great Republican governor of New York, and a great President. Theodore Roosevelt said: "In life, as in a football game, the principle to follow is: Hit the line hard." Mark

The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

# # #

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NY State
Dept. of Education (518) 474-3852

p. 5 last ¶
p. 6 top to middle

Century

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Restaurant Americus
Bar • Rawbar
Seafood & Steak

The Waldorf-Astoria NY, NY

July 24th

2:15 - arrival ap
2:50-3 = hotel arrival
private time : 3 hrs.

7:35 departure from room
8:15 - depart NYC

5-7 min.

$1,000 (ea)
# of attendees ≈ 1400

want to raise $1 million

The Waldorf=Astoria
A Hilton Hotel
301 Park Avenue, New York, New York 10022 212/872-4800 FAX: 212/872-6380

The Empire State Strikes Out

By Ed Rubenstein

As Gov. Mario Cuomo prepares to campaign for a third term, and ponders a run for the White House in 1992, his role in New York's fiscal deterioration is under increased scrutiny.

Earlier this year, while unexpectedly slow revenue growth was forcing the governor's budget office to increase its deficit estimate by $2 billion, Mr. Cuomo called for a double-digit rise in state spending. As a result, New Yorkers—already the highest-taxed people in the country—will pay an additional $1.8 billion in state taxes and fees this year, including $400 million in higher income taxes. Despite the state's pledge to reform future fiscal operations, Moody's lowered its rating on the state's long-term debt. Only the bonds of Massachusetts and Louisiana are rated lower.

So far the governor has successfully side-stepped questions about his fiscal competency. He insists that the state's problems stem from the economic slowdown in the Northeast, and many New Yorkers accept this view. But New York state has incurred deficits for eight of the past 10 years. During most of that period, the state's economy performed better than the most Polyannish futurist would have dared to predict in 1980.

Population, after declining by 683,000 between 1970 and 1980, rose 2.2% between 1980 and 1989. Real income rebounded from no growth to average annual increases of more than 3% since 1980. Although it lagged neighboring states, New York grew faster than the nation, with per-capita income rising from 8.1% above the national average in 1980 to 16.9% above in 1989. There are 1.2 million more New Yorkers working today than when Mr. Cuomo took office in 1983, and the state jobless rate has been cut to below 5% from 8.6%.

Had state spending merely kept pace with personal income, Albany would be dispensing a multibillion-dollar surplus today. But this opportunity was squandered: Spending rose from 14.7% of personal income in 1983 to 16% in 1988.

Paying for this profligacy is fairly painless when personal income taxes, business taxes and taxes on real estate transfers automatically rise relative to personal income. Comes an economic slowdown and the process is reversed—last year business taxes fell 3.1% and real-property gains taxes were off 28.6% even as personal income continued to grow. But old spending habits die hard. The fiscal 1991 budget, hammered out after the longest, most contentious budget debate in state history, compromised on a 7.5% spending increase. The governor had requested a 10.9% rise.

Assessing the true size or even the direction of state spending is not easy. The state's affairs are tangled in a network of trust accounts, special funds and off-budget enterprises expressly designed to confuse outsiders. Thus the governor can claim to have "cut" school aid by $400 million this year simply by waiving the state's annual pension contribution to the teacher retirement fund. Similarly, revenues will be "increased" by selling a state office building to the state-run Urban Development Corp.

These shenanigans are reminiscent of New York City before the financial community shut it out of the credit markets in 1975. Ironically, part of the legacy of that crisis is that New York state now requires the city to balance its budget on the basis of Generally Accepted Accounting Principles. The fiscal discipline imposed by GAAP forced the city to lay off workers and reduce essential services to close its budget gap this year. In contrast, the state simply sold short-term notes (a record $4.1 billion this spring) to cover its shortfall, thereby avoiding unpleasant spending choices during this election year.

Is New York's deficit due to circumstances beyond its control? Hardly. The state's payroll, for example, ballooned from $3 billion in 1983 to $6.9 billion in 1988, a 130% increase during a period when consumer prices rose 19%. In 1988 New York had 158 full-time employees for every 10,000 residents, compared with 107 in California, 124 in Texas, 114 in Florida and 104 in Pennsylvania. Over-staffing is obvious: The newly established New York State Grace Commission might explore why the Highway Department employs more than twice as many workers per lane mile as the national average, and why there are only 1.5 inmates per corrections worker here vs. two per worker nationwide.

The big money—more than 50% of state spending—goes to education and social services. The Aid to Families with Dependent Children grant has been increased four times in the past six years, most recently a 15% rise that took effect Jan. 1. It's politically untouchable. But why should the state Department of Social Services, a $150 million agency that does not issue a single welfare benefit check, be allowed a 22% increase in its operating budget this year? Medicaid costs three times more per recipient here than in California, yet Albany shows no inclination to try the market-oriented reforms that have successfully controlled costs in that state.

The highest per-pupil expenditure in the country has not prevented New York's average SAT scores from sinking below the national average. The school bureaucracy has flourished, however. According to Albert Shanker, president of the American Federation of Teachers, there are more school administrators in New York than in all of Western Europe.

New York City (which receives 34% of state education aid and 60% of total state welfare allotments) is arguably in worse fiscal shape than the state. Although state money to bail out the city may be lacking, Albany's power to do so is not.

The state has imposed rent control on certain New York City buildings since World War II. Decontrolling high-rent apartments would increase city property taxes by more than $370 million each year, according to Peat Marwick. A capital-gains tax cut would increase the value of New York real estate and breathe life into a securities industry that has cut its New York City work force by 21,000 employees. The privatization of state assets, ranging from airports to the World Trade Center, could raise funds to restore the city's crumbling infrastructure. Unfortunately, the political establishment in both Albany and City Hall rejects these policies.

Many New Yorkers are encouraged by the apparent end of the tax revolt in California. Few know that this flip-flop comes after stringent spending limitations pushed that state's spending down relative to personal income. (At one point Gov. George Deukmejian actually rebated $1.1 billion of excess revenues to state residents.) More important, few New Yorkers know that their own governor wields both a line-item veto and a broad impoundment authority—powers for spending control that President Bush can only dream about. Gov. Hugh Carey used these weapons to reduce spending as a percentage of personal income. It can be done again.

Mr. Rubenstein, an adjunct fellow of the Manhattan Institute, writes on economics for National Review.

Taxing Sin—As Bad As Taxing Virtue

By David L. Littmann

When Washington becomes desperate in its search of new tax revenue, it inevitably moves toward "sin" taxes. Taxes on alcohol, tobacco, oil, gasoline, firearms and a host of other sources are always fair game to politicians. Sin taxes help politicians to avoid hornet nests—income taxes for example—and to dodge the wrath of taxes can drive federal spending upward in perverse ways. It might at first seem, for example, that a 50 cent increase in the current 9 cent per gallon federal excise tax on gasoline and gasohol would generate an added $30 billion for Uncle Sam's coffers.

That 50 cent tax hike, though, translates into a 51.4% increase (on average) in prices of gasoline at the pump. And "mo- sumers cut back their cigarette use, and as the black market in untaxed cigarettes grew, tobacco revenues contracted. By fiscal 1989, tobacco tax revenues had slumped to $4.29 billion.

Other examples are even starker. Over the past three years, one excise tax rate after another has been raised. Taxes that

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THE WHITE HOUSE

WASHINGTON

Revised 7/13 4:30 pm

July 13, 1990

MEMORANDUM FOR PRE-ADVANCE PARTICIPANTS

FROM: JOHN G. KELLER, JR. JGK.

SUBJECT: **PRE-ADVANCE TO PHILADELPHIA, PA AND NEW YORK, NY**

Attached for your information is a list of participants and an outline schedule for the Pre-Advance to Philadelphia and New York, New York.

PRE-ADVANCE PARTICIPANTS

Office of Presidential Advance
Jay Parmer, Deputy Director for Special Projects
Spence Geissinger, Deputy Director for Press
Kris Goodwin, Trip Coordinator NY
Lucy Muckerman, Trip Coordinator Phila.
Craig Ray, Advance Lead, New York
Tim Simonson, Advance Lead, Philadelphia
Brian Montgomery, Press Lead, New York

United States Secret Service
Larry Sperl, ASAIC, Presidential Protective Division

White House Communications Agency
Lt. Col. Jim Hamby, Trip Officer, Philadelphia*
Major Mac McKeown, Trip Officer, New York+
Larry Feast, Operations Coordinator

White House Military Office
Commander John Stufflebeem, U.S. Naval Aide to the President
Major Mike Gould, U.S. Air Force Aide to the President
Major Rob Creamer, HMX Advance

* drops in Philadelphia
\+ drops in New York

Office of Communications
Carol Blymire, Research Assistant

Office of Political Affairs
Bruce Stebbins, Associate Director

Office of National Drug Control Policy
Chuck Wexler, Special Assistant to the Director

PRE-ADVANCE SCHEDULE

Monday, July 16, 1990

7:15 am — Vans depart West Basement for those requiring transportation to Andrews Air Force Base.

(Drive Time: 30 Minutes)

7:30 am — Those with own transportation should be at Andrews Air Force Base at this time for check-in.

7:45 am — Vans arrive Andrews Air Force Base.

8:00 am — Depart Andrews Air Force Base en route Philadelphia, Pennsylvania.

(Flying Time: 40 Minutes)
(Time Change: None)
(Food Service: Breakfast)

8:40 am — Arrive Philadelphia International Airport, Philadelphia, Pennsylvania and proceed to Vans.

Contact: Mr. Tom Druce
Pennsylvania State GOP
717/234-4901

Mr. Joe Waldholtz
Elsie Hellman's Office
412/471-8312

Ramp: Atlantic Aviation
215/492-2970

8:50 am — Board Vans and depart Philadelphia Airport en route Franklin Plaza Hotel.

(Drive Time: 20 Minutes)

9:10 am — Arrive Franklin Plaza Hotel and begin Meeting with Counterparts.

Contact: Mr. Rick Odorisio
Director of Sales
Franklin Plaza Hotel
215/448-2000

Mr. Tom Hughsted
Franklin Plaza Hotel
215/448-2882

* ADDRESS GOP FUNDRAISING LUNCHEON
  - Open Press
  - Brief Remarks

9:45 am — Conclude Meeting with Counterparts and begin Site Survey of Franklin Plaza Hotel.

10:30 am — Conclude Site Survey and proceed to Vans.

10:35 am — Board Vans and depart Franklin Plaza Hotel en route West Philadelphia Community Center.

(Drive Time: 15 Minutes)

10:50 am — Arrive West Philadelphia Community Center and begin Meeting.

Contact: Mr. Al Wilson
Team FAD
215/277-4470

West Philadelphia Community Center
215/386-4075

* TEAM FAD
  - Press TBD
  - Remarks TBD

11:30 am Conclude Meeting and begin Site Survey.

12:15 pm Conclude Site Survey, board Vans and depart Community Center en route Philadelphia International Airport.

(Drive Time: 20 Minutes)

12:35 pm Arrive Philadelphia Airport and proceed to C-9.

12:40 pm Depart Philadelphia, Pennsylvania en route New York, New York.

(Flying Time: 35 Minutes)
(Time Change: None)
(Food Service: Lunch)

1:15 pm Arrive LaGuardia Airport and proceed to Vans.

Contact: Ms. Liz Detorto
New York GOP
518/462-2601

Ramp: Butler Aviation
718/476-5200

1:20 pm Board Vans and depart LaGuardia Airport en route Waldorf-Astoria Hotel.

(Drive Time: 30 Minutes)

1:50 pm Arrive Waldorf-Astoria and begin Meeting with Counterparts.

Contact: Mr. Robert Reacken
Waldorf-Astoria
212/355-3000

* ADDRESS GOP FUNDRAISING DINNER
- Open Press
- Brief Remarks

2:30 pm Conclude Meeting with Counterparts and begin Site Survey of Waldorf-Astoria.

3:15 pm Conclude Site Survey and proceed to Vans.

3:20 pm Board Vans and depart Waldorf-Astoria en route LaGuardia Airport.

(Drive Time: 30 Minutes)

3:50 pm Arrive LaGuardia Airport and proceed to C-9.

4:00 pm Depart LaGuardia Airport en route Andrews Air Force Base.

(Flying Time: 50 Minutes)
(Time Change: None)
(Food Service: Snacks)

4:50 pm Arrive Andrews Air Force Base and board Vans.

4:55 pm Board Vans and depart Andrews Air Force Base en route White House.

(Drive Time: 30 Minutes)

5:25 pm Arrive White House.

Carol - 456-6218

DEATH PENALTY AUTHORIZATIONS IN DEPARTMENT LEGISLATION

The proposals in the President's violent crime bill (S. 1225) provide constitutionally adequate standards and procedures that will make it possible to use the death penalty authorizations that currently appear in the statutes defining 15 offenses. S. 1225 would also enact new death penalty authorizations for eight additional offenses. The drug strategy implementation bill that is currently being prepared will incorporate all of the death penalty authorizations from S. 1225, together with the new "drug offender" death penalty for three categories of serious drug offenders. The drug strategy implementation bill will also include the death penalty for genocide, which was overlooked in preparing the violent crime bill. Listings of the proposed death penalty offenses follow:

Existing statutory death penalty authorizations that would be revived by S. 1225:

1. Aircraft and motor vehicle destruction resulting in death. (18 U.S.C. 34).

2. Murder of family member of federal official with intent to impede or retaliate against the official. (18 U.S.C. 115).

* 3. Assassination of Members of Congress, Cabinet officers, and Supreme Court justices. (18 U.S.C. 351).

* 4. Espionage. (18 U.S.C. 794).

5. Transporting explosives in interstate commerce and thereby causing a death. (18 U.S.C. 844(d)).

6. Destruction of federal property by explosives resulting in death. (18 U.S.C. 844(f)).

7. Destruction of property used in or affecting interstate commerce resulting in death. (18 U.S.C. 844(i)).

8. First degree murder in the special maritime and territorial jurisdiction. (18 U.S.C. 1111).

* 9. First degree murder of a federal officer. (18 U.S.C. 1114).

* 10. Mailing dangerous articles resulting in death. (18 U.S.C. 1716).

11. Presidential assassination. (18 U.S.C. 1751).

12. Train wrecking resulting in death. (18 U.S.C. 1992).

13. Bank robbery resulting in death. (18 U.S.C. 2113).

* 14. Treason. (18 U.S.C. 2381).

15. Aircraft piracy resulting in death. (49 U.S.C. 1473).

New death penalty authorizations that would be created by S. 1225:

1. Murder of foreign officials, official guests, and internationally protected persons. (18 U.S.C. 1116).

2. Kidnapping resulting in death. (18 U.S.C. 1201).

3. Hostage taking resulting in death. (18 U.S.C. 1203).

4. Attempted Presidential assassination. (18 U.S.C. 1751).

5. Murder for hire. (18 U.S.C. 1958).

6. Murder in aid of a racketeering enterprise. (18 U.S.C. 1959).

7. Terrorist murder of American nationals abroad (18 U.S.C. 2331).

8. Murder by federal prisoner serving life term (proposed 18 U.S.C. 1118).

Additional death-eligible categories and offenses to be included in drug strategy implementation bill:

1. CCE leaders subject to mandatory life imprisonment under 21 U.S.C. 848(b).

2. Other CCE leaders who attempt to murder public officers, jurors, witnesses, or the members of families or households of such persons in order to obstruct justice.

3. Persons who, intending to cause death or acting with reckless disregard for human life, commit a drug felony, where death results in the course of the offense or from the use of drugs involved in the offense.

4. Perpetrators of genocide (18 U.S.C. 1091).

President's Proposal would do this.

The bill language sets out two amendments to the death penalty title of the President's proposed Comprehensive Violent Crime Control Act (S. 1225). It would extend the availability of the federal death penalty by creating three new categories of drug-related capital offenses. The proposal also requires that additional aggravating factors must be found by the jury before the death penalty can actually be imposed on persons in these three categories.

The three new categories are:

1970 only does 1 of 3

1) **Major drug kingpins.** Those currently subject to a mandatory term of life imprisonment as leaders of continuing criminal enterprises (CCE) devoted to the large-scale importation or distribution of controlled substances.

2) **Federal drug felons whose offense results in death.** Those who intending to cause death or acting with reckless disregard for human life, commit a federal drug felony and the death of another person results in the course of the violation or as its direct result.

3) **Drug kingpins who attempt to kill in order to obstruct justice.** Drug-related CCE leaders, not necessarily subject to mandatory life, who in order to obstruct the investigation or prosecution of a CCE related offense, attempts or knowingly directs, advises, authorizes or assists another to attempt to kill any public officer, juror, witness, or family member of such a person.

→ Senate pass: 30 crimes w/ cap. pun.
drug kingpin provision

call
Janet Hale × 3120

Bruce Navarrah
Justice

The most extreme one - just a general outline

Tom Boyd, policy dev.

any # of reasons: Demotto Amend.
supported, but not offered

Grace Mastali - drug kingpin, most notable to federal cap. pun.
death penalty itself is major

NEW YORK STATE SENATE/STATE REPUBLICAN COMMITTEE FUNDRAISING DINNER

- The New York State Senate is crucial to the success of the Republican Party. Currently, we control the State Senate by a nargin of 33-27 (two vacancies). Democrats are making a strong push to win back the Senate. We need to keep the State Senate and make sure Ralph Marino is our Senate Majority Leader.

- The fact that the State Senate and State Republican Party joining forces to hold this dinner shows how hard they are going to fight for victory in November.

- Talk about Pierre Rinfret's campaign for Governor.

- There are strong state economic problems inculding the rising budget costs, high crime rate and New York has a line item veto for use by the State's Chief Executive. The President could talk about the Budget negotiations or about the dealth penalty issues.

ACKNOWLEDGEMENTS:

Pat Barrett, State Party Chairman
Guy Molinari, Staten Island Borough President and Bush Chairman
Senator Al D'Amato

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40TH STORY of Level 1 printed in FULL format.

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Financial Times

April 28, 1987, Tuesday

SECTION: SECTION I; American News; Pg. 6

LENGTH: 541 words

HEADLINE: Mobil Joins Exodus Of Corporate Giants From New York City

BYLINE: William Hall, New York

BODY:

Mobil, the second biggest US oil company has joined the growing list of US corporate giants which are moving out of New York and setting up their headquarters in less expensive locations.

Mobil, which has been based in New York for more than 120 years, is quitting its 42-storey skyscraper across the street from Grand Central station, in mid-town Manhattan, and is moving to Fairfax Virginia, a suburb of Washington.

Mobil's decision to quit comes six months after Exxon, its main rival, sold its Rockfeller Centre headquarters for Dollars 610 m to the Japanese and follows a well publicised row between AT&T the telephone company, and New York's Mayor, Ed Koch, who has threatened to "sue the hell" out of AT&T after it disclosed it was planning to move most of its Manhattan headquarters staff across the river to cheaper quarters in New Jersey.

There have also been widespread rumours that two other famous New York institutions, NBC, one of the three big US TV networks, and J C Penney, the third largest US department store group, are planning to move out of New York because it is getting too expensive.

Mr Allen E Murrey, Mobil's chairman and a native New Yorker, said that the decision to move had been difficult "particularly when one recalls that Mobil Oil Corporation emerged from Socony, the Standard Oil Company of New York."

The company, which employs 1,900 staff at its Manhattan headquarters, had some of its headquarters staff based in Fairfax for the past five or six years and says there are inherent organisational innefficiencies that cannot be addressed when headquarters operations are divided between two places.

1700
1900
3600 jobs

In addition, it says the New York building is much more expensive to operate than Fairfax. Mobil says some workers are reluctant to accept jobs in New York because of the high cost of living and commuting problems.

"Every company that has moved out ultimately was very sorry," said Mayor Koch. According to the latest Fortune list of the top 500 US companies the number with headquarters in Manhattan has droppped from 61 to 53 over the past year.

Shell Oil, Texaco and Conoco all quit New York City in the 1970s and Mobil's departure means that among the US oil majors only Exxon, the world's biggest oil company, retains offices in the city. However, it has reduced

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sharply its New York workforce over the years and now employs only 325.

Mobil stressed that it was not quitting the city because of a row with Mayor Koch, who has been particularly angered by AT & T's decision since the city gave the company valuable tax concessions to encourage it to build its headquarters on Madison Avenue.

Mr Herb Schmertz, a director of Mobil, and the firm's chief spokesman, said that the move was "not the fault of New York City" but just reflected the competitive situation.

Analysts note that the company stands to make a handsome profit if it sells its New York headquarters and will probably be able to rent office space in Virginia at less than half the price of mid-town Manhattan.

Mayor Koch appeared to be relatively philosopical about the latest desertion. "We don't like to see a single company leave. But every year there will be some that move out and some that move in," he said.

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2ND STORY of Level 2 printed in FULL format.

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November 16, 1978, Thursday, Final Edition

SECTION: Business & Finance; D1

LENGTH: 440 words

HEADLINE: American Airlines Confirms Dallas Move;
Airlines Chief Confirms Shift To Texas;
Changing Route System Is Cited

BYLINE: From News Services

DATELINE: NEW YORK

BODY:

American Airlines confirmed yesterday that it will move its headquarters and 1,000 employes from New York City to Dallas next year.

Albert V. Casey, president of the company, which is the nation's second largest domestic carrier, said the move was occasioned by changing route systems.

He called New York "a fine place in which to conduct business" and said "we will miss the many benefits and advantages that are unique both from a corporate and a personal standpoint."

American said it would retain in New York its Eastern Division headquarters, a metropolitan sales and service office, and all the airline's flight operations, airport services and maintenance units.

Rumors of the move, which would have a negative impact on New York City's economy, had elicited criticism from Mayor Edward Koch.

Koch said he was "distressed" by the firm's decision, but noted that there is a net increase of jobs in the city. "People always will be leaving," he said.

American is said to be looking to Dallas as a possible "hub" for expanding its Southwest route system.

New York City and state officials, who have fought to keep the company here, contend that other issues are involved, including the number of Texans on the company's board of directors.

The Cities of Dallas and Fort Worth offered American a $125 million municipal bond packages to finance the move and agreed to pay for 325 acres of land south of the airport. In addition, they agreed to build the headquarters and pay for an $18.5 million flight reservations center.

Meanwhile, an Eastern Airlines vice president said the proposed Pan American World Airways National Airlines merger could result in both National and Eastern moving out of Miami - possibly to New York.

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Morton Ehrlick, Eastern's senior vice president for planning, said in Miami that if the merger is approved, the new airline probably would move its corporate base to New York.

In addition, he said, the National-Pan Am merger could force Eastern to seek a merger of its own with a stronger airline, and that could result in Eastern moving its corporate headquarters to another city.

Meanwhile, Georgia Pacific Corp. said it will relocate its national headquarters to downtown Atlanta from Portland, Ore.

The company previously had said it intended to move its headquarters but did not give a specific site.

The company said it is moving its national headquarters to the south-east U.S. because 75 percent of its business now is in the eastern part of the nation, and it said its major manufacturing growth in recent years has been in the South.

GRAPHIC: Picture, American Airlines Chairman Albert Casey answers questions about Dallas move. UPI

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NY

Pat Barrett, GOP Chmn.

Ralph Marino, State Senate Pres.

32-27 (Senate Margin)

Pierre Rinfret (pro death penalty)

do not refer to Cuomo directly

acknowledge elected

GOP State Senate working closely together

group effort

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/5 to 7 minutes/ 24 / before dinner 7:30 p.m.

/1400 people/

death penalty

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from its overbearing masters -

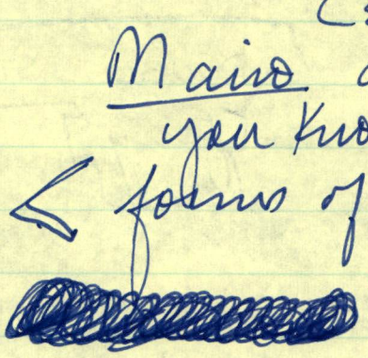
S.I.

Majority leader
State Senator Ralph Moreno -
performance / [BIPARTISAN DEAL] - [redacted]
BUT ED MARTIN LINE - KEPT - JUST THINK
where NY state would

True gov. is - in the classic sense, Ralph Moreno - finger on the pulse of the taxpayer - like of defense against wanton gerrymandering - Release of reapportionment - Bartlett - pitting two retires Reps. against each other.

Pierre Rumfelt news star
war hero
Cuomo
tough times -

(shake head, pause)
Mario anytime
you know where to suit up -
< forms of fed. election commissions



Slam Cuomo on Dukakis
Ralph stopped

"New York Miracle"

We had a Northeast liberal
Democrat -

ED MARTIN (518) 455-2264

DAVE WINSTON

city: CRIME, DRUGS

~~cities~~ everywhere else: taxes

ASK ED MARTIN ABOUT TAX-SPEND

General ~~dis~~ dissatisfaction w/ quality of life - states - N.C. lower now than R2 often than - Contra.

People see their lives getting worse - more murder, more taxes. Bonfire of the vanities.

FLORIO - Cuomo tounge-in-cheek promoted F. for President).

* DRUGS?

* TAXES?

* ANECDOTES?

* D'AMATO

* NY SENATE

* A DEMOCRATIC MAYOR MAY THINK IT'S FUNNY TO RAISE THE ~~FARE FROM~~ STATEN ISLANDERS.

MANAPONEY

Proceeding of

Fed. H. Loan BK 1980 — ED CAINE, OHIO STATE UNIV.

Respected Author on S+L's -

FSLIC guarantee substituting for capital - $150 billion in 1980 -

June 18, 1951

ED: TAXES, N.Y. BUDGET - CUOMO UNWILLINGNESS TO CONTROL SPENDING. SENATE AD. spending freeze, base-line ~~welfare~~ spending

Dems. Refuse to ~~reduce~~ talk spending cuts.

Cuomo proposed $3½ Bill / Rep. turned $1½ Billion

Not a Rep budget 16 years - Indy

ABLE-PEOPLE - DONOT & qualify for welfare - NY. $400 a month
DRUGS - CRIME / CUOMO's (drug) Commissioner had to resign in disgrace
Now sells hot dogs outside of Capitol

Look what we're up & down for the country + look what they've done to your State. For 8 yrs. [redacted] not part of Reagan economy. Our successes, his failures. Fortune 500's — Mobil.

CRIME - DEATH PENALTY
Reps. + women - there are 5,000 rapes & + attempted in NY State every year. Constant. Of those 5,000 each year, only 5% do we actually apprehend & send them to jail. 95%.

We have a bill that legalize MACE - Democrats standing in way

One Rep. dying of cancer - one or two votes in either house - Rep. gov. or more Rep. in office.

Poor in poverty - raised in Hell's Kitchen - studied on education - self children - built himself up, Mormon, eco., entrepreneur - understood Not a professional pol.
Wants to do nothing - nothing else - but be governor.

Down State
Post 16 years

symbol. And until the recent Supreme Court decision, I'm told that 48 States had spoken, 48 States had laws protecting the flag against desecration. And that meant that the people of the States were speaking. And I strongly believe we should use the amendatory procedures wisely provided by the framers to pass a carefully drawn, narrow amendment to make the burning of the American flag a crime. And I'm going to fight for it with everything I have.

Another area of concern that I share with the Governor is the fate of our environment. He and Bill Cabaniss and I were talking about the natural wonders of this State on the way down here—the fate of our environment. From the estuaries of Mobile Bay to the lakes and misty mountains of the north, Alabama truly is beautiful, and it's beautiful in part because this Governor is working to preserve your very special quality of life. We're also working in Washington with the Congress to bring about a cleaner environment for all America. In fact, that is why I have proposed the first major revisions in the Clean Air Act in more than a decade. We can have clean air and clean water while respecting another kind of delicate ecology: that of jobs and opportunity.

A cleaner environment, safer streets, more jobs—all these are absolutely critical to our future. But if there is a paramount issue—and we have to click them all off there and try to—if we had to put them in a list, you can't overlook education because the state of the classroom today really is the state of our Union tomorrow.

We believe in asking more of our teachers, our children, and ourselves. And that's why I was very grateful to have Governor Hunt at my side at the recent education summit in Charlottesville, Virginia—the first time such a summit had ever been convened. And at the summit, we agreed to develop America's first national education goals, not to inflict our views onto the State education system but to set broad national goals. And we agreed to ensure our kids—that they master important subject areas, math and science being part of it; to boost graduation rates; to make this nation a nation of literate adults; to kick drugs out of our schools; and to see that all children start school ready to learn through vigorous programs like Head Start. And then we agreed to one thing more: to ensure that our students by the year 2000 are first in math and science achievement. America should not accept second place to any nation when it comes to education and the quality of the education for our kids.

When it comes to making a difference in the world, America has always been first. And we've already seen the difference America is helping to make in what I call this magnificent Revolution of 1989, a struggle of the democracy-building that continues to this day.

Let me share a story about an American visitor on a recent trip to Romania—a troubled land that it is—who asked the people she met what was most important now, what they needed most. And listen to one surprising answer: In a country where the streets are dark at night and the homes lack heat, one Romanian woman pulled from her purse a worn copy of an American magazine—a 3-year-old issue, with a special bicentennial copy of the United States Constitution. And she said, "What we need now is more of these."

And this is the moral example that our great country owes the world. Some may say the goals we set for ourselves and the example we offer the world are too ambitious. And I say only great ambitions can galvanize a nation; only great examples can change the world. When the first rockets lifted off the pad at Cape Canaveral—rockets built at Redstone—the eyes of America were already on the Moon. We need once again to work together as a people so that our future will be as bright as that Redstone rocket. And with the leadership of Guy Hunt, I know that your possibilities will be as limitless as the stars over Alabama.

Guy Hunt is the right Governor to lead Alabama in the nineties. I believe he would agree with me that this is a fascinating time to be Governor of your great, progressive, forward-moving State. And I might say parenthetically, as I look back over my shoulder at the recent history of this country, I can't think of a more fascinating time to be President of the United States of America than today.

I am very grateful for the support that you're showing for Guy Hunt. I'm very

fair: constitutionally sound provisions for the death penalty, for the ultimate penalty. And we want Congress to enact the steps needed to expand the death penalty, not sometime, not some other place, but now. And the U.S. Senate fortunately has begun debate on these measures. But now is the time for them to take the next step and protect Americans. And we can protect Americans by passing laws that are at least as tough as the criminals we convict. A cleaner environment, a crackdown on crime—they're important issues. But Jim and I also believe—and we had a marvelous experience today at one of your wonderful schools—also believe that education really is the paramount issue; for the state, the classroom today is the state of the union tomorrow. And so, as chief executives, we will also work to make American education second to none.

We visited this school, this Farnsworth Elementary today. And I met some of the top principals—the school principals in the entire area here—listened to their concerns and ideas about quality education. An impressive group of people saving the lives and helping our kids every single day. And then, just a little later, I sat down—did Barbara's bit—I sat down with the first, second, and third graders. And you know, when their principal told them that the most important man in the world was coming to their class, one little boy looked around and said: "Oh yeah? So where's Michael Jordan?" Well, I finally got around to telling them about my responsibilities, and what I'm doing now that Congress is on recess. You should have seen their eyes light up at the word "recess". But, nevertheless, some things never change. [*Laughter*] And then I read them a story—a story about reading, actually. And I saw the bright faces, and I heard the laughter, and I answered the question of curious third-grade minds. And one thought stays with me from that experience: these kids really do deserve the best education that America can offer. And we must not let these children down.

That's why last September—and I want to again thank Jim Thompson for his key role in this—we asked the Nation's Governors to join us at an education summit, the first ever held with Governors of any kind of a summit, at Charlottesville in Virginia. And it was there that we agreed to set national education goals for our students, our teachers and ourselves. And in my State of the Union address, I announced these goals: To improve students' academic performance, increase our graduation rate, produce a nation of literate adults, and make our schools drug-free, ensure that all children start school ready to learn—and that means more vigorous Head Start, more fully-funded Head Start programs, too—and ensure that by the year 2000 our students are first in the world in math and science achievement. And you know what? Just after that speech, that State of the Union, I received a telegram from our candidate, your friend and mine, Jim Edgar. And he was first to make a commitment, pledging to lead Illinois into a new era on education—at the foremost of moving the nation to reach these education goals. He committed himself and now he's ready to move into that Governor's office and follow up on what Jim has done. And he's leading another effort that is related—one which is very close to my heart, and one in which Barbara Bush has been such an outstanding leader—and I'm talking about our national campaign against illiteracy.

And so what Jim is doing is living up to the highest ideals, the Republican ideals of Abraham Lincoln and Teddy Roosevelt—to imaginatively use the limited resources of government to share opportunity, to bring enlightenment. And when a leader truly cares, and gives a darn, and truly wants to make a difference, people can tell that. American people aren't dumb. They can sense it immediately if somebody cares. And that's why Jim does so well downstate. And that's why he is the one Republican who does so very well right here in Chicago.

And so I've come here today, not just to thank you for your support for Jim Edgar, I've come here to say something to Chicago as well. For too long, too many have felt as if they live outside of the American political process. For too long, they have believed elections are irrelevant to their own futures,

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tiations on nuclear and space arms. We signed protocols allowing unprecedented improvements for on-site verification in limiting nuclear testing. Who would have thought years ago with that closed society that we would now have an agreement on on-site verification to be sure both sides keep their words. That is progress in this relationship. We agreed to increase our cooperation in atomic energy testing and civilian nuclear safety. But most important to Illinois, I think, we signed a long-term grain agreement, one that will bring grain to Soviet consumers and business to the farmers of Illinois. And I am not going to let food be used as a political weapon. I remember the failed Carter embargo, and we're not going to have that kind of foreign policy anymore. We negotiated a trade deal with the Soviets, an agreement that depends on the passage of key emigration laws within the Soviet Union. Certainly, I believe that's in the best interest of the United States, and it will mean an improved trade relationship between our two countries, expanded markets for American goods and services, expanded markets for Illinois workers and farmers. And it will mean, through economic interaction, a continuation of this perestroika, this reform and openness inside the Soviet Union itself.

So, I'm delighted that we did it. There is a danger—Mike Ditka might want to trade a couple of Bears for Soviet weightlifters, but we'll see how all that works out.

No, but I am very pleased with this. I realize we've got a long way to go, but we've made progress. With a safer world come other challenges—many of them right here at home. Challenges like a better environment, better schools, safer streets. You need someone now to continue in Jim Thompson's footsteps. Someone who will continue to move this state on those key issues in the right direction. That's why I am convinced Jim Edgar will be your Governor. I like this sign. I like this sign that—and a philosophy that is summed up by this sign—let the future begin. And he has been a dynamic Secretary of State, creatively using his position to begin that future today.

For example, he's been a leader in the fight against drunk driving, initiating tough new laws and heightening public awareness. His persistence has paid off. Traffic deaths in Illinois have been reduced by one-fifth. Jim Edgar and I can also work together to make a better future for America. For example, we can work together to preserve wetlands, to clean up toxic wastes. And just as he will work for a cleaner Illinois, I will continue to work with Congress in Washington to bring about a cleaner environment for all Americans. That is why I have proposed the first major revisions in the Clean Air Act in more than a decade. I want Congress to pass a bill that will sharply cut acid rain, smog, toxic pollutants. But Congress has to respect another kind of delicate ecology—that of jobs and opportunity. We can do both: have a cleaner environment and still keep this state and other states growing.

So, I really would like to take this opportunity with this many present to call on the United States Congress to—not to keep America waiting any longer for clean air. We've made a compromise. It's a good one. It is a sound one. And now, the Congress ought to act so I can put my John Hancock on a good Clean Air bill. I get so frustrated at times. And Jim and I talk about these other issues. And I believe the future should begin with safer streets, an America free of crime. Look, as Secretary, he has shut down sixty auto theft operations and illegal security operations that prey on the unsuspecting. And as Governor, he will work in Springfield for tougher laws against those who sell the drugs and those who commit violent crimes. So, you see, we share a simple philosophy. If dealing drugs is dealing death, then let's get those big dealers to have what they deserve, and I mean the ultimate penalty. We cannot condone and coddle these drug criminals.

We need the tougher laws and the stiffer penalties and more prosecutorial powers proposed in our Violent Crime Control Act. And again, I call on the United States Congress to pass the major parts of our Violent Crime Act, new laws that are fair, fast and final. Fair: an exclusionary rule designed to punish the guilty and not to punish good cops who have acted in good faith. We owe a lot to the men on the street, men in blue, and women as well. And fast—we need reforms to stop the often repetitive appeals that are choking our courts. And finally,

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is here, there. I didn't see her. And there is someone here today, in addition, that I really need in Washington, DC—someone who can help the fight to win the battle against drugs, someone that is committed to expanding and protecting our space program, and someone who stands for a strong national defense. And I'm talking about your next Congressman from this district, Albert McDonald. We've got to see him elected. We need that Fifth District seat.

It's great to be back, back in what the song calls sweet home Alabama. In fact, I've recently been down this way—several months now—first, recently to Birmingham and, prior to that, doing a little bass fishing in Pintlala. Considering my record as a fisherman, the bass have nothing to worry about, nothing at all. [*Laughter*] But I loved every minute of it, and I want to be invited back. And we had a reception over here—and I will spare her the embarrassment—but a beautiful Alabamian said to me—how she got this past the Secret Service, I don't know—what she meant was: You're a lousy fisherman, and I think I can help. And she reached into her pocket and pulled out a rubber, kind of a pink-looking frog, or something of that nature—a worm, exactly. And I thanked her very, very much, because when we get out of Washington, we talk about the things that really matter. [*Laughter*]

This time I've come to Alabama, though, with a more serious purpose in mind. This State is so special and so unique, so who can say what best captures the spirit of Alabama? Is it the voices of the choir in Montgomery's Dexter Baptist Church or the ornate balconies and French windows of Mobile? Or is it the hustle of that dynamic Birmingham business or the quiet intensity of this fantastic space center? This much we can say: Alabama is diverse, and Alabama needs a Governor who understands what it means to serve all of the people. And that's exactly the kind of Governor you've got. And come November, that's the man that Alabama must and will reelect. And of course, I'm talking to Guy Hunt, your friend and mine.

I'm told that a New York Daily News reporter was recently touring the State with Guy, and he literally was astonished by what he saw. The reporter spoke with admiration of how your Governor strives to bring in new businesses and tourists and how he inspires this whole State to come together, to pull together. This New Yorker saw for himself what Alabamians have seen for almost 4 years now: Leadership works.

And Guy Hunt is a leader who switches from one area of expertise to another with all the grace of Bo Jackson out there going from baseball to football. Look at how he helped create the most new jobs in Alabama history. Just look at the way in which he established a first-of-its-kind program to transfer NASA technology to apparel manufacturers, small businesses, and universities all across this State.

But Guy believes, and I believe, that government has certain serious obligations. One, of course, is our national security. But there's another one, and I'm talking about the protection of the people. And so, when it comes to this fight against crime, the country preacher from Holly Pond in Cullman County is as tough as Elliot Ness. And I think the people in Alabama understand that, and we certainly understand it and appreciate it in Washington. You see, we share a simple philosophy: We will not condone or coddle the drug criminals. And he agrees with me that if dealing drugs is dealing death, then let's give those major narcotics dealers what they deserve: the ultimate penalty.

America needs the tougher laws, stiffer penalties, and criminal justice system—the reforms proposed in our Violent Crime Control Act. And that's why I am hopeful that the Senate leaders will work with me to pass the major parts of our Violent Crime Act, new laws that are fair but also fast and final. Fair: assure that those who are guilty are held accountable for their actions. Fast: we need reforms to stop the repetitive appeals that are choking our courts. And finally: constitutionally sound provisions for the death penalty, particularly for those who are major dealers in narcotics or those who take the lives of a police officer.

And let me just say a quick word on another constitutional issue. And it's a debate going on right now; and I'm trying to do it in a nonpartisan way because this issue, in my view, should be above partisanship. But I do believe that our flag is a unique

ing to the changes in Europe. I'm not going to say any more on the details of the talk, but it was a very constructive conversation. I thanked him for his reception of [Secretary of State] Jim Baker and the time he gave him, and told him that Jim had filled me in on the details on the arms control agenda, and reassured him that I wanted to conclude the agenda as set out by the Secretary with Mr. Shevardnadze [Soviet Foreign Minister]. And as I say, we discussed the matters here in this hemisphere and in Eastern Europe.

So, it was a good talk and I'm going to continue to try to have consultation. He agreed that these kinds of conversation are very useful. And so, I just wanted to get that on the record.

Q. Did you call him?

The President. Yes, I called him, yes.

Q. You talked about the Nicaraguan elections and then——

The President. Well, no, just to review these two areas. And I think we need to be doing a little more of that kind of thing, and I think he agrees. So it was—the mood of it, that's hard to define, but it was very good, very forthright. Where we differ, we can spell out the differences without rancor. And I think that's important in the Soviet-U.S. relationship.

And as Chancellor Kohl [of the Federal Republic of Germany] impressed on me up there at Camp David, the importance to the world of how the U.S. and the Soviet Union interact just cannot be overemphasized. So, it was good.

Q. Why did you want to call him? Generally, you have something specific that you want to request of him.

The President. Well, just to discuss these two areas. No, nothing specific, just these two areas. And I'm not going to go into the details of the talk. But I think it's important that there be some confidentiality if we're going to be able to speak as frankly as we did today. And so, I can't give you the full agenda, but I can tell you it was a very good one.

Q. How long did you talk?

The President. I'd say it was about 40 minutes, something like that.

Q. Did you have trouble getting through to him when you called?

The President. No, we set a time to take the call. He had matters on his mind yesterday that we've all read about, and so, we decided to do it today. But we touched on a lot of matters, and it was good.

Q. Did you talk about the Presidential powers bill?

The President. No, not in detail.

Q. Do you want Gorbachev to impress on Ortega [President of Nicaragua] the importance of turning over control——

The President. Well, I was very pleased with the Soviet statements about recognizing the winners of the election. And I think a lot of that stems from leaders in this hemisphere, to be sure that peaceful transition takes place.

Note: A tape was not available for verification of the content of the exchange, which occurred in the morning on Air Force One, en route to Staten Island, NY.

Remarks at a Fundraising Luncheon for Congressional Candidate Susan Molinari in Staten Island, New York

February 28, 1990

Thank you very, very much for that warm Staten Island welcome. Thank you all. Please, be seated. Susan, thank you for that warm welcome back. And let me say to those citizens of this marvelous part of New York, I was deeply touched, and I believe Susan was, when we rode in from the landing zone out here, to see the kids in the streets. And I want to thank everybody involved with this visit: first off, the firefighters that were there to greet us; the police officers, who do so much for every one of us, regardless of the politics, every single day; and then the kids that turned out. And I learned something long ago: It isn't George Bush; it's the Presidency. And I wish you all could be in that beautiful black limousine with Susan and me and just see the respect for the institution, the job, really, that I'm proud to hold. It was very, very moving for us, just as this welcome back is very moving for me.

I'm delighted that our able State chairman is with us, Pat Barrett, the guy that did

it all in business and then rolled up his sleeves and put something back in the system by taking on this enormously important organizational job as chairman of the State party.

I had a chance a minute ago to visit with one of my dear friends and supporters, who was one of his predecessors, George Clark, who's here today someplace, too.

And I want to pay my respects to Olga Igneri, Richmond County Republican chairman, and Fred Pantaleone [Kings County Republican chairman], from over across the way, I've known for a long time, and another great party leader. Mike Long, the State Conservative Party chairman, is here. And we're grateful to him. And I'm so pleased to be with another young old friend of mine, Nelson Rockefeller; I want to see this guy involved in politics, too. I keep telling him that, but he's—[*applause*]. But of course we're here today to salute the 14th Congressional District's next Representative, and I'm talking about the one in blue here, Susan Molinari. It's essential that she be elected.

And I also would be remiss if I didn't at least mention—[*laughter*]—another Molinari, one of the outstanding leaders on Capitol Hill, who is now back home to stay, tearing them up right here at home, Guy Molinari, my friend. And what a job he's doing, and I will always be grateful to him.

Deputy Borough President Jim Molinaro is also here today, and I salute him—a man I've known a long time.

But one more word about Guy. He was there very early on for me. And this room is full of a lot of politicians—a lot of statesmen out here, too, I see—but there's some politicians out here. And you never forget how you got where you're at. And Guy Molinari was at my side long ago when the going was tough and the pollsters had it figured out just about the way they had figured out Nicaragua. [*Laughter*] And so, I'm proud that he's here with us.

The Silver Fox sends her best. She didn't want to put her hairdo up against Guy Molinari's, so she stayed home. [*Laughter*] Sorry about that.

But look, the only reason we're kind of imposing on you before lunch is that this is the first stop on a cross-country trip—on our way to California as soon as I leave here, talking to Californians about some of the things Susan mentioned—fighting drugs, fighting crime—issues which certainly concern all New Yorkers. And I want to mention them to you today, too. I'll also be meeting with the Prime Minister of Japan on Friday and then again on Saturday morning to discuss another important issue. It's an issue of concern to everybody in this country and certainly in this dynamic area: the American competitiveness in the Pacific Rim.

It's been—well, I guess Susan touched on this—almost 25 years since a President came to Staten Island—President Johnson dedicating the bridge. And today I'm here to talk about another bridge, a bridge to the future, an election that will determine whether Staten Island gets the experience and leadership and independence that it deserves, the election of the next Congresswoman from New York: Susan Molinari.

So, here I am in the middle of the battle right here in New York, where one of the great contests of 1990 will take place. A lot at stake. There's been a lot of money spent on both sides; a lot of press attention. But I'm not here to talk about the Trumps. [*Laughter*]

You know, I'm here to talk about this congressional race. And look, you know it and I know it and the people know it here: Guy has left some big shoes to fill. But I can think of no one better to do the job than Susan. And this isn't kind of Johnny-come-lately because Barbara and I have known her for a long, long time. Like her dad, Susan is going to have that hands-on leadership the voters have come to expect from the name Molinari.

Speaking of names, I'll tell you a true story. Susan found a scrawny little mutt on Election Day 1988. We were all waiting for the returns to come in, but the dog wasn't doing well, and they didn't think it would make it. But it was a good dog—loyal, cautious, prudent, some would say timid—and it pulled through. I still can't figure out why Susan named the dog George. [*Laughter*] But she did. And being a female pup—[*laughter*]—she'll have it even tougher. Life ain't easy for a girl named George. [*Laughter*]

Let me give you a little serious, political, inside advice, one single word: puppies—worth 10 points, believe me. [*Laughter*]

I understand that Susan's opponent is charging that she'll do nothing but follow in her father's footsteps. That's a marvelous endorsement as far as I'm concerned, a very good endorsement.

But look, she's established it here—an independent, tough leader; the determination, the understanding, and the experience to get the job done. And when she was 27, she was already making history: youngest member ever elected to the New York City Council, first Republican elected from her district, the only Republican elected to the council—and she beat her Democratic opponent for reelection three to one. Susan is the new generation of leadership. And she's been tested. She has been tested. During her tenure as minority leader on the council, she's held her own as the toughest "minority of one" that anybody's ever seen.

The effects of her leadership will be felt for many years. She opened the door for other Republicans to follow. She gave this party a voice where, literally, there was none. A great bipartisan leader, she proved that the only fair system is a two-party system.

Her opponent says that she can't possibly be effective in Congress because she's not in the majority party. Poor guy, he doesn't understand that there's a direct correlation between effectiveness and experience, between effectiveness and leadership, between effectiveness and independence. And Susan is the only candidate in the race with all three. Plus she has something else: a friend in the White House. And that's not going to hurt her a single bit.

The Republican leadership needs her in Congress because they need her drive, they need this initiative, and they need this experience I've been talking about. And I need her because we agree fundamentally on the issues: a strong economy; schools and streets free from drugs and violence; a clean, safe environment. We both agree that we need action on these issues and that we need it now.

Drug abuse—we had a little receiving line down there for some of the heavy hitters or heaviest lifters or whatever it was, I don't know. [*Laughter*] But more people came through the line: "Don't give up on the fight against drugs." I'm not about to. Drug abuse is a threat to all America, and it's especially a threat here, I'm told, right here in Staten Island. Only a few miles from here, remember the name Everett Hatcher, a veteran DEA agent, brutally murdered by cocaine cowards. In the days after his death, his wife put the blame for his death squarely on the shoulders of the so-called casual drug users. We have to win the war on drugs for Everett Hatcher and all those who have given their lives to free America of drug abuse. And we will. And we are making progress, and I need Susan to help out on the legislative side of things.

One of the most vital issues—and she's been talking about that in the campaign—is the protection of our planet. Staten Islanders face some of the toughest environmental problems in this country, and Susan will fight, and fight hard, to reduce those air toxics and urban smog.

Right now, we have clean air legislation that I sent up to the Congress. It's strong. It's the toughest revision of the Clean Air Act that's been proposed in a long, long time. And the legislation is up there in both the House and the Senate. I think Susan will take the oath in time to make a difference. We've laid down what I would call a fairminded compromise to help clean up our air and yet not throw everybody in Staten Island out of work in the process. We've got to be able to grow, and we've got to be able to protect clean air and protect our environment. And that's what I'm fighting for, and that's what I want her help on in Washington, DC. What I want to see is break this stalemate. Let's protect our environment for decades to come. We've already shown we can get the lead out. And now, let's finish the job.

Susan gets action on the environment. You know, when that Exxon spill left sludge on the shores of Staten Island, she got the company officials into her office. By the time they left, the company had agreed to the Molinari nine-point plan for cleanup. And that is tough, effective leadership, and that's what I call results.

There's another result we ought to briefly talk about, and that's the result of 9 years of Republican leadership at the Federal level:

lower taxes, the greatest economic expansion in history. And we've got to keep this economy strong so we can keep America strong. Susan and I believe that holding the line on taxes is the key to making America competitive in the global marketplace. She and I know we can outproduce and outmarket and outsell everybody else if we can keep the taxes low on the American working man and working woman and business people. I am going to keep my word and keep those taxes down.

Susan understands what the voters want, because like Staten Island, she does have a proud heritage and this brilliant future I've told you about. Let me tell you a story. Eighty-six years ago, a battered steamer pulled into New York Harbor, and a 6-year-old boy—one of 14 kids—and his mother stepped off onto Ellis Island, ready to join his father and siblings after leaving their home on the coast of southern Italy. Looking across the harbor to the Statue of Liberty, little Bob Molinari took the oath of allegiance and became an American. Years later, that small boy became a successful businessman. He taught his five children the value of education and of hard work. He held down three jobs, put himself through night school, and then decided that it was time to give something back to this new land that had given him so much. He entered public service, serving Staten Island tirelessly in the State assembly.

Guy says that his dad was terribly proud of the United States; then he added, "and he never let us forget it." Guy felt the same way about education, about being an American, about his service to his country. When he was sworn into office not far from here, he, too, took his oath at the foot of the Statue of Liberty. The light that glows from the huge statue's torch shines over Staten Island—and beside this great community she stands, looking forward to the world and to the future. Now the time has come for Susan Molinari to lead Staten Island forward.

America has given her a lot. I bet she'd agree with that—a wonderful family, an education, and the opportunity to be the best that she can be. And so, now, like her granddad and her father before her, she wants to give something back, some of the blessings that America has given her. She cares about this country, and she has served you, the people of Staten Island, well. And it is a time now, in this very important seat, for a new generation of leadership.

Your future and that of your children are precious. They're very precious, indeed. We need experience, we need independence, we need honest leadership for a strong Staten Island, of course, and a strong United States. We need her kind of total commitment. And that's why I came up here to tell you we need Susan Molinari in the United States Congress.

Thank you all. And God bless you, and thanks for the welcome back.

Note: The President spoke at 12:44 p.m. in the Grand Ballroom at Shalimar Hall. A tape was not available for verification of the content of these remarks.

Message to the Senate Transmitting a Protocol to the International Civil Aviation Convention

February 28, 1990

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol Relating to an Amendment to Article 56 of the Convention on International Civil Aviation, done at Montreal on October 6, 1989. I also transmit, for the information of the Senate, the report received from the Department of State with respect to the protocol.

Article 56 of the convention concerns the composition of the Air Navigation Commission of the International Civil Aviation Organization and currently provides that it shall be composed of 15 members. The present protocol would increase the membership of the Commission to 19 members.

I recommend the Senate give early and favorable consideration to the protocol submitted herewith and give its advice and consent to ratification.

George Bush

The White House,
February 28, 1990.

III. DISCOVER AND ENCOURAGE NEW LEADERS

America's community service movement must have the strongest, most creative leadership, nationally and locally. Such leadership must be constantly recruited. The foundation, with the help of existing organizations, will identify the most promising new leaders in all walks of life who are not now engaged in community service and encourage them to devote part of their talent and energy to community service. The foundation will give special attention to young people and to those who have not had the opportunity to fulfill their leadership potential.

IV. CONCLUSION

The President's national service initiative focuses on the most critical domestic challenges facing the Nation today. These problems were long in coming and cannot be solved overnight. But if each American citizen and each American institution responds to the President's call to engage "one-to-one" in the life of another person in need, this initiative will be the most comprehensive and inclusive movement of our time. This movement can dramatically reverse negative trends on many fronts and ensure the fulfillment of America's promise.

Remarks at a Republican Party Fundraising Dinner in New York City

June 22, 1989

I am just delighted. Thank you all for that warm welcome. I look around this room, and I think to myself, Okay, I'm President of the United States. But I know how I got here, and I see many, many people in this room to whom I will always feel indebted for that long-ago political action, and then when we all came together in the fall of 1988 for the election.

And so, I'm delighted to be here at this major political event. I want to thank Pat Barrett; my brother John and Joe Fogg; outgoing chairman, my friend Tony Colavita. And it's always great to be back in New York. It's the first place I've ever come to that they named a dessert for my wife. Just look at your program. I don't know what Bombe a la Barbara means—[*laughter*]—but nevertheless, we don't take that as a slight at all. We're pleased that you named it that. [*Laughter*] Maybe she does take it as—no, no. [*Laughter*]

No, it's great to be back in New York. Where else can you find newspapers with headlines like "Picked Pot Packed In Pickled Peppers." That was out there. Or my personal favorite from the New York Daily News, a headline that accompanied before and after pictures of a famous actor that read, "Brando Expando." [*Laughter*]

You're wondering why we're all dressed up. We're off to the Wall Street Journal 100th anniversary here in a few minutes. And the Wall Street Journal maintains a more dignified air with its no-photos policy. If they were ever to run a swimsuit issue, it would be Lee Iacocca in thongs. [*Laughter*]

I am here today to celebrate a new fact in American politics: the emergence of a strong, united New York State Republican Party. And we've had good times and bad, but this is due in no small measure to the leadership of our outgoing chairman, Tony Colavita. I'd like to give some credit, also, to my brother, John, who fought the financial side of the equation.

And to the promise of success from your new cofinance chairman, Joe Fogg, an outstanding man who did a marvelous job on this dinner, and of course, to our new able Chairman Pat Barrett. Pat. He's a friend to many here, and Barbara and I consider him a friend. He has everything in the world going for him upstate, and now he's taken on this major job. He's shown the proven ability to reach out and attract new voters to the Republican party. Pat, you've worked wonders as the county chairman up there in Onondaga County, and we look forward to your work and this Barrett magic all across New York State, and every single one of you ought to help him every way you possibly can.

It is no surprise to me that New Yorkers, in particular minority and ethnic voters, are shifting. They are shifting from automatic loyalty to the other party and voting Republican more and more. And it was, after all, the Republican party that was the original party of civil rights, equal opportunity. It was the Republican party that first attracted immigrants and the sons and daugh-

ters of immigrants into politics. Think of Mayor Fiorello La Guardia, The Little Flower of Italy.

And now we are proud to have a new generation of Republican leaders, with your great Senator, Alfonse D'Amato, heading our New York Republican delegation for a second term in the United States Senate. And I'm glad that his TV star of a mother is here. No United States Senator works harder, and I've seen them all in action. For 8 years I was President of the Senate; no United States Senator works harder for his constituents than Al D'Amato. And he will be reelected overwhelmingly, I'm sure, come 4 years.

Republicans take great pride in our New York Members of Congress, and you've got a good delegation, now 13 strong. I want to keep that number at 13. Because Guy Molinari has decided to leave Congress to run for borough president, and I want him to win that race, and I want all of you to support him. But the Nation's loss is Staten Island's gain. And then with Susan already on the New York Council, the Molinaris will be even more of a powerhouse in the State, and I will always be grateful to Guy.

We are also justly proud of how far we've come as a party, so far that we now have a good chance—and I mean a real good chance—of winning the mayor's office in New York City, the most powerful local office in America. And it's a tremendous opportunity for the Republican party to show that our commitment to executive leadership extends far beyond the executive branch in Washington, DC, far beyond the White House, to the city streets and the sidewalks of New York, where the action really is. And accordingly, I would like to commend our three mayoral candidates, Rudolf Giuliani—Rudy—[*laughter*]—sorry about that—Ron Lauder and Herb London—for offering their considerable abilities to the voters.

And my plea, in advance of this September primary, is that we recognize that we can and will win the race if we pull together as a party. And that is my pitch to you tonight, and I hope every one of you will get behind whoever our nominee is.

And as we win the top executive job in America's top city, we will also make big legislative gains in Albany, keeping the State senate, making big strides in the assembly. The State senate has been our Republican watchdog in Albany, you might say, and it must be our first line of defense in the fight for fair representation in the 1990's. As I look around our country with a sense of fairness motivating me, it is absolutely essential that we block the gerrymandering ways of the Democratic party in all 50 States. They've done it to us in the past, and we cannot let them do it to us again.

So, Pat, under your leadership, a strong united New York Republican Party with unity and with courage, I know you'll go the distance. And the era of the Democratic dominance will be a story from the past.

So, I just wanted to come up here tonight with Barbara and wish you well; thank and salute your new leadership; thank all of you who have supported this, the most successful fundraiser that a party has had, as Pat said, in the State's history; and say to you, we are lucky to live in the greatest, freest country in the world. And part of all that freedom stems from our participation in politics. So, don't think that there's something wrong with it. Roll up your sleeves and go to work. And let's win the mayor's race in the fall, and let's build this party so we pick up seats in the Congress in 1990.

Thank you all. God bless you, and keep up the good work.

Note: The President spoke at 7:16 p.m. in the Grand Ballroom at the New York Hilton Hotel.

Remarks at the Wall Street Journal Anniversary Dinner in New York City
June 22, 1989

Well, thank you. Warren, and all of you at Dow Jones Wall Street Journal for inviting Barbara and me to be with you tonight. And I really am pleased to be here. I'm delighted to see so many friends, including this one right up here—Lionel Hampton. This is a nonpartisan evening, but politically, we've been together for a long, long time.

Your 100th birthday—talk about a big event. This morning, I saw Willard Scott on TV holding up
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1:00, they charge me for another day.) \\\

But I wanted to mention one other effort that is of intense interest to Hispanic-Americans -- and to all decent Americans concerned not only with equality of opportunity -- but also with quality of life.

14 months ago I stood before the U.S. Capitol and announced America's determination to **"Take Back The Streets."**

The process that began on that day has now produced a crime bill that cleared the Senate last week. **There are still some improvements to be worked out in the House -- improvements needed to stop the endless abuse of the appeals process, to limit the size of gun magazines, and to ensure that evidence gathered by good cops acting in good faith isn't barred by technicalities that let bad people go free.** In this effort, too, we're calling for support from you and those you represent. \\\

From the time it was first launched in 1968, the National Council of La Raza has played a unique role in working to improve opportunities for Americans of Hispanic descent. The success of your efforts is evident in the many success stories represented throughout this room. **And so I'm here to salute you for the important work you do. By working today for Hispanic-Americans -- you're building a better tomorrow for all Americans.** \\\

Thank you. And God bless the United States of America.

# # #

"Some kill by the zodiac, some strike by the light of ~~the~~ a dim street lamp, and others in the bizarre light of day..."

Description of the President's Crime Bill
Versus the Senate Crime Bill
(Excludes Weapons Provisions)

Last year the President sent to Congress the "Omnibus Crime Control Act of 1989," a bill that was the culmination of months of effort by the Administration to improve the Federal criminal justice system by strengthening current laws. The President's bill expands Federal death penalty provisions; streamlines the litigation and appeals process by reforming laws pertaining to detention and punishment (habeas corpus); eliminates loopholes by allowing evidence gained through "good faith" searches by law enforcement officers; and establishes a program of drug testing for defendants on post-conviction release.

Over a year later the Senate passed its version of the Omnibus Crime Control Act -- a costly bill that in several instances falls short of addressing the real problems facing the criminal justice system.

Exclusionary Rule Reform

President's Bill:

The President's bill proposes to establish a general "good faith" exception to the exclusionary rule which would permit evidence to be admitted if the officers carrying out a search or seizure acted with an objectively reasonable belief that their conduct was in conformity with Fourth Amendment requirements. This reform legislation would clarify that in the absence of explicit statutory authority for doing so, Federal courts may only exclude evidence on the basis of constitutional violations.

Supreme Court may rule on our bill this summer

Senate Bill:

There is no provision in the Senate bill.

Federal Appeals Rights (Habeas Corpus) Reform

President's Bill:

The President's bill proposed enactment of habeas corpus reform to establish a general one-year time limit on the filing of Federal applications by State prisoners for relief from alleged illegal detention and imprisonment; and to require deference in Federal proceedings to the results of fair and reasonable State court determinations. The bill addresses habeas reform for both Federal and State capital cases and general (all other) habeas reform. These provisions will correct the existing system of review, under which over 10,000 applications are filed annually in Federal courts, many of which are spurious.

Senate Bill:

This provision is limited to State capital cases and is so poorly drafted as to be largely unworkable. It fails to address Federal capital cases and general habeas reform cases. It therefore, only covers one-third of legal ground covered by the President bill. Also, its provisions allow defendants to appeal directly to Federal courts without exhausting State remedies.

Attacking this means attacking →

Death Penalty

President's Bill:

Provides for an enforceable death penalty for the most aggravated Federal crimes. The proposal includes standards, safeguards, and constitutionally sound procedures for applying the Federal death penalty provisions that now appear in Federal statutes for homicide, espionage, and treason. It would authorize the death penalty for a number of new offenses, such as murder for hire. In direct response to the increase in fire-arms related violence, the bill specifies that the use of a firearm in committing an offense, or a previous conviction of a violent felony involving a firearm, constitute aggravating factors justifying capital punishment.

Senate Bill:

This provision is roughly comparable to the Administration's proposal. Some of its implementation provisions are unclear, however, and it does not include the several procedural reforms proposed in the President's bill which could complicate and delay legal proceedings.

Funding Enforcement, Prosecution, and Corrections

President's Bill:

The President's bill, and subsequently his FY 1991 Budget Request, includes substantial and reasoned increases to all categories of law enforcement, prosecution, and corrections. His initiatives address prison overcrowding, courts backlog, and requirements for expanded investigation and enforcement. All of these funding increases are tied to a fully coordinated National Drug Control Strategy.

Senate Bill:

The Senate bill provides for very large increases to existing programs and authorizes a variety of new and untested programs. While the bill includes over 40 separate provisions, three particularly expensive and objectionable spending provisions included only in the Senate bill deserve to be mentioned:

Police Corps

A "Police Corps" would be established. It provides up to $40,000 ($10,000 annually) of Federal education assistance for students in exchange for a four-year commitment to serve on state and local police forces. The cost of this recruitment program based on an annual graduating class cap of 25,000 students could exceed $1.3B in outlays by 1993. The provision also provides for an in-service scholarship program and authorizes $30M each year until 1995. This expensive program is offered with no evidence that it would fulfill its objective of putting more officers "on-the-street." Nor is it clear why the Federal Government should step in to subsidize State and local police training in the current climate of Federal budget austerity. Finally, the Senate has held no hearings on this spending initiative, and House hearings indicate that many law enforcement groups oppose the proposal.

In W.H. for/against ... Barnum & Bailey

Law Enforcement Increases

This provision seeks to add $331M in 1991 for more investigators, inspectors, attorneys, and drug control agents to the criminal justice system. This provision is structured in such a way as to be completely open ended. Namely, it authorizes $331M in higher appropriations no matter what the Congress appropriates in 1991. For example, even if Congress were to double or triple drug law enforcement funding in 1991, the Senate bill would authorize $331M more -- the worst possible form of incremental budgeting.

Political! There's a name for this - it's called ... Politics, ~~and~~ Barnum & Bailey ~~#~~ war.

State & Local Drug Grant Increases

This provision seeks to almost double the amount requested for State and local drug grants [$492M] by adding $408M more to the President's request for a six fold increase in just three years. Huge increases of this type tend to foster displacement of local funds and dependency on Federal resources. State and local governments have been able to increase their commitment to fighting crime without Federal subsidization -- their spending for police, corrections, and judiciary was over $56B in 1988, double their 1982 commitment.

OFFICE OF THE VICE PRESIDENT

Embargoed until delivered -- 1:00 PM CDT, July 13, 1990

PREPARED TEXT OF REMARKS BY THE VICE PRESIDENT

THE REPUBLICAN NATIONAL COMMITTEE MEETING
Chicago, Illinois

Thank you very much, Jeannie Austin. It's great to be here at the RNC meeting.

Let me begin with a few simple truths. I am proud to be here with you today. I am proud to be a Republican. I am proud to be George Bush's Vice President, and I am proud to be here to tell you that the Republican Party is truly the party of the future.

You know, I will always have a special place in my heart for the RNC. I talked to you the day after George Bush named me to be his Vice President. As a matter of fact, you were the first group I talked to after my graceful and noncontroversial entrance into national politics.

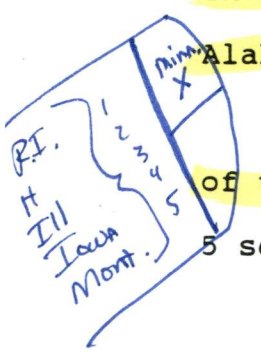
Remember New Orleans? -- August, 1988? I do -- vaguely. We went into New Orleans about 17 points down. Thanks to you and lots of others, George Bush won forty states and the Presidency.

That was 1988. Now let's pledge ourselves to complete the unfinished political business of the past decade: and that's to give President Bush a partner in Congress -- rather than a Congress that refuses to advance the George Bush agenda.

Before I turn to the challenges facing us, let me once again congratulate Jeannie Austin, Mary Matalin, Larry Bathgate and the whole RNC team for your outstanding work and dedication. I also want to pay special tribute to our terrific national chairman, Lee Atwater, who I know has talked to many of you this past week by phone.

When I spoke with Lee, I asked him if he had a message for me to deliver. He said: Win. Let's win big in November, and start the 90's off right. For one thing, let's start the 90's off by once again making Bob Dole Senate majority leader.

We've got the candidates to take back the Senate this year. Senator Don Nickles and the Senate Campaign Committee have done a great job in candidate recruitment. We have six Congressmen, a Lieutenant Governor and several other strong candidates going after incumbent Democrats. Meanwhile, the Democrats have not been able to get any of their House members to challenge our Senate incumbents. The reason our people are taking the risk is that they feel the Republicans can win, and that a majority is within reach. We've got a good shot at picking up Senate seats in Rhode Island, Nebraska, Hawaii, Illinois, Iowa, Michigan, Alabama, Montana, and several other states.



With victories in six of these states, we would win control of the Senate. But, there is also the chance that we'll pick up 5 seats this fall, which would give us a 50-50 tie.

Let me tell you this: there is nothing that would make me happier than to spend the next 2 years of my life presiding over

the Senate, casting tie-breaking vote after tie-breaking vote to help put George Bush's agenda into action!

Now let's get down to the state of affairs in our nation. As you know, President Bush just completed two successful summits. The NATO Summit saw this President lead 16 European nations in an historic NATO meeting which, for the first time, produced a positive response from the Soviet Union. President Bush again drew on his foreign policy expertise, and achieved a new vision of NATO with the support of our Allies.

In his hometown, Houston, at the Economic Summit, we once again saw our President taking the lead and dealing successfully with important and controversial issues, like trade.

George Bush has established himself as the leader of the free world, and his respect and his prestige continue to grow throughout the world. His success should make us all feel proud.

His success is good for our nation, for our party, and for our party's agenda. For as many of you have heard me say before, as outstanding as our candidates are -- this fall's campaign is about more than individual candidates running against each other. This fall's campaign is truly a test of the national agenda for the 1990's. For there is a clear line that distinguishes Republicans from Democrats; and when voters recognize those differences, we win. So it's our job to make sure the voters know the differences. Let's start with the federal budget and the economy.

I say the budget and the economy, because if we are to reignite our economy, we have to reduce the federal budget deficit. We have got to reduce the deficit to get interest rates down, and we have got to get interest rates down in order to create opportunities, new jobs and a robust economy.

Our record speaks for itself. We Republicans are the party of economic growth. We have proven this with an unprecedented 92 months of peacetime economic expansion and the creation of some 20 million new jobs. That expansion did not happen by accident, or as a result of Democratic policies. It happened because of Reagan-Bush economic policies -- policies of deregulation, fostering entrepreneurship, fiscal responsibility -- and yes, emphatically and above all, low tax rates. Republicans know that low taxes are key to economic growth. We want American workers to be able to keep their hard-earned dollars at home. We are proud that, in the 1980's, under Republican Administrations, tax rates were cut, jobs were created and hope was reborn in America.

These results were produced by Presidential leadership, and once again, this President has taken the lead. The American people have given us a divided government. This means we have to negotiate with a Democratic Congress. To allow the deficit to balloon by waiving Gramm-Rudman would threaten the confidence of those savers and investors on whom economic growth depends. But applying Gramm-Rudman would result in automatic, across-the-board budget cuts of up to $100 billion. These cuts would hit

Verboten

programs that are critical to the Republican agenda for the 1990's -- programs like law enforcement and national security.

The President has acted responsibly. He has taken the first step -- in calling the budget summit. He has gone the extra mile -- in announcing his willingness to consider tax revenue increases. Now it is time for some action in return from the Democratic leadership in Congress.

Here is what we expect: we expect any budget agreement to preserve the single most important key to economic growth -- low taxes. The reaction of some Democrats to the President's June 26 announcement was a useful reminder of this fundamental difference between the two parties: the President reluctantly announced that he would consider tax revenue increases to get the negotiations going -- as one of six elements of a budget deal. But many Democrats made it clear that their first and only priority is to raise taxes. Well, raising taxes may be others' agenda, but the George Bush agenda is to reduce the budget deficit.

We don't have a budget deficit because Americans are taxed too little. We have a deficit because the government spends too much. During the 1980's, Congress increased federal spending by 30% in real dollars. As a matter of fact, this year alone the federal government will raise an additional $70 billion without raising taxes. If Congress has proven anything in the Reagan and Bush years, it is that they will not voluntarily cut government spending. That is why the President has brought Congress to the

table -- to get a budget deal that will force Congress to control spending.

But cutting spending isn't enough. We also need real reform in the budget process, which is why the President insisted that budget reform be on the table, too.

The current situation is disgraceful. Earlier this year, when the President asked Congress to approve $800 million in emergency supplemental spending to aid the fledgling democracies of Panama and Nicaragua, the Congress waited weeks to act. When they finally did, they added an extra, unrelated, three billion dollars in new spending, much of it for their own pet projects.

Ladies and gentlemen, these unchecked Congressional spending sprees have got to end. Congress isn't concerned about excessive federal spending. They have fought against the reforms that would give the President the power to limit needless government spending. It's time for Congress to give the President tools he needs, like the line item veto, so he can get the job done.

Finally, the President has said that "growth incentives" must be part of the budget negotiations -- and by that we mean <u>real</u> growth incentives, like the capital gains tax cut.

During the 1988 election, President Bush and I campaigned across the country to reduce the capital gains tax to 15%, because we believe that small businesses and risk-taking entrepreneurs are the motor of economic growth. Meanwhile, Governor Dukakis argued the case for income redistribution. The American people rejected that argument and gave us a resounding

mandate. But, today, nearly two years later, the Democrats' Congressional leadership has denied the voters' mandate. In fact, Congress' failure to pass the President's capital gains proposal last year is partly responsible for the current slowdown in economic growth. The fact is, ladies and gentlemen, contrary to what Democrats may believe, a tax cut -- the capital gains cut -- not a tax increase, is the single most important thing we could do for economic growth.

As I've said, the President is willing to go the extra mile in seeking to forge a budget agreement that would be good for America. He is even willing to consider tax revenue increases. But tax revenue increases will only be one element of a budget deal. Regardless of what some Democrats and pundits may think, these negotiations are not a one way street. We have put revenues on the table. Today, I call on the Congressional Democrats to come forth with their proposed spending cuts. Their silence on this issue -- as usual -- is deafening.

Let me assure you of this: this President will insist on a good deal -- one that is good for our economy and good for our country. He will not accept a bad deal. His position is simple: a good deal -- or no deal at all.

Ladies and gentlemen, time and time again, we have seen the effects of Democratic tax and spend policies in our states. In the past few months, we have seen leading Democrats reassert their old tax and spend policies. In January, New Jersey got a new Democratic governor. He had barely moved into the State

House when he raised taxes. The tax increase wasn't his last resort, it was his first. Across the Hudson, the Governor of New York applauded what the Governor of New Jersey had done. He said it was so good that the Governor of New Jersey should consider running for President.

Meanwhile, the Governor of New York was going for a tax increase himself. Never mind that, since 1983, New York's spending has grown more than twice as fast as the national average. Finally, a little further east lies the Commonwealth of Massachusetts. You all know what's happened there.

Friends, we cannot let the Democrats do to America what they have done to these states. Nor can we let the Democrats do to America in the Nineties what they did to us in the Seventies. Do I need to remind this audience of the Democrats' last performance in the White House -- 20% interest rates, 13% inflation, 7% unemployment? That's their legacy. Ours is: 20 million new jobs, 92 months of economic growth, and tax cuts for the American people.

Now let me turn briefly to some other issues that divide our two parties. Crime: our crime rate is too high. There are more crime victims each year than victims of traffic accidents. But most Democrats still think the death penalty doesn't work, and that the exclusionary rule does. We Republicans believe it's time to put tough laws on the books, more tough judges on the courts, and the rights of law-abiding citizens ahead of the rights of criminals.

The parties are also divided on education. Many Democrats say that all it takes to have better schools is to spend more tax dollars. We say: we all know money is important -- but it cannot make up for low standards; it cannot make up for bureaucratic dead wood; and it cannot make up for a lack of choice and competition. We Republicans stand for basic educational reform because we do not accept a 25% drop out rate for our high school students. We know a child without an education is a child without hope. We must get Congress to pass the President's education reforms, so we can have more accountability, more parental involvement, more choice in our school systems, and the best schools in the world once again.

The parties also differ on national defense. The Democrats want to slash our defense budget by billions. After all, they say, the Cold War is over -- no need to worry about national security any more.

We say -- the reason the Cold War is ending is because Ronald Reagan and George Bush worked to restore our national strength. We say that the "peace dividend" we've earned from our investment in security is peace itself, and we say that the freedom that has come to Eastern Europe and to Latin America is no accident. We invested in national security, and we now have freedom and democracy spreading throughout the world.

But the world remains a dangerous place. Fifteen nations will have ballistic missile capability by the end of the century -- yet the United States remains defenseless. And so, though

great gains have been made, we have got to continue to invest in national security and in new programs like SDI -- because a strong America is a safe America.

Since I've been Vice President, I have travelled to 42 states and 25 countries. I have seen first hand what the Republican dream is all about. It is about freedom, family and faith. These are the principles that bring us together -- and hold us together.

Many Americans take freedom for granted. Well, we shouldn't. I will never forget attending church in Panama City with President Endarra. People with tears in their eyes came up and embraced me. They said, "Thank you for giving us freedom; thank you George Bush." In Managua, Nicaragua, I represented our country when democracy triumphed, and I saw Mrs. Chamorro replace the communist Sandinistas. I saw how precious freedom is.

Here at home, where freedom is well established, our dream of the American family is being challenged as never before. 15 million children in America do not have a father at home. 25% of our children are born our of wedlock. Our families need to be strengthened.

As I travel to schools throughout the country, I am reminded again and again of the importance of a family, the importance of a mother, of a father in caring for a child. Too many of our children are neglected. We cannot and shall not neglect the American family. The family is the nucleus of our society. If we lose our families, we will never recover.

Finally, our faith brings us together -- our faith in God, our faith in our people, our faith in our great President. Faith is believing, and there are certain fundamental principles in which we must believe -- the principles that distinguish right from wrong, freedom from slavery.

My grandfather always told me, and he printed in his newspapers, something that is simple but true. He said, "America is great because America is free." That is what we believe.

Thank you and God bless you.

###

TRANSMITTAL COVER SHEET

TO: Mark Davis
White House Speechwriting

FROM: Ed Martin

DATE: 7-17-90

PAGES: 6 (Including cover sheet)

If you do not receive all pages please call
(518) 455-~~2555~~ 2558

TO: Mark Davis

FROM: Ed Martin

DATE: July 17, 1990

It was good speaking to you again after all these years.

Enclosed are two things that may be helpful: a) the end of budget letter Republicans Senators mass mailed; and, b) the suggested letter we used on the rape figures we talked about.

Some key points to remember about NY:

- we have lagged behind the nation's economic recovery during the 1980's.

- the Democrats have dominated state government for the past sixteen years (Control of both the Governor's mansion - Hugh Carey/Mario Cuomo and control of the State Assembly.)

As I think of things that may be useful...I will send them along. If you need me.... o/ 518-455-2264 or h/ 518-877-6494.

Base N45 Budget Letter '90

Dear Neighbor,

I know you have been hearing much in the newspapers about the delay in adopting a new state budget. The fight has been over how to close an almost $4 billion budget gap.

That number may not mean anything until you realize that New York State's budget gap is larger than the annual deficits of Chile, Venezuela, and the Philippines combined. Overspending during a time of declining revenues threatens to put the Empire State in a class with many debt ridden third world countries.

Despite dwindling revenues and a huge deficit from last year, Governor Cuomo proposed an almost 10% spending increase. This was twice the rate of inflation! As far as I was concerned, such a spending increase during tight times was something the taxpayers of this state could not afford.

I and the other members of the Republican Senate Majority resisted. We advocated a budget approach that would cut the Governor's spending increase and minimize the need for the almost $3 billion in new revenues that would be needed to finance his budget.

We resisted those who wanted to rely on new or increased taxes as the main solution to our budget gap. As a result of our efforts, the Governor's proposed spending plan was trimmed considerably.

By pressing for spending cuts we were able to avoid two-thirds of the new taxes that had been proposed. When revenues were needed to cover the deficit, Senate Republicans saw to it that working, middle class families would not bear the major burden of a tax increase.

Specifically, we killed proposals to impose a personal income tax surcharge, increase the sales tax, and impose a new tax on home heating oil. We eliminated proposals to put new taxes on home improvements, insurance premiums, non-prescription drugs, car trade-ins, cable television, newspapers, and haircuts. (If your son or daughter has a paper route, let them know we have killed the proposal that would have forced them to pay taxes at your rate.)

You should also be aware that the budget includes a local tax reduction package that will cut costs and save local governments and school districts over $300 million. These savings can and should be passed through to our already overburdened property taxpayers.

my friends in NY
informed me

It is my hope that this year will mark a turning point in the way our state is run. Spending cannot increase at rates almost double inflation as had been proposed by the Governor.

State Government must recognize that there is a limit to the amount of taxes people should have to pay. To limit taxes we must limit spending. That is why I and the Republican Senate Majority insisted that a cap on spending be part of the budget.

Those who advocated huge increases in spending, resisted our efforts intensely. This was a hard fight but we were successful in winning agreement on a spending cap that will ensure that state government no longer grows faster than the economy.

I hope that you agree with the budget approach I have advocated. Your thoughts and comments are important to me and I urge you to let me know what you think. You can write me at this address: Senator John Doe, NY State Senate, Albany, NY 12247.

Sincerely,

Joe Goodguy
STATE SENATOR

Suggested Rape Letter

DRAFT

Dear Neighbor,

Rape is one of the most vicious crimes. Although we read almost daily of the terrible attacks that have been forced upon women, we hear little of whether the attackers are ever caught and what eventually happens to them.

The Senate Republican Study Group on Sex Crimes took a good hard look at this issue. What we found was shocking.

In New York State most rapists don't go to jail and those that do don't stay long. Of those in jail, statistics show that almost half of them rape again once they are let out.

Of the more than 5,000 rapes and near rapes that are reported in our state each year, only 5% of those responsible go to jail.

Those going to jail for first degree rape receive a median term of 5 years. In some rape cases, the median term is as low as 1 year! This is far too lenient.

It is no wonder that the repeat offender rate for rapists has jumped from 19% to 42%. This is clearly the result of a criminal justice system that does not deter.

Rapists and dangerous criminals belong in jail. New York not only needs tougher mandatory sentences, but we need limits on plea bargaining to ensure that a rapist is punished for rape and not some lesser crime.

We also need to help the victims and potential targets of such criminals:

- Women should be allowed to carry mace-type protective devices. — passed
- A rapist's defense that a women's attire was too tempting must no longer be allowed.
- Rape victims should have a right to know if their attacker was carrying the AIDs virus.
- Expand the network of rape crisis centers to help provide professional counseling to those who have been victimized.

The Democrats who have controlled both the Governor's office and State Assembly for the past sixteen years have expressed a reluctance to support our proposals. As you read this letter, they continue to delay enactment of these needed reforms.

I need to know your thoughts on this matter, especially whether you want me to continue my efforts to strengthen the way rapists are dealt with in New York State. Please complete the attached coupon and return it to: Senator XXXXX XXXXXX, New York State Senate, Albany NY 12247.

Sincerely,

XXXXXXX XXXXXXXXX
State Senator

P.S. Please let me know if you agree that we must reform the criminal justice system to make sure rapists go to jail. We need stronger laws to help detect, apprehend, convict, and imprison those responsible for these most heinous crimes.

OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

THE FOLLOWING 3 PAGE TRANSMISSION IS TO THE ATTENTION OF:

Name Mark Davis
Office White House
Phone

IT IS FROM:

Name Ben Banta
Office of Public Affairs
Office of National Drug Control Policy
Phone: 202-673-2823
Fax: 202-673-2834

PLEASE CALL Arti Finn ON 202-673-2823 IF THERE IS A PROBLEM WITH THIS TRANSMISSION.

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: One

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JUNE 24, 1990

((Acknowledgements -- Senator D'Amato, Chairman Pat Barrett, Senate Majority Leader Ralph Marino.))

((You know, for two years, when I was ambassador to the United Nations, Barbara and I lived in this very hotel, in room 42 A. And whenever I complained about anything, Barbara would just roll her eyes and say: "Just where do you think we live? The Waldorf Astoria?"))\\\

((Of course, we've changed addresses. But every time I come back to New York, someone always asks if I have any comment on the plight of a certain charismatic New York celebrity. You know who I'm talking about -- that celebrity whose financial problems have made so many headlines, a luminary who is waging a day-to-day battle to avoid ~~his~~ the creditors.\\\ Well, I won't have absolutely nothing to say about that -- You see, I promised myself I wouldn't talk about Mario Cuomo tonight.))\\\

Let me say, it is truly a delight to be back with a great state Republican party, a trend-setting party, a party well positioned at the starting gate of the 1990s. And much of the success of the New York Republican Party can be attributed to the leadership of your Chairman, Pat Barrett.

- Joke about My convention -

M.K.'s speech: mindset



Under Pat's leadership, your state party now has a tremendous opportunity to end the Democrat gerrymander by ending discrimination against voters by race and by party. In fact, we have our best chance to extend our leadership far beyond Washington, D.C., to the city streets and sidewalks of New York City and Buffalo, to the river towns and farms of the Adirondacks. But our mission this November transcends politics because we are concerned -- concerned about the future of this great state.

It is true that America has enjoyed 92 months of peacetime economic expansion and the creation of 21 million new jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York -- especially in the City -- was becoming more expensive, more ~~burdensome~~ difficult and more dangerous than ever before.

Of course, Albany's liberal Democrats blame this on Republicans' policies -- especially Republican economic policies. But, a large energy corporation based in New York didn't go out of business. ~~They~~ It moved south, taking jobs with it, just ~~took their jobs~~ to Virginia. And a large airline centered in New York didn't go out of business. They just took their jobs to Texas. In fact, forty percent of the Fortune 500 corporations based in New York City in 1980 have chosen to leave.

Who let this happen? The same people who've been in power in Gracie Mansion and Albany for decades -- liberal Democrats.

Well, New Yorkers are sick and tired of enduring a declining quality of life that drives away companies and good jobs. New Yorkers are sick and tired of open-air drug marts and muggings. And New Yorkers are sick and tired of liberal Democrats who block every effort at reform.

2 minutes

So before anything else, New York needs a Republican Governor. **New York needs Pierre Rinfret.**\\\

He may not be a polished practitioner of politics. But he is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen and wants to lead others from poverty to opportunity. New Yorkers will also be impressed by something else -- Pierre Rinfret does not have his eyes on any goal but one: **All he wants to do is to be a great New York governor.**\\\

But for the moment, New York's credit rating is lower than Donald Trump's, and your annual budget deficit is larger than those of the three largest South American countries combined. And yet my friends in New York tell me that ~~you have a Democratic~~ leadership ~~that~~ proposed an almost ten percent increase in spending -- twice the rate of inflation!

This is why New York needs to keep Senate Leader Ralph Marino and his colleagues as your last line of defense against a liberal governor and his Assembly. ~~Let the Democrats excel~~ at ~~eloquence.~~ Republicans like what works. That's why your Republican Senate has been -- and will remain -- your watchdog against waste.

Of course, there hasn't been a Republican budget passed in New York State in sixteen years. When you're not in the majority, compromises must be made. But let us be thankful for Republicans in Albany who were there to force compromises in the right direction.

It is the Republicans in the Senate, after all, who forced a spending cap and base-line budgeting. It is the Republicans in the Senate who managed to trim $1.5 billion in Democratic spending proposals. And it is your Senate Republicans who, by pressing for these spending cuts, avoided two-thirds of the new taxes Democrats had proposed. ((They know ~~not to~~ you can't trust a party that would double the fare of the Staten Island Ferry.))\\\

Kidding aside, these matters of jobs and taxes are important. But safe streets are our paramount concern. New York is a city that lives in fear -- not just fear of the few who kill by the calendar, but of the many who prey by the light of a dim street lamp. And New York agrees with us -- these violent criminals deserve nothing less than punishment swift and sure.

So Republicans want to ~~end~~ change lenient, blame-the-victim laws, and liberal Democrats don't.

Republicans want to allow the women of this state to be able to defend themselves with MACE, and liberal Democrats don't.

And Republicans want ~~to put~~ cop killers and drug kingpins ~~to death~~ -- and the liberal Democrats don't.\\\

We believe that the men and women in blue put their lives on the line every day. **And the easiest way to protect them is to** pay for

pay the ultimate penalty

punish the killing of a cop with the one appropriate punishment - - death.\\\

In Washington, our crime bill faces another dilemma. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination **to take back the streets.**

The Senate has now cleared a crime bill. But it is a bill that does nothing to end the endless appeals process, or to ensure that evidence gathered by **good** cops acting in **good** faith isn't barred by technicalities that let **bad** people go free.

Even worse, there is a partisan spin to this bill. It doesn't matter if the Congress or the Administration increases the budget for law enforcement by a factor of two or a thousand - - whatever amount of money is allocated for 1991, the Senate bill will automatically add $331 million. This isn't responsible budget-writing. This is bidding-war politics.

Now, I have proposed an increase of ((amount)) to back up our investigators, inspectors, prosecutors and drug-control agents. **But our law enforcement officers deserve more than to be pawns in a partisan bidding war.** And so do our taxpayers.

These are issues of critical importance to New York and to every state. But we also stand for more than fighting crime and ~~weak~~ economic policies -- Republicans stand strong for freedom.

In closing, let me say that as your President, I have attended three history-making summits in five weeks. And through it all, I kept in mind what the dramatic changes that are sweeping the world really mean. Let me share that story with

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told by an American visitor on a recent trip to the still-troubled land of Romania. She asked the people she met what was most important to them now, what they needed most. And listen to one surprising answer: In country where the streets are dark at night and the homes lack heat, one Romanian woman pulled from her purse an American magazine -- a three-year-old issue with a copy of the United States Constitution. And she said, "what we need now is more of these."

We must never forget that Romanian woman. And we must never forget that to millions around the world, America is still the greatest, freest nation on earth. That is why we are working so hard for New York, for this great state and this great city, where the Lady in the Harbor still holds a shining lamp before the world.

I want to thank you for all you have done and are pledged to do. And may God bless you, and the United States of America.

# # #

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# # #

OFFICE OF NATIONAL DRUG CONTROL POLICY
EXECUTIVE OFFICE OF THE PRESIDENT
Washington, D.C. 20500

July 17, 1990

ANALYSIS OF H.R. 5257

Last Thursday (July 12), the full House Appropriations Committee reported H.R. 5257, an FY91 appropriations bill covering HHS, Labor, and Education. This bill includes drug treatment and prevention money in those departments. A full House vote on H.R. 5257 is scheduled for this Thursday, July 19.

Four major, basic treatment and prevention programs are of interest here:

1. The ADAMHA/OTI (HHS) treatment and prevention block grant.

H.R. 5257 provides no increase in the ADAMHA block grant from FY90 to FY91. The President's FY91 request calls for a $100 million increase in the drug portion of the block grant, from $477.3 million to $577.3 million. Assuming comparable alcohol, drug, and mental health proportional scoring from year to year, this $100 million cut in the President's request will result in a cut below current levels, because it provides no inflation increase. This block grant is the Federal government's basic program of direct drug-related treatment and prevention assistance to the states. Most of this money is for drug treatment.

2. The ADAMHA/OTI (HHS) treatment improvement grants.

H.R. 5257 provides a $10.4 million increase for treatment improvement grants, to a total of $50 million. The President's FY91 request calls for a $46 million increase, to a total of $85.5 million. These grants fund programs for special, target treatment populations (adolescents, pregnant women, and prisoners, for example). H.R. 5257 cuts the President's request by $35.6 million.

3. OSAP/HHS Community Partnership grants.

H.R. 5257 provides a $10.5 million increase for OSAP Community Partnership grants, to a total of $60 million. The President's FY91 request calls for a $52.2 million increase, to a total of $101.7 million. These competitive grants, modelled after a similar Robert Wood Johnson Foundation program, are the Federal government's basic program of direct aid to local communities organized against local drug problems. H.R. 5257 cuts the President's request by $41.7 million.

4. The Education Department Drug-free Schools and Communities program (block grant and related special projects).

ED/DFSC is by far the largest Federal drug prevention program, comprising more than half the Federal drug prevention budget. Its block grant and related projects are the Federal government's basic program of drug-related aid to the nation's schools. The President's FY91 request calls for a $54 million increase, to a total of $593.3 million. H.R. 5257 cuts the President's request by $54.3 million to $539 million, $238,000 below current FY90 authorized funding. H.R. 5257's $25,000 increase for the $437.9 million block grant falls $50 million short of the President's request for $487.6 million, and falls far short of the inflation increase necessary to maintain current services.

BUDGET SUMMARY (in millions of dollars)

Program	FY90	GB91	HA91	GB90-91	HA-GB
1. ADMS block grant (drug portion)	477.3	577.3	477.3	100.0	-100.0
2. Treatment improvement grants	39.6	85.6	50.0	46.0	-35.6
3. Community partnership grants	49.5	101.7	60.0	52.2	-41.7
4. Drug-free schools and communities	539.2	593.3	539.0	54.1	-54.3
TOTAL	1,105.6	1,357.9	1,126.3	252.3	-231.6

Key: "FY90" is the baseline budget authority for the current Fiscal Year. "GB91" is the President's budget authority request for Fiscal Year 1991. "HA91" is the budget authority provided for Fiscal Year 1991 in H.R. 5257 as reported by the House Appropriations Committee. "GB90-91" is the change over baseline 1990 provided in the President's request. "HA-GB" are cuts imposed on the President's request by H.R. 5257.

Summary

H.R. 5257 would enact real cuts in the Federal government's basic drug treatment and drug education block grants. Its overall increase of $20.7 million in the above four treatment and prevention programs is just 1.8 percent over FY90 -- an increase less than inflation and insufficient to sustain current levels of operation. H.R. 5257 cuts more than $230 million from the President's requests for these vital programs, which together would provide a more than $250 million -- or 23 percent -- increase over FY90.

NY State Senate

TO: BOB HAGGERTY
FROM: BILL STEVENS
SOME SUGGESTED TALKING POINTS FOR PRESIDENTIAL VISIT

GENERAL

Democrats have controlled Governor's Office and Assembly since January 1, 1975. (Hugh Carey, '75-'82, Mario Cuomo, '83-present) Republicans have been in control of Senate during that time. (Current Senate makeup: 33 Republicans, 26 Democrats, 2 vacancies (1 Republican, 1 Democrat) -- 31 needed for majority. Current Assembly Makeup: 92 Democrats, 58 Republicans -- 76 needed for majority)

New York's congressional delegation is 21 Democrats, 13 Republicans.

Critical that Republicans at least retain control of the Senate because if Democrats gain Senate they will then completely dominate reapportionment of state legislative and congressional districts in '91.

Republican Legislative Leaders: Senate Majority Leader Ralph J. Marino of Nassau County. Assembly Minority Leader Clarence Rappleyea of Chenango County.

Comptroller Edward Regan, who is seeking his fourth four-year term this year, and U.S. Senator Alfonse D'Amato, are the only Republicans holding statewide office.

NEW YORK STATE'S ECONOMY UNDER CUOMO ADMINISTRATION

1. IN 1975, THERE WERE 118 FORTUNE 500 COMPANIES HEADQUARTERED IN NEW YORK STATE ... IN 83, WHEN CUOMO TOOK OVER, THERE WERE 81 ... TODAY THERE ARE JUST 57.

2. IN THE PAST 8 YEARS, NEW YORK HAS LOST MORE THAN 200,000 MANUFACTURING JOBS ... AND HIS OWN BUDGET PEOPLE ESTIMATE WE COULD LOSE 30,000 MORE IN 1990.

3. A TYPICAL HOUSEHOLD OF FOUR PAYS $3,690 A YEAR IN STATE INCOME, SALES AND OTHER NON PROPERTY TAXES, MAKING IT 7TH ON THE LIST OF MONEY MAGAZINE'S 10 TOP "TAX HELLS."

4. THE U.S. LABOR DEPARTMENT SAYS NEW YORK'S RECENT HISTORY OF JOB CREATION RANKS 45TH IN TERMS OF NEW JOBS.

5. MOODYS AND STANDARD AND POORS, THE BOND RATING ORGANIZATIONS, HAVE LOWERED NEW YORK'S CREDIT RATING TO ITS LOWEST POINT IN HISTORY. IT'S RATING IS BETTER THAN ONLY TWO OTHER STATES -- MASSACHUSETTS AND LOUISIANA.

6. FINANCIAL WORLD MAGAZINE RANKS NEW YORK STATE'S FISCAL ADMINISTRATION 43RD AMONG THE STATES, PRIMARILY BECAUSE OF CUOMO'S "SPEND NOW, PAY LATER" FISCAL OPERATIONS.

THIS YEAR'S BUDGET FIASCO:

1. IN JANUARY, CUOMO PRESENTED LEGISLATURE WITH $51.3 BILLION BUDGET ... A 9.3 PERCENT INCREASE OVER THE PREVIOUS BUDGET.

2. HE CALLED FOR $1.8 BILLION IN NEW TAXES, FEES AND FISCAL SHIFTS TO BALANCE THE BUDGET ... BUT THE BUDGET HE SUBMITTED WAS ALREADY OUT OF BALANCE.

3. EVENTUAL BUDGET DEFICIT REACHED $3.65 BILLION.

4. SENATE REPUBLICANS MANAGED TO FORCE $1.5 BILLION IN CUTS TO HIS ORIGINAL PROPOSAL.

5. STILL HAD TO RAISE TAXES BY $1.4 BILLION FOR A TWO-YEAR TAX INCREASE OF MORE THAN $2.4 BILLION.

6. CUOMO ATTEMPTED TO KILL THE FINAL PHASE OF THE REPUBLICAN-INITIATED STATE INCOME TAX REDUCTION PLAN ... BUT SENATE REPUBLICANS MANAGED TO PRESERVE IT.

7. REPUBLICANS ALSO FORCED THE DEMOCRATS TO ACCEPT:
-- SPENDING CAP PROPOSAL FOR FUTURE YEARS.
-- AGREE TO SET UP A "GRACE" TYPE COMMISSION TO LOOK INTO WASTE IN GOVERNMENT SPENDING.

8. STILL CAN'T THE GOVERNOR TO AGREE TO A TAXPAYERS BILL OF RIGHTS, WHICH SENATE REPUBLICANS PASSED IN MARCH.

CRIME

1. CUOMO HAS VETOED A DEATH PENALTY BILL EIGHT TIMES, DESPITE OVERWHELMING PUBLIC SUPPORT.

2. REPUBLICAN SENATE LED THE WAY THIS YEAR TO AN ASSET FORFEITURE BILL FIRST APPROVED BY THE SENATE IN JUNE '89 THAT WOULD TAKE MONEY AND PROPERTY AWAY FROM DRUG DEALERS AND PUT IT INTO LAW ENFORCEMENT.

###

1) [4½] Third of Fortune Five Hundreds Haggarty needs double-check w/ Fortune Mag.

2) [6] 10% increase / twice rate inflation
Ralph Marino
RNC -
Don Todd

3) [7] State payroll, #3 billion '83 to almost #4 billion in '88 - 130% -

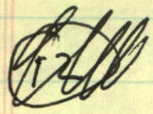
4) [8] #1.5 billion tim NYR
Marino

5) [13] Teachers

-Don Todd - clarify: payroll -
Amy Francon - Cuomo RNC person

Shanker - Pants - Teachers // Prob.
conference last yr.

(12) STATE PAYROLL
HIGHEST TAXED PEOPLE in the County



(13) American Fed. of Teachers –
School Administrators / W. Europe

Leslie Goodman / Roy Goodman

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Three

PRESIDENTIAL ADDRESS: NEW YORK REPUBLICAN PARTY, WALDORF ASTORIA
7:30 p.m., TUESDAY, JULY 24, 1990

((Senator D'Amato, Bill Green and the other Members of the New York Congressional Delegation, Senate Majority Leader Ralph Marino, Chairman Pat Barrett, Pierre Rinfret, Comptroller Regan, Guy Vellella, Clarence [["RAPP"]] Rappleyea.))

((You know, for two years, when I was ambassador to the United Nations, Barbara and I lived in this very hotel, in room 42 A. And whenever I complained about anything, Barbara would just roll her eyes and say: "Just where do you think we live? The Waldorf Astoria?"))\\\

((Now I understand that New York City has been selected as the site of an important event in 1992 -- a convention that will attract thousands of participants from all over the country -- people who hope to put their past setbacks behind them and plan a winning strategy for the future.\\ That's right -- the first reunion of all the ex-managers of the New York Yankees.))\\\

But then there is that **other** future New York convention -- the Democrats. Of course, many Democrats in Washington have supported me in meeting this fantastic era of change abroad; have worked with me to pass the first revision of the Clean Air Act in more than thirteen years -- tougher standards to cut down on acid rain and other air pollutants. And they worked with me so I

could sign into law a bill ending discrimination against disabled Americans. So tough negotiations **can** get results. But differences between the parties are still broad and deep. Much remains to be done -- too much. With more Republicans in Washington and in Albany, think of how much more we can achieve.

In New York, we face a tremendous opportunity to end the Democrat gerrymander -- an opportunity to end discrimination against voters by race and by party. That is our mission this November, and it is one that transcends mere politics because we are deeply concerned about the future of this great state.

To coin a phrase, we love New York, **all** of New York, from the oak-lined avenues of Long Island, to Yankee Stadium, to Broadway. From the city streets of Buffalo, to the New York of farm towns and the Adirondacks -- New York is a city of lights, a state of grandeur, a place where dreams come true.\\ ((It certainly is for me -- New York is where the Silver Fox was born.))\\

But we are concerned for the future, because New York has become something else -- a showcase of liberal policies. And after sixteen years of dominance by liberal Democrats, it is time to judge the results.

For 92 months, America has enjoyed peacetime economic expansion and the creation of more than 22 million jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York --

especially in the City -- was becoming more expensive, more difficult and more dangerous than ever before.

In Albany, liberal Democrats blame every problem on Republican policies -- especially Republican economic policies. But in the late seventies, a large airline centered in New York didn't go out of business. It just decided to move south, to Texas, taking more than a thousand jobs with it. And in 1987, a large energy corporation based in New York didn't go out of business. It just decided to move south to Virginia, taking 3,600 jobs with it. ((In fact, since 1983, almost a third of the Fortune 500 corporations based in New York City have chosen to leave.))

Now New York's credit rating is in a bigger slump than the Yankee's batting average. And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation!

INSERT

Who let this happen? The same people who've been in power in Gracie Mansion and Albany for years -- liberal Democrats. Well, New Yorkers are sick and tired of a declining quality of life that drives away companies and good jobs. New Yorkers are sick and tired of open-air drug marts and muggings. And New Yorkers are sick and tired of the liberal anti-reform mentality.

Twenty-nine out of the last thirty-five years of Democrat dominance in Congress have also taken their toll. Only a President carries a national mandate. But, like Republican Presidents before me, I know that to deal with a Democrat

Congress is to often face government by gridlock -- with spending skyrocketing out of control, good legislation thrown aside for pork, and a budget deficit looming over our children's children.

It is time we asked the American people **to end the gridlock. To choose the liberal mindset of the Democratic Party or to choose <u>our</u> path -- the Republican path. To empower government to run their lives, or to empower people to run their lives for themselves. To ask America to CHOOSE.**\\\

Here in New York, you must choose a governor. Let it be a Republican Governor -- **Pierre Rinfret.**\\\ Here is a family man, a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen, and wants to lead others out of poverty into opportunity. He may not be a politician. But maybe New York doesn't need another politician. **Maybe New York needs a change.**\\\

But New York must also make another choice -- to keep your outstanding Senate Leader Ralph Marino and his colleagues as your last line of defense against a liberal governor and his Assembly. Republicans like what works. That's why your Republican Senate has been -- and will remain -- your watchdog against big spenders.

And believe me, you're matched up against big spenders. Example: An adjunct fellow of the Manhattan Institute reports that the state payroll ballooned from $3 billion in 1983 to almost $7 billion in 1988 -- **a 130 percent increase!** No wonder New Yorkers are among the highest taxed people in the country.

So be thankful that your Republicans in the Senate forced a spending cap and base-line budgeting. It is the Republicans in the Senate who managed to trim $1.5 billion in Democratic spending proposals. ((They know you can't trust a party that would double the fare of the Staten Island Ferry.))\\\ Kidding aside, think of what these Republicans could achieve if they could work with a **Republican governor, a Republican Assembly.**

Jobs and taxes **are** important. But safe streets are of equal concern, especially in a city that lives in fear. That's why New York agrees with us -- these violent criminals deserve nothing less than punishment swift and sure.

So Republicans want to change lenient, blame-the-victim laws, and liberal Democrats don't.

Republicans want to allow the women of this state to be able to defend themselves with MACE, and liberal Democrats don't.

And Republicans want murderers and drug kingpins to pay the ultimate penalty -- and liberal Democrats don't.\\\

In Washington, we argued that those who sell drugs are selling death. And we proposed that drug kingpins reap what they sow. But our crime bill faces another obstacle. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination **to take back the streets.**

The Senate has now cleared a crime bill, a major new package -- 423 days after I proposed it. It is not a perfect bill. It does nothing to ensure that evidence gathered by **good** cops acting in **good** faith isn't barred by technicalities that let **bad** people

go free. But it is a crime bill, and it does toughen sentences for violent crime.

Now this legislation is before the House. And let us tell the Members of the House, **423 days is long enough. Don't keep our men and women in blue waiting.** Pass a crime bill, and pass it soon.\\\

Let me give you another example of how a liberal Congress, long in power, jealously clings to the failed policies of the past. In April of last year, our Administration asked Congress to pass the Educational Excellence Act -- reform proposals to reward achievement and allow educational choice. Yet Congress killed many of these sensible and cost-effective proposals. And then they **doubled** our request with hundreds of millions of dollars worth of unnecessary, unrelated and costly changes.

If liberal Democrats should have learned anything, it is that you cannot reform an education system by throwing billions of dollars at it. ((Al Shanker, President of the American Federation of Teachers, estimates that New York State has more school administrators than all of Western Europe.))

When is it going to penetrate liberal thinking that we shouldn't throw money at an ineffective education system that is already the most expensive in the industrialized world? When are they going to start demanding results and stop measuring the value of a program by the size of its price tag? When are they going to stop blocking reform?

But where the liberal mindset dominates, as it does in Albany and in Washington, the net result is the same: bad schools, dangerous streets, big deficits. And as long as liberal Democrats run Congress and run Albany, we -- a Republican President and a Republican New York State Senate -- will often be forced to measure our successes in catastrophes averted and calamities mitigated.

The genius of the American system is that it allows for checks and balances. But this doesn't mean that the voters must choose political stalemate, year after year, decade after decade. Let me be blunt: Divided government isn't working very well.

Divided government just isn't good enough, for America or for New York. **We must have more Republicans.**\\

It is time to ask the American people to let us show what we can do without the albatross of liberal legislatures. It is time to ask America to choose.

As we go into the 1990 election season, remember an adage from a great Republican governor of New York, and a great President. Theodore Roosevelt said: "In life, as in a football game, the principle to follow is: Hit the line hard."

The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.

Davis/Blymire
Title: Newyork
Date: June 16, 1990
Draft: Two

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could sign into law a bill ending discrimination against disabled Americans. But much remains to be done -- too much. Tonight, I will speak of our disagreements. ~~And what better place to discuss these differences than in a state run by Democrats.~~

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New York's credit rating is in a bigger slump than the Yankee's batting average, ~~and its annual budget deficit is higher than those of the three largest South American countries combined.~~ And yet my friends in New York tell me that this year Democrat leaders proposed an almost ten percent increase in spending -- twice the rate of inflation! [Budget Buffet

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Because of

2 OR 3 sources
Cover — empties second — or triple some

[Bracket ~~some~~ at least one confirmed —

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IF NEC. QUOTE SHANKER

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The choice is clear: Republican reform or the Democrat status quo. When we present the people with this stark choice, rest assured -- we will hit the line hard in November.

Thank you for all you have done, and are pledged to do. And may God bless you, and the United States of America.



BUSH RIPS 'FEAR CITY'

Blasts liberals in Waldorf speech: Page 2

NEW YORK POST, WEDNESDAY, JULY 25, 1990

BUSH TO N.Y.: DROP DEADBEAT LIBERALS

By DEBORAH ORIN
and FREDRIC DICKER

President Bush came to town last night to boost Republicans, blast "liberal Democrats" and cite New York — "a city that lives in fear" — as proof of what's wrong with liberal politics.

Much of Bush's speech sounded like an attack on the record of Gov. Cuomo, seen by many as a 1992 presidential challenger. But Bush never mentioned him by name, even while boosting his GOP gubernatorial opponent, Pierre Rinfret.

Bush — a one-time New Yorker who lived at the Waldorf when he was U.N. ambassador — insisted "We love New York," but painted the city as "a showcase for liberal Democratic politics."

"Throughout the 1980s, while most of America was growing and looking forward to the future, life in New York — especially in the city — was becoming more expensive, more difficult and more dangerous than ever before," he said.

The president drew applause from the $1,000-a-plate crowd when he added: "New Yorkers want a change . . . New Yorkers want an end to open-air drug markets and these muggings.

"Where the liberal mindset dominates, the net result has been the same: bad schools, dangerous streets, big deficits," he said.

It sounded like a preview of the fall congressional elections as well as a reprise of his 1988 race against Michael Dukakis in which what Bush dubbed "the L-word" — "liberal" — was used as an expletive.

The closest Bush came to mentioning Cuomo by name was to urge keeping the state Senate under GOP control "as your prime line of de-

> ***New York is "a city that lives in fear."***
>
> PRESIDENT BUSH

fense against a liberal governor."

On the dais were most of the state's leading Republicans, including Sen. Alfonse D'Amato, Comptroller Ned Regan and Staten Island Borough President Guy Molinari.

But the party's 1989 mayoral contender, Rudolph Giuliani, was conspicuously absent.

GOP sources said Giuliani — who many believe plans to challenge D'Amato in 1992 — waged a bitter behind-the-scenes effort to get on the dais, then skipped the whole affair when he lost.

To the distress of GOP organizers, nine demonstrators from the AIDS activist group ACT-UP got into the dinner reception area, shouting slogans like:

"History will recall — George Bush did nothing at all."

Molinari, who flew here on Air Force One with Bush, said the president didn't mention Cuomo during the flight, either.

"I don't think [Bush] spends much time worrying about Mario Cuomo," Molinari said. "His political people are hoping that's who his opponent will be — it means a sure win for George Bush."



Associated Press

QUICKIE: *Christine Todd Whitman, GOP candidate for U.S. Senate, smiles as President Bush says hello in Newark yesterday en route to his speaking date in Manhattan last night.*

Republican
National
Committee

FACSIMILE TRANSMITTAL

DATE_____

TO MARK DAVIS TELEFAX NO._____

COMPANY_____

FROM DON TODD TELEFAX NO. (202) 863-8820

NUMBER OF PAGES (including cover sheet) 4

MARIO CUOMO THE GREAT LIBERAL HOPE?

"He's a Northeastern, liberal Governor with a Mediterranean heritage. He used to brag about his state's prosperity but now is beset by financial difficulties. And as New York's budget problems mount, politicians here are posing the inevitable question: Is Mario Cuomo ... the next Michael Dukakis?"

(Elizabeth Kolbert, The New York Times, 3/13/90)

Fiscal Mis-management

- Cuomo's proposed FY91 budget was valued at a record high $51.3 billion, including a $2 billion gap and spending levels 9.3% higher than last year, prompting Assembly Minority Leader Clarence Rappleyea to say, "This is not a budget, it's a buffet!" (NYT 3/22/90) (NYP 1/17/90) (NYT 3/18/90)

- Reneging on a promise included in a 1987 tax reform bill, Cuomo called for the deferral of the state's scheduled cut in the personal income tax. (NYT, 1/16/90)

- In the face of his third straight year of deficits Cuomo approved a $1.8 billion tax hike, the largest in New York's history. (WP, 6/4/90) (NYT, 6/4/90)

- New York's credit rating dropped to its lowest in state history and third lowest in the country. Only Massachusetts and Louisiana rank lower in the U.S., will they fall below Brazil next? (NYT, 3/27/90)

- In 1988 New Yorkers paid $207.91 per thousand dollars income in state and local taxes, ranking them the fourth most taxed state in the country. (Boston Globe, 2/25/90) New Yorker's personal income tax burden is more than **double the per-capita national average**. (Newsday, 1/26/90)

- During the Cuomo years, state spending grew at a level twice that of inflation, from $19 billion to $38 billion. (Washington Times, 1/16/90) (Newsday, 1/26/90)

- Cuomo's lack of leadership, GOP opposition to the deferral of the scheduled tax cut and a $2 billion gap in the budget caused the FY91 budget to be signed six weeks into the fiscal year. It is the **sixth year in a row** that Cuomo has failed to produce a budget on time. (NYP, 4/3/90)

- Cuomo can't stop borrowing. Now he supports a $2 billion environmental bond act, the largest environmental bond act in state history. (NYT, 4/10/90) (Newsday 1/4/90) (NYT 4/24/90)

Cuomo would need ten 'Peace Dividends' to keep up with his spending.

- Cuomo has proposed spending the so-called peace dividend on all of the following: 'roads and bridges, drugs, education, child care, deficit reduction, and other productivity investments.' (WP 1/4/90) (The Washington Times, 2/26/90)

Cuomo seeks to protect New York citizens from themselves.

- Cuomo's 1989 state of the state speech proposed nearly 300 matters that needed attention, many of which still do. They included a public education program regarding the eating of fish caught near New York City, to be coordinated by three state agencies. This years initiatives included an environmental program which would affect, among other industries, every automobile with an air-conditioner, air horns on boats, hand held fire-extinguishers, and children's spray string toys. (NYT, 1/3/90) (WP, 1/4/90) (Newsday, 3/2/90)

- Cuomo recently signed a law requiring New York drivers to turn on their headlights if their windshield wipers are on. If a driver should be caught with his/her lights off and wipers on, it could result in a $100 fine. (AP, 7/6/90)

Ethics?

- Cuomo's commander of the scandal ridden New York National Guard is the highest paid military official in the country; he makes more than the Secretary of Defense. (NYP, 2/22/90) (NYP, 3/6/90)

- Cuomo's choice to head the state's Division of Human Rights was previously found guilty of illegally and discrimantely retaliating against a senior employee. (NYP, 3/19/90)

- In December 1989, the chief of New York's Substance Abuse Services agency resigned after a state commission said he had directed state contracts to his friends who failed to treat any addicts. (NYT, 1/17/90)

All crime and no punishment

- Despite polls showing that 70% of New Yorkers favor the death penalty Cuomo continues to veto capital punishment legislation based on his personal views. Yet, claiming a personal opposition to abortion, he won't consider restrictions. (NYT, 2/6/90)

CUOMO QUOTES

Founding flounder?

"'Washington was singularly drab. Washington was, to me, a creature of circumstance,' Cuomo told a reporter for the Christian Science Monitor. 'He was a lousy soldier; he lost everything, you know. But they needed a leader.'"

(Gov. Cuomo, The Washington Times, 4/24/90)

Increasing taxes, like a race to your wallet ...

"'I would like us to get a gas tax before the federal government does, because if they get it, we won't see it because they will use it for the deficit[.]'"

(Gov. Cuomo, The Buffalo News, 3/6/90)

Former Mayor Ed Koch places the blame on Cuomo ...

"'If Gov. Cuomo had been reacting months ago instead of reacting now, we might not have lost our [bond] rating ... we are the Mississippi of the 1990's"

(Ed Koch, New York Post , 3/31/90)

Tell this to the dead cop's wife and kids ...

"I think it's [capital punishment] degrading, debasing, a fraud and a political cop-out[.]"

(New York Post, 2/3/90)

Is the Pope a theologian of repute?

"'My position on abortion has been checked with every theologian of repute that I could find and it's absolutely sound,' Cuomo said'"

(New York Post, 1/25/90)