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# Strategies for Welfare Reform

By Robert Rector

## INTRODUCTION

The United States welfare system has failed. Both the public and decision makers increasingly recognize that the current welfare system has harmed rather than helped the poor. Welfare has undermined the American family and promoted long-term dependency.

In the states, however, we see welfare reforms designed to reverse these patterns. These reforms focus on three themes: requiring responsible behavior from welfare recipients as a condition of receiving benefits; requiring some able-bodied welfare recipients to work in exchange for the benefits they receive; and finally, altering the welfare incentive structure by reducing the current rewards for non-work and single parenthood and increasing the relative rewards for work and marriage.

## TWO TYPES OF POVERTY

The welfare system is intended to address the problem of poverty in the U.S. But welfare policy must begin with an understanding of two separate concepts of poverty: "material poverty" and "behavioral poverty." Material poverty means, in the simplest sense, having a family income below the official poverty income threshold, which was \$12,675 for a family of four in 1991. To the average man on the street, to say someone is poor implies that he or she is malnourished, inadequately clothed, and lives in inadequate housing.

In reality there is little material poverty in the U.S. in this sense generally understood by the public.<sup>1</sup> Today the fifth of the population with the lowest incomes has a level of economic consumption higher than that of the median American family in 1955.<sup>2</sup> There is little or no poverty-induced malnutrition in the U.S. Persons defined by the U.S. government as "poor" have almost the same average level of consumption of protein, vitamins, and other nutrients as persons in the upper middle class.<sup>3</sup> Children living in "poverty" today, far from being malnourished, actually grow up to be one inch taller and 10 pounds heavier than the average

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- 1 Robert Rector, "How the Poor Really Live: Lessons for Welfare Reform," Heritage Foundation *Background* No. 875, January 31, 1992.
  - 2 Robert Rector, Kate Walsh O'Beirne, and Michael J. McLaughlin, "How Poor Are America's Poor?" Heritage Foundation *Background* No. 791, September 21, 1990, p. 2.
  - 3 Robert Rector, "Food Fight: How Hungry Are America's Children?" *Policy Review*, Fall 1991, pp. 38-43.  
Robert Rector, "Hunger and Malnutrition Among American Children," Heritage Foundation *Background* No. 843, August 2, 1991.

child of the same age in the general population in the late 1950s.<sup>4</sup> The principal nutrition-related problem facing poor persons in the U.S. today is obesity, not "hunger"; the poor are more likely to be obese than are other persons in the U.S.

Similarly, a "poor" American has more housing space and is less likely to be overcrowded than is the average citizen in Western Europe.<sup>5</sup> Nearly all of the American poor live in decent housing that is well-maintained. In fact, nearly 40 percent of the households defined as "poor" by the U.S. government actually own their own homes.

"Behavioral poverty," by contrast, refers to a breakdown in the values and conduct which lead to the formation of healthy families, stable personalities, and self-sufficiency. Behavioral poverty is a cluster of social pathologies including: eroded work ethic and dependency, lack of educational aspiration and achievement, inability or unwillingness to control one's children, increased single parenthood and illegitimacy, criminal activity, and drug and alcohol abuse. While there may be little material poverty in the United States, behavioral poverty is abundant and growing.

## COMPETING APPROACHES TO WELFARE

There are three distinct approaches to dealing with the inter-related problems of material poverty and behavioral poverty.

- 1) **The first approach**, which could be called "liberal," maintains that decreasing material poverty leads to decreasing behavioral poverty. Thus raising the incomes of the poor through cash, food aid, and housing assistance will cause an increase in emotional stability, educational success, and so forth.
- 2) **The second approach**, which could be called "redistributionist," posits no clear link between raising incomes and reducing behavioral problems. This theory promotes welfare expansion to raise the incomes of the less affluent for its own sake. While this approach focuses initially on dealing with vital needs such as eliminating malnutrition, its aims are open-ended. Thus although welfare spending is already more than twice the amount needed to eliminate all poverty in the U.S., demands for more spending are as vociferous as ever. Many advocates of this position believe strongly that income redistribution is a positive goal in and of itself, and seek to use welfare policy as a means of attaining that goal. The more income redistributed the better.
- 3) **The third approach** might be termed "conservative." It rests on the belief that spending on most welfare programs actually has increased behavioral poverty. In particular, welfare has led to an increase in prolonged dependency and has undermined family structure, thereby contributing to increases in other dysfunctional behaviors.

The assumptions behind the first, or liberal, approach to welfare policy are decisively refuted by historical experience. Throughout most of the twentieth century the incomes of Americans of

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4 Bernard D. Karpinos, *Height and Weight of Military Youths* (Medical Statistics Division, Office of the Surgeon General, Department of the Army, 1960), pp. 336-351. Information on the current height and weight of youths provided by the National Center for Health Statistics of the U.S. Department of Health and Human Services based on the National Health and Nutrition Examination Survey.

5 Rector, "How the Poor Really Live," pp. 12-13.

all social classes have increased dramatically. As noted, after adjusting for inflation, the per capita economic consumption of the least affluent 20 percent of households today exceeds the per capita income of the median income U.S. family in 1955. In 1950, some 32 percent of Americans were "poor," having incomes below today's poverty income thresholds adjusted for inflation—in 1990, 13.5 percent of the population was poor. Going back further in time, we find that in the late 1920s the median income of American households was \$1,606 (or \$11,000 in 1990 dollars); in that year half of the population was probably poor by today's standards.<sup>6</sup> According to the axioms of liberal welfare policy, as incomes in all social classes rose dramatically throughout the century, we should have seen increases in cognitive ability, increases in emotional stability, increases in marital stability, and decreases in crime.<sup>7</sup> Instead we have seen the opposite.

The fact is that most people alive today had at least one parent or grandparent who was "poor" by the current government definition adjusted for inflation. But most of these individuals were not poor in the sense understood by the general public because, although their incomes were low, their values, disciplines, and behavior were middle class—as were the values they passed on to their children. Merely raising someone's income does not inculcate middle class values and behavior; in fact, most welfare programs do exactly the opposite.<sup>8</sup>

## THE KEY WELFARE PROBLEM

Following the liberal and redistributionist approaches to welfare, the present welfare system is designed almost exclusively to raise the material living standards of less affluent Americans. The federal government provides cash, food, housing and medical assistance, and other benefits through 75 separate welfare programs. Total federal, state, and local welfare spending reached \$225 billion in 1990, excluding all middle class entitlement programs such as Social Security and Medicare. This figure was more than twice the amount needed to raise the income of every American above the current poverty income thresholds.

But for the general public the real problem with welfare is not merely the rapidly expanding cost, which now absorbs over 4 percent of the entire national economy—but the sense that welfare actually harms rather than helps the poor.

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- 6 In the late 1920s an average size household with an income at the national median would have had an income below today's poverty threshold measured in constant dollars.
  - 7 In one limited respect, higher income did lead to an increase in the average number of years of school attendance throughout the century. In earlier periods, many young people left school to obtain employment and help support their families. Thus in the past we could expect that an increase in family income would increase average number of years of schooling attained by a child. However, at the present time, leaving school to obtain employment to support one's family is scarcely a major cause of the school dropout problem.
  - 8 The belief that raising incomes reduces behavioral poverty is not grounded in historical reality but is instead based on superficial and misleading statistical analyses. In many studies "family income" is correlated or regressed against behavioral variables; the analysis then shows that school failure, for example, is more likely among children in families with average incomes of \$15,000 than in families with incomes of \$25,000 of similar family type and educational standing. The study then concludes that if we give the lower income families an extra \$10,000 in income we can expect the average school performance of the lower income children to increase to the same level as that of the higher income children. This is spurious reasoning. Income correlates closely with other psychological variables such as parents' family background, self control, motivation, and cognitive and interpersonal skills. These psychological variables generally will not be quantified and included in the regression analysis, but it is these non-measured psychological variables which cause the higher average school performance or higher behavioral stability among children in higher income families, not the bigger monthly paycheck.

The key dilemma of the welfare state is that the prolific spending intended to alleviate material poverty has led to a dramatic increase in "behavioral poverty." The War on Poverty may have raised the material standard of living of some Americans, but at a cost of creating whole communities where traditional two-parent families have vanished, work is rare or non-existent, and multiple generations have grown up dependent on government transfers.

## HOW WELFARE UNDERMINES WORK AND MARRIAGE

Current welfare may best be conceptualized as a system which offers each single mother a "paycheck" worth an average of between \$8,500 and \$15,000, depending on the state.<sup>9</sup> The mother has a contract with the government: She will continue to receive her "paycheck" as long as she fulfills two conditions:

- 1) she must not work; and
- 2) she must not marry an employed male.<sup>10</sup>

The current welfare system has made marriage economically irrational for most low-income parents. Welfare has converted the low-income working husband from a necessary breadwinner into a net financial handicap. It has transformed marriage from a legal institution designed to protect and nurture children into an institution which financially penalizes nearly all low-income parents who enter into it.

Across the nation, the current welfare system has all but destroyed family structure in the inner city. Welfare establishes strong financial disincentives, effectively blocking the formation of intact, two-parent families. Example: Suppose a young man in the inner city has fathered a child out of wedlock with his girlfriend. If this young father abandons his responsibilities to the mother and child, government will step in and support the mother and child with welfare. If the mother has a second child out of wedlock, as is common, average combined benefits will reach around \$13,000 per year.

If, on the other hand, the young man does what society believes is morally correct (i.e., marries the mother and takes a job to support the family), government policy takes the opposite course. Welfare benefits would be almost completely eliminated. If the young father makes more than \$4.50 per hour, the federal government actually begins taking away his income through taxes. The federal welfare reform act of 1988 will permit the young father to marry the mother and join the family to receive welfare, but only as long as he does not work.<sup>11</sup> Once he takes a

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9 This sum equals the value of welfare benefits from different programs for the average mother on AFDC.

10 Technically the mother may be married to a husband who works part-time at very low wages and still be eligible for some aid under the AFDC-UP program. However, if the husband works a significant number of hours per month even at a low hourly rate, his earnings will be sufficient to eliminate the family's eligibility to AFDC-UP and most other welfare.

11 The 1988 federal welfare law required all states to establish an AFDC-UP program by October 1, 1990. Prior to passage of the 1988 welfare law, 23 states did not have an AFDC-UP program and those states were allowed to limit AFDC-UP cash benefits to six months, but were required to continue to provide Medicaid as long as the family was otherwise eligible for AFDC. The 1988 law allowed states to require full-time participation by one parent in Job Opportunities and Basic Skills (JOBS) program, while mandating that the states require one parent to spend at least 16 hours per week in work activity. States must enroll at least 40 percent of their AFDC-UP caseload in work programs by fiscal 1994 and up to 75 percent by fiscal 1997 and 1998. Both the

full-time job to support his family, the welfare benefits are quickly eliminated and the father's earnings are subject to taxation.

The onset of the War on Poverty directly coincided with the disintegration of the low-income family—and the black family in particular. At the outset of World War II, the black illegitimate birth rate was slightly less than 19 percent. Between 1955 and 1965 it rose slowly, from 22 percent in 1955 to 28 percent in 1965. Beginning in the late 1960s, however, the relatively slow growth in black illegitimate births skyrocketed—reaching 49 percent in 1975 and 65 percent in 1989. If current trends continue, the black illegitimate birth rate will reach 75 percent in ten years.<sup>12</sup>

Generous welfare benefits to single mothers directly contributed to the rise in illegitimate births. Recent research by Shelley Lundberg and Robert D. Plotnick of the University of Washington shows that an increase of roughly \$200 per month in welfare benefits per family causes the teenage illegitimate birth rate in a state to increase by 150 percent.<sup>13</sup> Similarly, high benefits discourage single mothers from remarrying. Research by Dr. Robert Hutchens of Cornell University shows that a 10 percent increase in AFDC benefits in a state will cause a decrease in the marriage rate of all single mothers in the state by 8 percent. Welfare programs discourage young men and women from marrying and promote the disintegration of existing two-parent families.

**Penalizing Work.** For the poor, another devastating legacy of the past 25 years has been the dramatic reduction in work effort. For a growing number of poor Americans, the existence of generous welfare programs makes not working a reasonable alternative to long-term employment. During the late 1960s and early 1970s, social scientists at the Office of Economic Opportunity (OEO) conducted a series of controlled experiments to examine the effect of welfare benefits on work effort. The longest running and most comprehensive of these experiments was conducted between 1971 and 1978 in Seattle and Denver, and became known as the Seattle/Denver Income Maintenance Experiment, or "SIME/DIME."

Advocates of expanding welfare had hoped that SIME/DIME and similar experiments conducted in other cities would prove that generous welfare benefits did not adversely affect work effort. Instead, the SIME/DIME experiment found that every \$1.00 of extra welfare given to low-income persons reduced labor and earnings by \$0.80.<sup>14</sup> The results of the SIME/DIME study are directly applicable to existing welfare programs: Nearly all have strong anti-work effect like those demonstrated in the SIME/DIME experiment.

The effects of welfare in undermining the work ethic are readily apparent. In the mid-1950s nearly one-third of poor households were headed by an adult who worked full time throughout the year. Today, with greater welfare benefits available, only 16.4 percent of poor families are headed by a full-time working adult.

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requirement for AFDC-Up coverage and the work requirement end September 30, 1998.

12 U.S. Department of Health and Human Services, National Center for Health Statistics. Note: The black illegitimate birth rate is available only from 1969 on. The pre-1969 black illegitimate birth rates were calculated using the very similar "Non-White" rate.

13 Shelley Lundberg and Robert D. Plotnick, "Adolescent Premarital Childbearing: Do Opportunity Costs Matter?" June 1990, a revised version of a paper presented at the May 1990 Population Association of America Conference in Toronto, Canada.

14 Gregory B. Christiansen and Walter E. Williams, "Welfare Family Cohesiveness and Out of Wedlock Births," in Joseph Peden and Fred Glahe, *The American Family and the State* (San Francisco: Pacific Institute for Public Policy Research, 1986), p. 398.

✓ **Inter-Generational Dependence.** Of the over 4 million families currently receiving assistance through Aid to Families with Dependent Children (AFDC), well over half will remain dependent for over ten years, many for fifteen years or longer.<sup>15</sup> Dependency on welfare also appears to spread from one generation to another. Children raised in families that receive welfare assistance are themselves three times more likely to be on welfare than other children when they become adults.<sup>16</sup> This inter-generational dependency is a clear indication that the welfare system is failing in its goal to lift the poor from poverty to self-sufficiency.

**Effects of Family Disintegration.** The collapse of family structure has crippling effects on the health, emotional stability, educational achievements, and life prospects of low-income children. Children raised in single-parent families, when compared to those in intact families, are one-third more likely to exhibit behavioral problems such as hyperactivity, antisocial behavior, and anxiety. Children deprived of a two-parent home are two to three times more likely to need psychiatric care than those in two-parent families.<sup>17</sup> And they are more likely to commit suicide as teenagers. Absence of a father increases the probability that a child will use drugs and engage in criminal activity.<sup>18</sup>

✓ Because the father plays a key role in a child's cognitive development, children in single-parent families have lower IQs and score less well on other tests of aptitude and achievement.<sup>19</sup> Children in single-parent families are three times as likely to fail and repeat a year in grade school as are children in two-parent families. In all respects, the differences between children raised in single-parent homes and those raised in intact homes are profound, and such differences persist even if single-parent homes are compared with two-parent homes of exactly the same income level and educational standing.<sup>20</sup>

But the greatest tragedy is that family instability and its attendant problems are passed on to future generations. Children from single-parent homes are far less likely to establish a stable married life when they in turn become adults. White women raised in single-parent families are 164 percent more likely to bear children out of wedlock themselves; they are 111 percent more likely to have children as teenagers. If these women do marry, their marriages are 92 percent more likely to end in divorce than are the marriages of women raised in two-parent families. Similar trends are found among black women.<sup>21</sup>

## GROPING FOR A SOLUTION

By nature, Americans believe that all problems have solutions. Therefore, American politicians and the public have difficulty believing that there are no easy solutions to the

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15 David Elwood, *Targeting "Would-be" Long-term Recipients of AFDC* (Washington, D.C.: U.S. Department of Health and Human Services, January 1986), p. 5.

16 M. Anne Hill and June O'Neill, *Underclass Behaviors in the United States: Measurement and Analysis of Determinants* (New York: City University of New York, Baruch College, March 1990).

17 Dr. Deborah A. Dawson, "Family Structure and Children's Health and Well-being: Data From the 1988 National Health Interview Survey on Child Health," paper presented at the Annual Meeting of the Population Association of America, Toronto, May 1990, Table 5.

18 Nicholas Davidson, "The Daddy Dearth," *Policy Review*, Winter 1990, p. 43.

19 Marybeth Shinn, "Father Absence and Children's Cognitive Development," *Psychological Bulletin*, Vol. 85, No. 2 (1978), pp. 295-324.

20 Dawson, *op. cit.*; Davidson, *op. cit.*

21 Irwin Garfinkel and Sara S. McLanahan, *Single Mothers and Their Children: A New American Dilemma* (Washington, D.C.: The Urban Institute Press, 1986), p. 31.

anti-marriage, anti-work incentives provided by the current welfare system. But no easy solutions exist.

In the current public debate there are a number of quick fixes to welfare which fall short of true reform—the most common of these is the current liberal drive to encourage work and reduce dependency by “making work pay.” Under these proposals, the key to welfare reform is to ensure that all single mothers will be financially better off in the job market than on welfare. While a step in the right direction, there are two problems with this idea. First, the average welfare mother receives around \$11,000 per year in welfare benefits plus Medicaid. Thus the mother must obtain a job with medical coverage paying more than \$11,000 per year (or \$5.50 per hour) in order to be even slightly better off with a job than on welfare. Second, even if every mother could be guaranteed of obtaining a job with medical coverage paying say \$7.00 per hour, the financial incentives for taking a job would remain slight. Example: if a mother gives up welfare benefits worth \$11,000 per year plus Medicaid and takes a full-time job with medical coverage paying \$14,000 per year (or \$7.00 per hour), she obtains an annual post-tax income increase of about \$2,500 in exchange for working 2,000 hours during the course of the year. This is an effective pay rate of \$1.25 per hour. The AFDC mother is expected to make a very large increase in labor for very little, if any, financial reward.

A similar recommendation is to reduce the disincentives to marriage by raising the earnings capacity of low-income fathers. While this would be another step in the right direction, it would not eliminate the anti-marriage effects of conventional welfare. Even if the earnings capacity of all low-income fathers were raised to the point where every working father could provide a standard of living for his family higher than the standard of living welfare provides to single mothers—low-income mothers and fathers would still be better off financially if they avoided marriage.

The economic logic of welfare is simple and cruel. If a mother and father do not marry, their joint income is the value of welfare benefits for the mother plus the father's earnings. If they do marry their joint income equals the father's earnings alone. Another way of expressing this dilemma is that the welfare system imposes an extraordinarily high marginal tax rate (i.e. income loss rate) on the act of marriage. If a man earning \$10,000 per year marries a mother on welfare their joint income (including the value of the welfare benefits) will fall by some 50 percent. If a man earning \$20,000 marries a mother on welfare, the couple's joint income will fall some 30 percent.

## PRINCIPLES OF REAL REFORM

There is an emerging consensus on the need to change the welfare incentive structure. However, many current proposals fall short because they are limited to adding small new rewards for constructive behavior on top of the present welfare system while ignoring the huge rewards for idleness and single parenthood already embedded in that system. Serious welfare reform must not only provide new incentives for positive behavior, it must also reduce the huge rewards for destructive behavior that exist in the current system.

Welfare reformers have four basic tools available to restructure the welfare incentive system. The first two reduce the rewards provided for non-work and single parenthood, while the third and fourth increase the rewards for marriage and work. The four policy tools are:

- 1) **Reduce welfare benefits to non-working single mothers.** This is particularly important in states where the combined value of welfare benefits for the average AFDC family greatly exceeds the federal poverty income thresholds.

- (2) **Require able-bodied welfare recipients to work or perform community service in exchange for benefits received.**
- (3) **Increase the financial rewards available to low-income working families, both married and single, relative to the rewards to non-working parents on welfare by providing tax relief to low-income working families.**
- (4) **Increase the financial rewards available to low-income working families, both married and single, relative to the rewards to non-working parents on welfare by providing tax credits and vouchers for medical insurance to working families who currently lack medical coverage.**

Of these four tools for reforming the welfare incentive system, the work requirement is the most important. Under the current welfare system a non-working single mother receives an income from the government for free; if she becomes employed she must give up all or part of this free income. However, if the welfare recipient is required to work in exchange for benefits, a new cost is attached to welfare dependence and the attractiveness of welfare relative to employment is greatly reduced. Indeed, if the work requirement can be coupled with other government policies which ensure the family will be somewhat better off financially when the mother is employed than when the family is on welfare, then the anti-work incentives of welfare would be utterly eliminated. However, as long as the welfare recipient has the option of receiving a sizeable income from the government without work, then it will be impossible through other means to reduce significantly welfare's anti-work incentives.

Surprisingly, a work requirement also eliminates the anti-marriage incentives of the current welfare system. Under the current welfare system, when a single mother marries a fully employed male she loses most of her welfare benefits. Under a welfare system with a work requirement, a single mother still would lose her benefits upon marrying—but she would now be losing benefits which she had to earn rather than a free income, so the loss would be far less significant. As long as the mother could obtain a private sector job which paid roughly as much as welfare, then marriage would no longer impose a significant financial or personal cost on the mother or her prospective spouse. Indeed, if required to work for welfare benefits, some welfare mothers would prefer to marry and be supported by a husband's income rather than enter the labor force. By converting welfare from free income to income which must be earned, a work requirement eliminates most of welfare's anti-marriage incentives and would make marriage economically rational once again for millions of low-income parents.

While few states have attempted to establish serious work requirements for AFDC parents, those experimental programs which do exist indicate that work requirements can have a significant impact in reducing welfare dependency. As part of a workfare program operated on an experimental basis in six Ohio counties, AFDC mothers were required to perform community service for twenty hours per week. While only 25 percent of all AFDC mothers were required to participate, the work program reduced overall number of families on AFDC by some 12 percent. In other words, for every hundred mothers that were required to work in exchange for benefits, over forty mothers left welfare entirely.<sup>22</sup>

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22 Bradley R. Schiller and C. Nielsen Brasher, "The Effects of Saturation Workfare on AFDC Caseloads,"

While a serious work requirement will change the welfare incentive structure and reduce dependency, it is also vital for other reasons. Society should provide aid to those in need. But aid which is merely a one-way handout is harmful to both society and the recipient. Such aid undermines the individual's ability to take responsibility for his or her own life. If the habit of dependence becomes entrenched, it limits the individual's capability to become a fully functioning member of mainstream society.

Welfare is currently a check in the mail with no obligations. This is wrong. Instead, welfare should be based on reciprocal responsibility: Society will provide assistance, but able-bodied recipients will be expected to contribute back to society in exchange for the benefits they receive.

## TOWARD COMPREHENSIVE WELFARE REFORM

What is needed is a comprehensive welfare reform strategy. Many elements of comprehensive reform can be implemented at the state level; however, state actions should be complemented by tax relief and an overhaul of the U.S. medical system at the federal level. Although tax policy and medical reform are formally outside the welfare system, reforms in these areas will have a significant impact on the opportunities and behavior of low-income families, and therefore are an important part on any welfare reform strategy.

Comprehensive welfare reform must strike a balance between two key themes. First, it must seek to increase the rewards for work and marriage among low-income families. Second, it must reduce the incentives currently provided by welfare for non-work and single parenthood. Reforms which fail to follow this balanced approach will be unsuccessful. Comprehensive reform would have seven parts:

**1) Reduce Benefits.** Welfare benefits for families on AFDC should be reduced. This is particularly true in states with high benefits levels. AFDC recipients are eligible for benefits from nearly one dozen major welfare programs. In all but five states, the combined value of benefits received by the average AFDC family exceeds the federal poverty income threshold. Moreover, there is considerable inequality in welfare benefit levels within each state. Because some families receive aid from many programs, they will have overall benefits much greater than other welfare families of the same size and characteristics within the state. Example: AFDC families that also receive housing aid will have overall benefits some \$4,000 to \$5,000 higher than other AFDC families within the state. In almost every state such families will have combined welfare benefits well above the poverty threshold. States should reduce AFDC payments to families that also receive housing aid.

**2) Require Work in Return for Benefits.** States should require some but not all welfare recipients to work in exchange for benefits received. Recipients of Food Stamps and General Assistance who are not elderly and not disabled and who are not directly caring for children should be required to perform community service for at least twenty hours per week.<sup>23</sup> Within

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unpublished paper, November 1991.

- 23 Requiring someone to perform community service means that they would perform useful functions in government or in non-profit private sector organizations. Community service is also called "work experience." Many legislators argue that they would like to require welfare recipients to work in for-profit private sector jobs, but this expectation is unrealistic because few private sector employers are willing to employ persons who literally have to be forced to work. However, requiring the recipient to perform community service with a government organization removes the recipient's option of receiving welfare income without labor. The work requirement makes welfare less attractive relative to employment and will thereby induce many recipients to take real private sector jobs.

the AFDC program, mothers who do not have children under age five or who have received AFDC for over five years should be required to perform community service for at least 35 hours per week in exchange for benefits. In all two-parent families receiving AFDC, one parent would be required to work. For all programs the work requirement should be permanent, lasting as long as the individual or family receives benefits.

This policy specifically exempts most mothers with pre-school children from the work requirement. Because of the high costs of providing day care, work requirements for mothers with pre-school children would almost certainly increase rather than cut welfare costs. Moreover, great caution should be exercised toward any policy which separates young children from their mothers, as this will often have a significant negative effect on the child's development. Thus a well designed work program generally would not include mothers with young children; however, a second rule requiring work from mothers who have received AFDC payments for over five years, either continuously or in separate periods, is needed to discourage mothers from intentionally having added children in order to avoid their work obligation.

If a work requirement of the sort outlined here were established, roughly 50 percent of AFDC mothers would be required to work as a condition of receiving benefits. This would be an enormous improvement from the present situation; in the average state only 6 percent of AFDC mothers currently participate in job search, work, or training programs.

✓ **3) Require Responsible Behavior.** States should require responsible behavior as a condition of receiving welfare benefits. This would include policies such as insisting that unmarried minor mothers reside with their parents or in some other adult supervised setting, and reducing payments to mothers who fail to provide their children with free immunizations. Most important, mothers who bear additional children while they are already receiving welfare should not receive an increase in welfare benefits.

✓ **4) Enforce Education Requirements.** States should rigorously enforce the current federal law requiring all AFDC mothers under age eighteen who have not completed high school or passed a GED to attend school. To avoid the negative affects of separating infants from their mothers, however, mothers with infant children should not be required to participate more than twenty hours per week.

✓ **5) Experiment with Wedfare.** ~~More mothers leave AFDC through marriage than through employment.~~ States should experiment with "wedfare" programs which provide bonuses to AFDC mothers who marry, leave AFDC and remain off the welfare rolls. However, since the real effects of wedfare programs are uncertain, any such program should be rigorously evaluated through controlled experiments.

✓ **6) Provide Tax Credits or Vouchers for Medical Coverage to All Working Families.** The current welfare system which provides free medical coverage to single parents and non-working two-parent families on AFDC, but does not provide medical assistance to low income working families, discourages both work and marriage. The federal government could reduce the anti-work/anti-marriage effects of welfare by enacting the comprehensive medical reform proposed by The Heritage Foundation in *A National Health System for America*.<sup>24</sup> This plan would, among other reforms, provide federal tax credits and vouchers for the purchase of medical insurance to low-income working families not eligible for Medicaid. A proposal similar to the Heritage plan recently was introduced by President Bush.

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24 Stuart M. Butler and Edmund F. Haislmaier, eds., *A National Health System for America* (Washington, D.C.: The Heritage Foundation, 1989).

7) **Provide Tax Relief to All Families with Children.** The federal government currently imposes heavy taxes on low-income working families with children. A family of four making \$20,000 a year currently pays \$3,780 in federal taxes.<sup>25</sup> This heavy taxation promotes welfare dependence by reducing the rewards of work and marriage relative to welfare. A crucial step in welfare reform is broad family tax relief along the lines proposed in The Heritage Foundation's *A Prosperity Plan for America: How to Strengthen Family Finances, Revive the Economy, and Balance the Budget*.<sup>26</sup> This plan would provide a \$1,000 tax credit for each school-age child in a family and a \$1,500 tax credit for each pre-school child; the tax credits could be used to reduce the family's income tax liability and both the employee and employer share of the Social Security payroll tax. The effect of this plan would be to eliminate all federal taxes on working families with children with incomes below 120 percent of the poverty threshold. The revenue loss of these tax credits would be offset by corresponding spending constraint through capping the growth of total federal domestic spending at 5 percent per annum. Thus the plan would not add to the federal deficit.

## CONCLUSION

Any attempt to reform the current structure of public welfare must begin with a realization that most programs designed to alleviate "material" poverty lead to an increase in "behavioral" poverty. While the poor were supposed to be the beneficiaries of War on Poverty's transfer programs, they instead have become its victims. If policy makers fail to recognize or respond to this relationship, the welfare state will continue to worsen, rather than improve, the lives of America's poor.

The rule in welfare as in other government programs is simple: You get what you pay for. For over forty years the welfare system has been paying for non-work and single parenthood and has obtained dramatic increases in both. But welfare which discourages work and penalizes marriage is a system which ultimately harms its intended beneficiaries.

Comprehensive welfare reform must combine toughness and refusal to reward negative behavior with positive rewards for constructive behavior. Reforms which fail to include both sides of this equation will not succeed.

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25 Figures are for 1991.

26 Scott A. Hodge, ed., *A Prosperity Plan for America: How to Strengthen Family Finances, Revive the Economy and Balance the Budget* (Washington, D.C.: The Heritage Foundation, 1992).

over  
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every person  
above the  
poverty  
line

(Ferguson/Grossman)  
May 27, 1992  
TOWNHALL  
Draft Two

PRESIDENTIAL REMARKS: LOS ANGELES TOWN HALL  
TBD  
MAY 29, 1992

[Acknowledgments]

This morning I once again visited the riot-torn areas of this city. We have a long way to go. But I was struck by the progress already made in cleaning up the neighborhoods and laying a foundation for the task ahead. This remarkable effort has brought together federal, state and local officials, and most importantly, thousands of volunteers and private organizations.

This is the community spirit that for more than a century has made Los Angeles a beacon of opportunity and good will. With due respect, I hope that the news media will tell this story loud and clear -- and give these efforts of hope as much attention as the looters and rioters received a few weeks ago.

And may I thank all the people from my own team who responded so swiftly and effectively to the tragedy in Los Angeles. As you know, at the outset of the riots I pledged to do whatever was necessary to restore order. I commanded the federalization of the National Guard in LA and dispatched several thousand federal law enforcement officials and troops to LA to stand by under the command of General Colin Powell. I have been pleased to hear that our swift response did a great deal to stabilize a tragic and volatile situation.

Through the Federal Emergency Management Agency and the Small Business Administration, we were also able to get disaster relief to Los Angeles in record time. We opened seven disaster relief centers in the first week after the rioting, three more a few days later. Within three days we began mailing housing assistance checks to applicants -- which I'm told is a new record for speed in disaster relief.

I'm proud that we were able to move so swiftly, but there should be no misunderstanding: federal assistance offers no reward for rioting. This aid has been directed to the victims, not the perpetrators, of violence. To the criminals who for three days brought down upon this city a nightmare of terror and hate, the message must be clear and unequivocal: your lawlessness cannot be explained away. It will not be excused. And it will be punished.

In the starkest possible terms, the tragedy of Los Angeles made clear the great unfinished business we face. So today I would like to speak to you of the actions we must take if we are to bring hope to urban America. This morning I make this pledge: we will rebuild our cities. But we will not rebuild our cities according to the old ways, from the failed blueprints of the past. A better, safer, healthier community will rise from the cinders.

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Tim Flanagan, Counsel at Justice

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resources, we can weed out the gang leaders and drug dealers from our inner cities, and then seed these areas with a concentration of social services, so that crime can no longer take root.

Second, we need to consolidate the crazy-quilt of federal job training programs, to make it easier to find training for those who seek it. Our Job Training 2000 initiative will offer "one-stop shopping" for the aspiring worker who wants a new start.

Third, enterprise zones, to turn the redline into the greenline. We must help defray the costs of opening businesses and creating jobs in the inner city, and to make an inner-city business an attractive investment for those outside the neighborhood.

Fourth, homeownership. Our HOPE initiative will for the first time allow residents the chance to turn public housing into private homes. The principle is simple: ownership gives people a stake in their neighborhoods and instills a sense of responsibility for what happens there.

Fifth, welfare reform, to strip away the penalties for people whose only crime is wanting to succeed: to marry, get a job, and save.

Sixth, education reform. [Insert]

Each of the steps I've outlined here has been carefully designed to restore a sense of self-sufficiency, of personal dignity, to inner city residents. But let's be honest: the problems we face can't be solved simply by adjusting economic inputs and outputs. Human beings respond to more than tax codes and bureaucratic rules. We are motivated first and foremost by values, by a sense of what is right and what is wrong.

If we are to take values seriously, and we must, we should muster the courage to be frank about them. The word "values" is not relative; values deal in absolutes. They separate virtue from vice. If we are to speak of values, then, we must be prepared to praise certain kinds of behavior and, just as important, condemn others.

When a man and a woman -- or worse, a boy and a girl -- conceive a child that they are unprepared to care for, that is wrong, and society should not be afraid to say so. When a person succumbs to drug abuse or alcoholism, knowing full well the suffering he causes friends and loved ones, that is wrong. When a man abandons his family, that is wrong. When a person chooses the narcotic of welfare over the opportunity of work, that is wrong.

The federal government cannot teach values. But it can create an environment where decent values take root and grow. Already, in South Central, in the South Bronx, on the West Side of Chicago, there are well-springs of traditional values. When I was last in Los Angeles, I had the privilege of meeting with the kids at Challenger Boys and Girls Club. The club was founded by a remarkable man, Lou Dantzler. Mr. Dantzler works day and night to instill in these kids a sense of right and wrong, the habits they will need to succeed. In the gym where I spoke huge, handchildren of our inner cities need to know that they count, that they can dream the same dreams every other American can.

Bridget  
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Foodstamp Programs

subsidized housing

call HUD for housing broch at AUB

Medicaid assistance to improve the health of the poor

we're  
4.7 million units  
or 10% increase  
since '82

We first must examine the lessons of L.A. Some people tell us that the despair in South Central and elsewhere is a simple matter of economics, of jobs; others deny it, and tell us that the answer lies solely in more rigorous law enforcement.

This is a false choice. Of course the best anti-poverty program is a job; a job teaches dignity and self-reliance, the values that underpin economic advancement. But jobs don't get created in the wake of a crime wave. The first lesson of L.A., then, is a simple one. There can be no opportunity, no hope, in a community where decent citizens are held hostage to the whims of thugs. To ensure domestic tranquility, to protect lives and property: That is the first duty of government, the prerequisite to promoting the general welfare.

Now, I know this is a political year, and some people like to say that talking about crime is playing politics. They're wrong. Kids who won't go near a playground for fear of thugs, senior citizens locking themselves behind triple-bolted doors, mothers shot through the open windows of their homes -- this has become the normal course of life in our inner cities. Setting things right has nothing to do with politics and everything to do with simple decency. [APPLAUSE LINE]

[TRANSITION] I confess to being less heartened by the response I have heard from some quarters, calling for ever higher federal expenditures. Let's be clear. The problems of our inner cities are not the result of a lack of federal funds. We have spent 2.5 trillion over the last generation, only to see the decay seep still deeper into our inner cities. [Government at all levels spent \$225 billion on welfare last year -- enough to raise every poor family in America above the poverty level.]

This is the second lesson of Los Angeles: The system itself is broken. No increase in federal funds will fix a broken system. You don't pump more gas into a car that doesn't run. You lift the hood, roll up your sleeves, and get to work fixing the car.

That is what we must do now. I have been encouraged, in the wake of the riots, by the bipartisan consensus that something must be done. Leaders of both parties have met with me in the White House. And I have been encouraged by their willingness to consider seriously our new approach to revitalizing the inner city. I have presented them a six-point plan of action, drawn from this agenda, which I will discuss in depth this afternoon.

Let's ask ourselves -- How has the system failed?

The American dream is built on principles that simply do not apply in the inner cities. Americans rightly believe that if they get a good education, find a job, work hard, raise a family, they will prosper. Our free economy, in which the important decisions are made by the people themselves, makes this possible.

But decent people in the inner cities labor under an entirely different set of rules -- rules laid down by government. As the power of government has grown in the inner cities, the power of the residents there has steadily declined. All across the world over the past three years we have seen the collapse of governmental systems that try to run the lives of their citizens. From Moscow to Managua the result is the same: When government

9 Aug Anderson  
cost of safety net  
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[[We will rebuild our cities, block by block if need be, and we rebuild it with the decency and generosity that have always marked the American character. From devastation and despair will come a community of safe streets, where children can play and their grandmothers can walk without fear. A community built with whole and loving families, in which mothers and fathers together guide their children to lead a responsible life of hard work, thrift, and integrity. A community of thriving businesses, fine schools and good jobs for all who seek them.]]

With your help, etc.

# # # #

⇒ # of arrests made ←

⇒ 3 days + 1st week

⇒ figure over 200  
billion on welfare

Val Buntz, Mayor's  
Press Sec  
213/485-  
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Austin? → Fed spends  
on welfare is  
up X%

→ spends on housing  
is up X%

LA  
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bureaucracies arrogate to themselves decisions that are best left to free men and women, poverty and despair inevitably follow. The terrible irony is this: while these systems die around the globe, one endures right here in our backyards -- in our inner cities.

There seems to be an unspoken premise --that our citizens who live in depressed neighborhoods are somehow incapable of making the choices that other Americans make everyday.

That premise is wrong. This isn't compassion; it is condescension. It smacks of Big Brother paternalism. And it has no place in the American dream.

Think how the system works now for Americans in the inner city: They find their choices restricted at every turn. It is almost as if the system were designed to thwart the very impulses and habits that allow a person to lead a happy and fruitful life. If you live in public housing, the government forbids you from buying your apartment, turning it into a private home, and building equity. If you want to give your kids a shot at a decent education, the government tells you where you have to send them to school, even though crack-dealers have taken over the playground. If you save to send your kids to college, you're accused of welfare fraud. If you marry someone with a full time job, you're penalized with a loss of income.

If you're still more ambitious, and strive to open a business, to create jobs in your neighborhood, you face an informal redline. The costs of government regulation and capital are already too high for our entrepreneurs; in the inner city, you must add to these the extra expenses of job training and security, plus the reluctance of investors to pour capital into your neighborhood.

Here, then, is the reality of life for the people in our inner cities: When you muster the will to succeed, the system is there to slap you down.

No wonder the system doesn't work; no wonder it breeds anarchy and irresponsibility. It rejects a fundamental principle of a free society: people cannot act responsibly if they're never given responsibility.

[TRANSITION] So the third lesson is simple: we can fix the system, if we have the courage to act. The six-point action plan I presented to congressional leaders aims, first, to make government services, especially law enforcement, more responsive; and, second, to return decision-making power to the inner-city residents themselves. I have been pushing many of these initiatives for three years. Why? Because this is what works for the rest of America. And I challenge anyone to tell me it will not work for our inner cities.

Let me briefly outline our six points.

First, we must attack crime with everything we've got. I urge Congress, once again, to pass my comprehensive crime bill. The bill goes back to the fundamentals: If you commit a crime, you will be caught -- if you're caught, you will be convicted -- if you're convicted, you will go to jail.

To redouble our war on crime, we have also launched an initiative I call Weed and Seed. With increased federal

U.S. SMALL BUSINESS ADMINISTRATION  
WASHINGTON, DC

FAX TRANSMISSION SHEET

Date: 5-29 Time: 10:25

YOU MUST FILL IN ALL FIELDS  
TO ENSURE DELIVERY

Subject: Info for ~~President~~ Speech - Total Pages 1 + Cover  
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| TO: <u>Paul Kerfonta</u>          | <u>WHITE HOUSE</u> | <u>202/456</u>      | <u>456-1414</u>     |
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USA Today  
5-29-92

## \$2.8 million in relief handed out

Twelve Los Angeles business owners Thursday received the first disaster relief checks for riot damage.

Among those receiving \$2.8 million from the Small Business Administration: Koreans, blacks, a Hispanic, a Vietnamese and a Russian. Businesses ranged from a strip mall to a wheelchair repair shop. Individual loan amounts ranged from \$7,000 to \$500,000.

SBA has OK'd 42 loans; more than 300 of 525 applications are in final review.

An estimated 10,000 businesses were damaged or destroyed in riots that broke out April 29. Up to \$400 million in loans eventually will be granted, SBA administrator Patricia Saliki says.

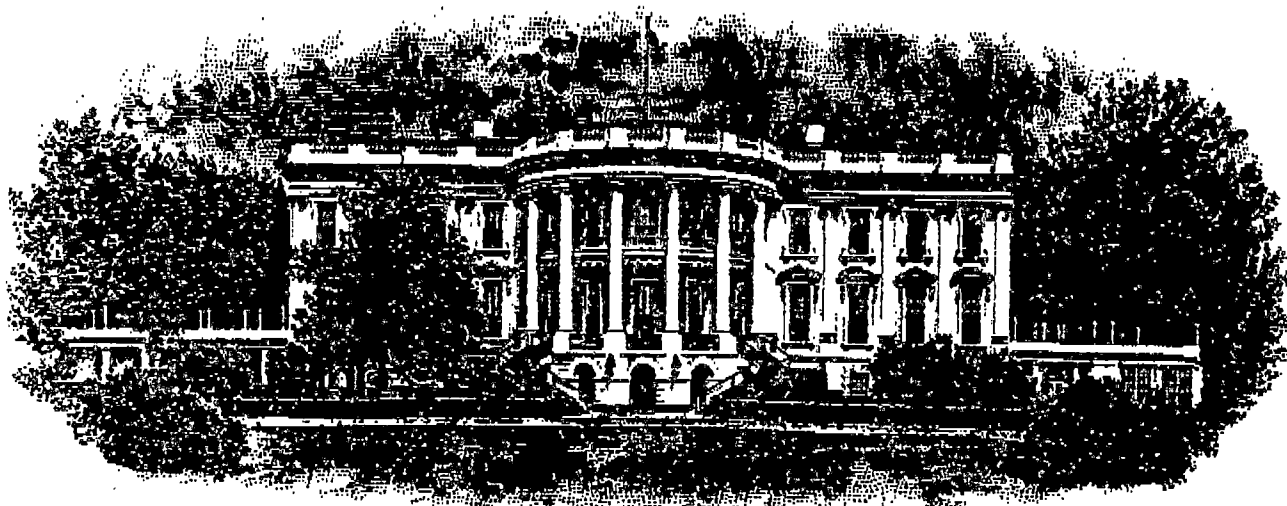
"I'm glad to hear some loans are finally being approved," says Jerry Yu of Los Angeles' Korean-American Coalition. "But the system is not moving fast enough. There are thousands of people who have lost their livelihoods. They're without income and have lost or on the verge of losing their homes."

Says Maxine Ransom Von Phul of the Black Business Association of Los Angeles: "I really don't think it's fast enough based on the need for these businesses to get back into operation."

Although homeowners and renters who suffered property damage in the riots also are eligible for the loans, none are among the 42 approved.

Saliki says the approval process "is faster for this disaster than ever before." Time from application to check: 35 days.

-- Rhonda Richards



## FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES INCLUDING COVER 2DATE FRITO DOM

FAX NUMBER \_\_\_\_\_

COMMENTS \_\_\_\_\_

FROM JENNIFER GROSSMAN\* DEPARTMENT OF COMMUNICATIONS \*OFFICE NUMBER 7750

The fourth step is to extend the principle of private property into the inner city. That means homeownership. Our hope

Take your case to Congress, and I'll support you all the way.>>

only with a passing neighborhood business in the zone.

cities -- and a challenge to the Congress: I want every American

<<And here's an open invitation to the mayors of America's

That's how you drink real jobs to the inner city.

~~Urgent, we should cut it to zero -- eliminate it entirely.~~

Americans. In America's inner cities, where the need is most

I, we asked Congress to cut the capital gains tax on all

~~... and I thank him for his strong support. And as you know,~~

enterprise zones are all about. I know Mayor Bradley agrees with

opening an inner-city business and creating jobs. That's what

replied around the table and into a grainy tape -- of the fact that

~~Third, as Jack Kemp has said so often, we must turn the~~

MAY-29-1992 05:09 FROM L.A. TRIP SITE TO 812024562963 P.08

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*(Handwritten notes on back of page 10)*

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MAY-29-1992 05:09 FROM L.A. TRIP SITE

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Third, as Jack Kemp has said so often, we must turn the redline around our cities into a greenline -- to cut the costs of opening an inner-city business and creating jobs. That's what enterprise zones are all about. I know Mayor Bradley agrees with <sup>me?</sup> me -- and I thank him for his strong support. And as you know, I've asked Congress to cut the capital gains tax on all Americans. In America's inner cities, where the need is most urgent, we should cut it to zero -- eliminate it entirely. That's how you bring real jobs to the inner city.

50 enterprise zones  
 <<And here's an open invitation to the mayors of America's cities -- and a challenge to the Congress: I want every American city with a deserving neighborhood to become an enterprise zone. <sup>at high crime & high unemployment</sup>

Take your case to Congress, and I'll support you all the way.>>

The fourth step is to extend the principle of private property into the inner city. That means homeownership. Our HOPE initiative will offer residents the chance to turn public housing

... gives people a stake in their

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into private homes. Ownership gives people a stake in their neighborhood; it instills pride and a sense of responsibility

for what happens next door and down the block.

Fifth, Welfare Reform -- to strip away the penalties for

people who want to work, save, and start a family. Any genuine

reform must meet three tests: It must encourage individual

responsibility; it must tie welfare to work; and it must promote

and sustain stable family life. Our welfare system is a travesty

and it's got to change.

MAY-29-1992 05:10 FROM L.A. TRIP SITE

TO

812024562983

P.09

*Cochains**LA**Task Force**213/894-6663**Nora**Alfred A. DelliBovi**Dep Sec HUD**David T. Kearns**Dep Sec Educ.*

And sixth, education reform. Every American child deserves a shot at a world-class education. And that means developing break-the-mold schools free of drugs and violence; it means community support for high standards and educational excellence. And it means that whether a family lives in the inner city or the suburbs -- parents should be able to choose their children's schools.

Each of the steps I've outlined here will work to restore a sense of self-sufficiency, of personal dignity, to inner city residents. But let's be honest: the problems we face can't be solved simply by adjusting economic inputs and outputs. Human beings respond to more than tax codes and bureaucratic rules. We are motivated first and foremost by values, by a sense of what is right and what is wrong.

If we are to take values seriously, and we must, we should summon the courage to be frank about them. The word "values" is

... is absolute. They separate right from

not relative; values deal in absolutes. They separate <sup>Extended Page</sup> right from <sup>8. 1</sup> wrong, virtue from vice. If we are to speak of values, then, we must be prepared to praise certain kinds of behavior and, just as important, condemn others.

When a man and a woman -- or worse, a boy and a girl -- conceive a child they are unprepared to care for, that is wrong, and society should not be afraid to say so. When a man abandons his family, that is wrong. When a person hangs on to the narcotic of welfare over the opportunity of work, that is wrong.

The federal government cannot teach values. But it can

MAY-29-1992 05:10 FROM L.A. TRIP SITE

TO

812024562983 P.10

9

create an environment where they take root and grow. In every neighborhood in America, there are well-springs of traditional values. When I was last in Los Angeles, I had the privilege of meeting with the kids at the Challengers Boys and Girls Club. The club was founded by a remarkable man, Lou Dantzler. Lou works day and night to give these kids the values and habits they will need to succeed. In the gym where I spoke, huge, hand-printed signs covered the walls. And the signs said: "Preparation is the key to success." "Always have a positive attitude." "Education plus hard work plus discipline equals achievement."

In this sophisticated age, I suppose some people might find these old home-truths corny. I don't, and I'm sure Lou Dantzler's kids don't either. They've learned something that Americans across the generations have learned: traditional values bring hope in place of despair; they hold the power to transform

a neighborhood, and a city, and a life.

This is a time of great change for America. Change sometimes seems to threaten the most valuable legacies we hope to leave our children: good jobs, strong families, a nation at peace. Change breeds uncertainty, and skepticism. I understand that. But I understand this, too: The skeptics won't do the work that needs to be done. People like Lou Dantzler will. He - and every American like him -- are what make America a rising nation, a country buoyed by the hopes and determination of people who refuse to settle for the status quo. Their faith is the best

MAY-29-1992 05:11 FROM L.A. TRIP SITE

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10

antidote to pessimism, the surest proof that the best days of  
America -- the greatest, freest nation on earth -- still lie  
before us.

# # # #

MAY-29-1992 05:04 FROM L.A. TRIP SITE

TO

812024562983

P.02

FAX TO BOB TEETER

FAX # 202-336-7115

PHONE # " " 7090

(Ferguson/Grossman)

May 28, 1992

TOWNHALL

Draft Five

PRESIDENTIAL REMARKS: LOS ANGELES TOWN HALL

12:10 P.M.

MAY 29, 1992

## [Acknowledgments]

This morning I once again visited the riot-torn areas of this city. We have a long way to go. But I was struck by the progress already made in bringing a great city back. This remarkable effort has brought together federal, state and local officials, and most importantly, thousands of volunteers, churches and neighborhood groups. Yes, Los Angeles will come back -- and with all due respect, I hope that the news media will tell this heartening story loud and clear -- and give it as much attention as the looters and rioters received a few weeks ago.

As you know, at the outset of the riots I pledged to do whatever was necessary to restore order. I ordered the federalization of the National Guard and dispatched several

thousand federal law enforcement officials to L.A.; we also had several thousand troops stand by for any contingency. I have been pleased to hear that our swift response did a great deal to stabilize an explosive situation.

We were also able to get disaster relief to Los Angeles in record time: Seven relief centers opened in the first week after the rioting, three more a few days later; housing assistance checks were being mailed to applicants within three days; and the Small Business Administration was able to approve loans in three weeks -- a process that normally takes three months. Our

4-6 weeks

→ months

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SBA Director's office  
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TO 812024562983 P.03

2

response was massive and quick -- to all the people who made it work, my thanks for a job well done.

I'm proud of what the federal government was able to do, but there should be no misunderstanding: federal assistance offers no reward for rioting. This help has been directed to the victims, not the perpetrators, of violence. To the criminals who subjected this city to three days of terror and hate, the message must be unequivocal: lawlessness cannot be explained away. It will not be excused. And it will be punished.

In the starkest possible terms, this tragedy made clear the great unfinished business we face as a nation. We must strike a new course, doing away with the failed blueprints of the past.

We will rebuild our cities -- but only if we learn the lessons of what happened here. What are the lessons? Some people tell us that the hopelessness in urban America is a simple matter of economics, of jobs. Others say no, the answer lies in

tougher law enforcement -- in safer streets.

This is a false choice. Of course the best anti-poverty program is a job. A job provides more than money -- it teaches dignity and self-reliance, the first rungs on the economic ladder. But jobs don't get created in the wake of a crime wave. The first lesson of L.A., then, is a simple one. The primary duty of government to protect lives and property, the prerequisite to promoting the general welfare. There can be no opportunity, no hope, in a community where decent citizens are held hostage to the whims of thugs.

MAY-29-1992 05:06 FROM L.A. TRIP SITE

TO

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P.04

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Some people say that talking about crime and safe neighborhoods is playing politics. They're wrong. Playgrounds overrun by gangs, senior citizens locked behind triple-bolted doors, mothers shot through open kitchen windows -- this is not the America we want. Making neighborhoods safe isn't politics; it's simple decency. It's the right thing to do. Period.

Other people say our urban problems are only about money - taxpayer money -- your money. They tell us the solution lies in ever higher government spending. This is another false choice -- more federal money versus less -- as if the problems of our inner cities are simply the result of a lack of federal funds. They are not. Let's be clear about this: Over the last 25 years, we have spent the staggering sum of \$3.2 trillion on our social welfare system. And the fact is, in hopes of eliminating poverty, we spent more money in the eighties than we did in the seventies, more in the seventies than in the sixties. For all

A large handwritten bracket on the right side of the page groups the last four lines of text. There are two checkmarks, one next to the line 'Over the last 25 years' and another next to the line 'in the eighties than we did in the seventies'.

the good intentions, decay and despair have only seeped deeper and deeper into our inner cities. But the tragedy isn't about wasted money -- it's about wasted lives.

That fact points to the second lesson of Los Angeles: For those left behind, the system itself is broken. We won't fix it with a simple increase in federal funds. You don't pump more gas into a car that doesn't run. You lift the hood, roll up your sleeves, and get to work. We need to overhaul the engine.

So we start with the most the basic question -- How has the system failed? What went wrong?

MAY-29-1992 05:07 FROM L.A. TRIP SITE

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4

The American dream is based on the belief that if you get a good education, find a job, work hard, raise a family, save for the future -- you will prosper. Our free economy, in which the important decisions are made by the people themselves, makes this possible.

But decent people in the inner cities, particularly those with low incomes, labor under an entirely different set of rules -- some laid down by the lawless, others laid down by government. As the bureaucratic power of government has grown in the inner cities, the power of the residents there to shape their own lives -- to make the important decisions -- has steadily declined.

The system operates on an unspoken premise -- that Americans who live in depressed neighborhoods are incapable of making the decisions that other Americans make every day. It assumes they are unable to take advantage of the same opportunities Americans have always used to better their lives. Worst of all, it

presumes they don't even want to.

That's wrong. That's not compassion -- it's condescension and paternalism. And there's no room for it in America.

Think how the system works for families in the inner city: They find their choices and opportunities restricted at every turn. If you live in public housing, the government forbids you from owning your apartment, making it a private home, and building equity. If you want to give your kids a shot at a decent education, the government tells you where to send them to school, even if crack-dealers have taken over the playground. If

MAY-29-1992 05:07 FROM L.A. TRIP SITE

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5

you save to send your kids to college, you're accused of welfare fraud. If you marry someone with a full-time job, you're penalized with a loss of income.

If you're still more ambitious, and strive to open a business, to create jobs in your neighborhood, you face an informal redline. The costs of government regulation and capital are already too high for our entrepreneurs; in the inner city, you must add to these the extra expenses of job training and security, plus the reluctance of investors to bring capital and credit into your neighborhood.

No wonder the system doesn't work; no wonder it breeds irresponsibility and despair. It rejects a fundamental principle of a free society: people will not act responsibly if they're never given responsibility. Is it any wonder that people with no chance to own property don't respect the property of others?

So the third lesson is the simplest of all: if we have the

fix this system. But we have got to start

courage to act, we can fix this system. But we have got to start now. We have the right principles, and we have developed a straightforward plan -- a plan for a New America. First, it makes government services, especially law enforcement, more responsive; and second, it returns decision-making power to individuals and communities, and gives them a stake in their own future. Why will it work? Because it takes what works for the rest of America and brings it to our inner cities. And that's long overdue.

MAY-29-1992 05:08 FROM L.A. TRIP SITE

TO

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P.07

6

In the wake of the riots, I met with congressional leaders of both parties at the White House, and I presented them with the New America plan. We talked. We found common ground. We agreed that the need for action was urgent. That was three weeks ago. Since then, nothing has happened on Capitol Hill. I still hope that Congress can put partisanship aside in this difficult election year. That means doing something important -- now -- for people who need help -- now. It means making this nation a nation of opportunity for all our people.

Let me briefly outline our plan. First, we must attack crime with everything we've got. I urge Congress, once again, to pass my comprehensive crime bill. The bill goes back to the fundamentals: If you commit a crime, you will be caught -- if you're caught, you will be convicted -- if you're convicted, you will go to jail.

To redouble our war on crime, we have launched an initiative

With increased federal resources, we can

Extended Page 6.1

I call Weed and Seed. With increased federal resources, we will weed out the criminals from our inner cities, and then seed those areas with a concentration of social services, so that crime can no longer take root.

Second, we need to streamline the jumble of federal job training programs. Our Job Training 2000 initiative will offer "one-stop shopping" for those who want training but can't get it now. For example, talking with Governor Wilson earlier today, I let him know of a new \$12 million Labor Department effort targetted to rebuild L.A.'s employment base.

#12 MILLION DOL JT \$ FOR LA —

Carolyn Goldin <sup>asp.</sup> Asst. Sec. DOL  
523-6033 Employment Training

Hans said OK to

unsub problem  
rap exists?

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

May 1, 1992

ADDRESS BY THE PRESIDENT  
ON CIVIL DISORDER IN LOS ANGELES

The Oval Office

9:03 P.M. EDT

THE PRESIDENT: Tonight I want to talk to you about violence in our cities and justice for our citizens, two big issues that have collided on the streets of Los Angeles. First, an update on where matters stand in Los Angeles.

Fifteen minutes ago I talked to California's Governor Pete Wilson and Los Angeles Mayor Tom Bradley. They told me that last night was better than the night before; today, calmer than yesterday. But there were still incidents of random terror and lawlessness this afternoon.

In the wake of the first night's violence I spoke directly to both Governor Wilson and Mayor Bradley to assess the situation and to offer assistance. There are two very different issues at hand: one is the urgent need to restore order. What followed Wednesday's jury verdict in the Rodney King case was a tragic series of events for the city of Los Angeles. Nearly 4,000 fires, staggering property damage, hundreds of injuries; and the senseless deaths of over 30 people.

To restore order right now, there are 3,000 National Guardsmen on duty in the city of Los Angeles. Another 2,200 stand ready to provide immediate support. To supplement this effort I've taken several additional actions. First, this morning I've ordered the Justice Department to dispatch 1,000 federal riot-trained law enforcement officials to help restore order in Los Angeles beginning tonight. These officials include FBI SWAT teams, special riot control units of the U.S. Marshal's service, the border patrol and other federal law enforcement agencies. Second, another 1,000 federal law enforcement officials are on standby alert, should they be needed. Third, early today I directed 3,000 members of the 7th Infantry and 1,500 Marines to stand by at El Toro Air Station, California.

Tonight, at the request of the Governor and the Mayor, I have committed these troops to help restore order. I'm also federalizing the National Guard and I'm instructing General Colin Powell to place all those troops under a central command.

What we saw last night and the night before in Los Angeles is not about civil rights. It's not about the great cause of equality that all Americans must uphold. It's not a message of protest. It's been the brutality of a mob, pure and simple. And let me assure you: I will use whatever force is necessary to restore order.

What is going on in L.A. must -- and will -- stop. As your President I guarantee you this violence will end.

And now let's talk about the beating of Rodney King. Because beyond the urgent need to restore order is the second issue, the question of justice; whether Rodney King's federal civil rights were violated. What you saw and what I saw on the TV video was

MORE

revolting. I felt anger. I felt pain. I thought: How can I explain this to my grandchildren?

*underlying problems* Civil rights leaders and just plain fearful of, and sometimes victimized by police brutality were deeply hurt. And I know good and decent policemen who were equally appalled.

*underlying problems* I spoke this morning to many leaders of the civil rights community. And they saw the video, as we all did. For 14 months they waited patiently, hopefully. They waited for the system to work. And when the verdict came in, they felt betrayed. Viewed from outside the trial, it was hard to understand how the verdict could possibly square with the video. Those civil rights leaders with whom I met were stunned. And so was I and so was Barbara and so were my kids.

But the verdict Wednesday was not the end of the process. The Department of Justice had started its own investigation immediately after the Rodney King incident and was monitoring the state investigation and trial. And so let me tell you what actions we are taking on the federal level to ensure that justice is served.

Within one hour of the verdict, I directed the Justice Department to move into high gear on its own independent criminal investigation into the case. And next, on Thursday, five federal prosecutors were on their way to Los Angeles. Our Justice Department has consistently demonstrated its ability to investigate fully a matter like this.

Since 1988, the Justice Department has successfully prosecuted over 100 law enforcement officials for excessive violence. I am confident that in this case, the Department of Justice will act as it should. Federal grand jury action is underway today in Los Angeles. Subpoenas are being issued. Evidence is being reviewed. The federal effort in this case will be expeditious and it will be fair. It will not be driven by mob violence, but by respect for due process and the rule of law.

*underlying process* We owe it to all Americans who put their faith in the law to see that justice is served. But as we move forward on this or any other case, we must remember the fundamental tenet of our legal system. Every American, whether accused or accuser, is entitled to protection of his or her rights.

In this highly controversial court case, a verdict was handed down by a California jury to Americans of all races who were shocked by the verdict, let me say this: You must understand that our system of justice provides for the peaceful, orderly means of addressing this frustration. We must respect the process of law whether or not we agree with the outcome. There's a difference between frustration with the law and direct assaults upon our legal system.

*rage* In a civilized society, there can be no excuse -- no excuse -- for the murder, arson, theft and vandalism that have terrorized the law-abiding citizens of Los Angeles. Mayor Bradley, just a few minutes ago, mentioned to me his particular concern, among others, regarding the safety of the Korean community. My heart goes out to them and all others who have suffered losses.

*rage*  
*clenab* The wanton destruction of life and property is not a legitimate expression of outrage with injustice -- it is itself injustice. And no rationalization, no matter how heartfelt, no matter how eloquent, can make it otherwise.

Television has become a medium that often brings us together. But its vivid display of Rodney King's beating shocked us. And the America it has shown us on our screens these last 48 hours

has appalled us. None of this is what we wish to think of as American. It's as if we were looking in a mirror that distorted our better selves and turned us ugly. We cannot let that happen. We cannot do that to ourselves.

We've seen images in the last 48 hours that we will never forget. Some were horrifying almost beyond belief. But there were other acts -- small, but significant acts in all this ugliness that give us hope. I'm one who respects our police. They keep the peace. They face danger every day. They help kids. They don't make a lot of money -- but they care about their communities and their country. Thousands of police officers and firefighters are risking their lives right now on the streets of L.A. and they deserve our support.

And then there are the people who have spent each night not in the streets, but in the churches of Los Angeles -- praying that man's gentler instincts be revealed in the hearts of people driven by hate.

And finally, there were the citizens who showed great personal responsibility, who ignored the mob, who at great personal danger, helped the victims of violence -- regardless of race.

Among the many stories I've seen and heard about these past few days, one sticks in my mind -- the story of one savagely beaten white truck driver -- alive tonight because four strangers, four black strangers, came to his aid. Two were men who had been watching television and saw the beating as it was happening, and came out into the street to help. Another was a woman on her way home from work -- and the fourth, a young man whose name we may never know. The injured driver was able to get behind the wheel of his truck and tried to drive away. But his eyes were swollen shut. The woman asked him if he could see. He answered, no. She said, "Well, then I will be your eyes."

Together, those four people braved the mob and drove that truck driver to the hospital. He's alive today -- only because they stepped in to help.

It is for every one of them that we must rebuild the community of Los Angeles -- for these four people and the others like them who in the midst of this nightmare acted with simple human decency.

We must understand that no one in Los Angeles or any other city has rendered a verdict on America. If we are to remain the most vibrant and hopeful nation on Earth we must allow our diversity to bring us together, not drive us apart. This must be the rallying cry of good and decent people.

*underlying*  
*climate*  
For their sake, for all our sakes, we must build a future where, in every city across this country, empty rage gives way to hope -- where poverty and despair give way to opportunity. After peace is restored to Los Angeles, we must then turn again to the underlying causes of such tragic events. We must keep on working to create a climate of understanding and tolerance -- a climate that refuses to accept racism, bigotry, anti-Semitism, and hate of any kind, anytime, anywhere.

Tonight, I ask all Americans to lend their hearts, their voices, and their prayers to the healing of hatred. As President, I took an oath to preserve, protect, and defend the Constitution -- an oath that requires every President to establish justice and ensure domestic tranquility. That duty is foremost in my mind tonight.

Let me say to the people saddened by the spectacle of the past few days -- to the good people of Los Angeles, caught at the

center of this senseless suffering: The violence will end. Justice will be served. Hope will return.

Thank you, and may God bless the United States of America.

END

9:16 P.M. EDT

- Friday

## TOWN HALL SPEECH

### I. Brief LA Update

- A. This morning I toured the riot areas again. While the areas still have a long way to go, I was struck by the progress in rebuilding the city. The Federal, state, city, and volunteer efforts have accomplished a great deal.
- B. I hope those efforts get as much attention from the media as the looters' efforts a few weeks ago did.
- C. I am proud of the accomplishments of the Federal government at my direction. We quickly and forcefully responded to the situation. We sent our very best people -- David Kearns and Al Dellibovi -- to run a comprehensive presidential task force. (Then list briefly some of the most significant Federal actions taken since the riots.)
- D. I am personally committed to rebuilding LA. I am here for the duration.

### II. The Lessons of LA

- A. Just as we cannot walk away from our commitment, nor can we forget the lessons of LA.
  - 1. Some say the lesson is that America is fundamentally a sick, racist almost irredeemable society.
  - 2. Others, notably the Democrats in Congress, have taken the lesson away from the riots that we must pour billions more into programs that have failed us in the past.
  - 3. I take away this lesson: There can be hope, no opportunity, no prosperity, without a society of ordered liberty. And while government properly has a role in creating and administering social programs to help the inner city, its first and most important responsibility is to provide personal safety for its citizens.
    - (a) The Preamble to the Constitution speaks first of "establishing justice and ensuring domestic tranquility." Those are prerequisites to "promoting the general welfare."

B. A society of ordered liberty requires respect for the law, respect for law enforcement officials, and respect for American values.

1. What should be immediately apparent is that we at the Federal level cannot by ourselves guarantee such a society. Anyone who tells you that the Federal government can is selling snake oil.

(a) It is ultimately up to our families, our churches and synagogues, our citizens to inculcate these values.

2. But I am committed to using the powers of my office to foster shared American values and respect for the rule of law. We at the Federal level can take some steps:

(a) Crime bill

(b) Weed and Seed

(c) Education -- should focus on the basics and, as Ronald Reagan said in farewell address, foster patriotism and American ideals

(d) HOPE -- fosters ideal of a property-owning democracy, which will in turn lead to respect for others property and possessions

(e) Welfare reform -- to inculcate self-respect and economic independence

3. But I recognize that a society of ordered liberty and shared values is difficult to achieve without economic opportunity in our cities and throughout the country. We are taking steps to ensure economic opportunity for all Americans.

(a) The budget deficit threatens the long-term economic health of this country. That is why I am pushing Congress for a balanced budget amendment. While that is strong medicine, Congress has demonstrated it can't be trusted to keep spending down.

(b) Our pathbreaking five reforms are necessary to provide fertile ground for our society of ordered liberty: education reform, civil justice reform, government reform, free trade, health care reform.

(c) And we need a new approach to poverty in this country. Old programs and old ideas have

failed us all. We can spend the same amount of money, but we need a new approach. We need new strategies, new tactics in the war against poverty.

- C. Conclusion: Some say that calling for respect for law is a code word for racial issues. That is itself a racist statement. The looters in LA were of all races; the victims of the destruction too were of all races. Personal safety and secure property are not black issues or white issues or Asian issues -- they are American values we all must nurture and cherish.

# Uneasy Calm Prevails As L.A. Starts Cleanup

## 44 Are Dead, 2,000 Hurt In Rioting <sup>122</sup>/<sub>21</sub>

By Lou Cannon and Paul Taylor  
Washington Post Staff Writers

LOS ANGELES, May 2—A jittery calm, enforced by police and National Guard patrols, returned to this riot-devastated city today as thousands of citizens armed with brooms and shovels began cleaning up the charred ruins of a vast area of south-central Los Angeles.

Forty-four persons died in the three days of arson, looting and shootouts that began Wednesday evening after four white Los Angeles police officers were virtually exonerated in the beating of black motorist Rodney G. King. It was the largest death toll of any recent urban riot, one more than the number who died in the Detroit riots of 1967.

Nearly 2,000 persons were injured, 120 of them critically, and authorities said the death toll was likely to climb as some of those critically injured succumb. All fires were reported extinguished today, but 1,800 firefighters remained on duty along with 5,000 state and local police and 6,000 National Guardsmen. The 4,500 soldiers and Marines ordered out Friday by President Bush remained on standby, but were not ordered out into the streets.

Mayor Tom Bradley (D) said he did not believe the federal troops would be needed and said that more violence was unlikely. But he continued a dusk-to-dawn curfew indefinitely, saying it had helped to restore order in this troubled and racially divided city, the nation's second most populous.

Bradley and Gov. Pete Wilson (R) also announced that former baseball commissioner Peter Ueberroth would head the city's recovery effort.

Ueberroth said he intended to "rebuild and make better" the city's sinking job base. Wilson said that Bush had issued a federal disaster proclamation that would make low-interest loans available to businesses.

Today, the emphasis was on rebuilding ravaged south-central Los Angeles, a 7-by-15-mile area larger than the District of Columbia. The

ruins of charred stores and commercial buildings resembled a war-torn landscape. City firefighters extinguished 4,500 blazes during the three days of violence, including several hundred that were rekindles of earlier fires.

The First African Methodist Episcopal Church in the heart of the riot area became a cleanup and command post for Angelenos of all races who poured in from throughout the region, bringing brooms, rakes, cans of food and cartons of old clothes. They gathered under a huge banner that proclaimed, "Brothers, Come Help Us Stop the Madness."

"I have been so afraid for the past three days, but I finally decided the only way to combat the fear is to get involved," said Katherine Durlak, who is white and lives in a nearby working-class neighborhood. "The great sore of our society erupted this week, and we all have to look at the pus. I guess the way to deal with it is to clean it up."

Similar sentiments were expressed by truck driver Christine Leslie, who is black, who wielded a shovel as part of the cleanup effort in a burned-out mini-mall. "I wouldn't participate in looting," she said. "I would never participate in burning the community, and I saw so many mothers with their children giving them permission to steal and destroy other people's property."

Leslie had brought one of her three daughters with her from nearby Hawthorne "because I want to always be a positive role model for my girls."

But not every one shared this sentiment. While the cleanup was proceeding, some residents flocked to impromptu markets set up by looters to sell their goods for a fraction of what they would have cost in the stores. For example, 20-inch color television sets sold for \$30.

More than 6,300 people were arrested by police during the disturbances, most of them on looting charges. They waited in courthouse holding cells today as a paperwork backup stalled efforts to arraign them.

Despite the end of the violence, life remains an ordeal throughout the riot area. Distraught residents who had stayed at home behind locked doors for the past three days emerged warily to search for food and diapers for their children. They

found stores that had been burned out or closed. All bus service has been halted. Some 24,000 residents remained without electricity, as crews from the Los Angeles Department of Water and Power (DWP) accompanied by armed California Highway Patrol officers worked to restore service.

Lucia Alvelais, a DWP spokeswoman, said the task of repair crews was difficult because many poles, wires and transformers had been destroyed. Nonetheless, she

said, the department hoped to fully restore power by the end of the weekend.

The campaign headquarters of state Sen. Diane Watson (D), near the heart of the 1965 Watts riots, became a second disaster relief center for residents. While students gathered outside and called for "peace" and passage of a police overhaul measure on the June ballot, Watson's aides distributed clothing, 1,500 loaves of bread and cases of canned vegetables and tuna—much of it contributed by local grocery chains.

Across the street stood the ruins of Crenshaw Square, a two-story office and retail center where dozens of volunteers wielded shovels, mops and brooms in a determined effort to clean up broken glass and debris.

Many residents remained bitter at the verdict in the King case, which they said had triggered riots in an area that was ripe for them. South-central Los Angeles is predominantly black, but with a fast-growing Hispanic population, and it has been hard hit by the recession, which is worse in Southern California than in much of the nation.

"It was definitely inevitable," said

Howard Barnes, a 27-year-old black tow truck driver from Inglewood who was participating in cleanup efforts. He said that the next riots would be even worse unless the economic troubles of the community were addressed.

But unemployment is certain to rise within the area because many of the stores that provided jobs for local residents are gone. Estimates of the economic damage topped \$500 million, eclipsing the losses in the Watts riots. Most of the major companies and factories in Southern California, which shut down for a long weekend Thursday, are expected to reopen on Monday, at least for the daytime shifts.

22  
D

Los Angeles County Coroner spokesman Bob Dambacher said that 20 of those who died in the violence were blacks, 11 were Hispanic whites, seven were non-Hispanic whites and two were Asians. The racial identity of the other four was victims was unknown.

Thirty-two of the 44 deaths came from gunshot wounds, seven of these from encounters with police. Several of those critically injured remained on life-support systems, Dambacher said.

One of the injured whose condition was upgraded from critical to serious today was Reginald Denny, a 36-year-old white driver who was pulled from his truck and savagely beaten in the one of the first acts of violence Wednesday. The attack was captured by television cameras from a helicopter and widely shown. A spokesman at Daniel Freeman Memorial Hospital said there had been inquiries worldwide about the condition of Denny, who was rescued by four black strangers who braved the crowd to drive Denny and his 18-wheel cement truck to the hospital.

The cleanup crews that worked throughout the riot area today seemed oddly out of scale with the task at hand. Volunteers swept little patches of sidewalk clean in the midst of miles and miles of rubble. Many of them recognized that what they were doing was symbolic—but said it was important symbolism for the participants.

"We're all part of a global community, and this is where my help is needed," said Karen Heskett, a white insurance billing clerk who came from Sherman Oaks, a San Fernando Valley community untouched by the rioting. "There was an awful lot of evil we saw in L.A. this week. What's happening now is a wonderful example of the goodness of the human spirit."

Typical of the scenes in the area today was one that occurred at Vernon and Vermont avenues, where Jim Shute, manager of a small food market, directed 10 employees as they swept up broken glass, carted off soggy groceries and tried to figure out how they could repair nine damaged cash registers.

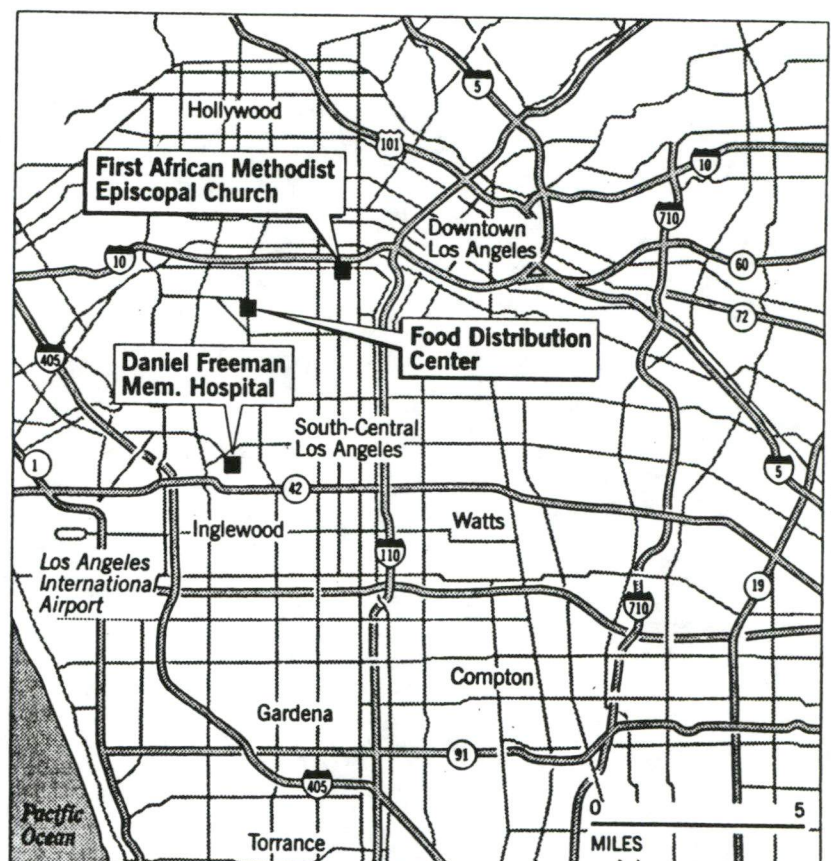
"I had 171 shopping carts in the store on Wednesday afternoon; by Thursday morning they were all gone," he said. "All my meats were taken, and all my quality liquor—all the stuff that my customers don't normally buy." He estimated the loss of stock at \$200,000 and the damage to his store at \$50,000 and counted himself lucky because his store had an automatic sprinkler system and did not burn down.

Not all the good samaritans came to the cleanup effort armed with brooms. Ann Poullion, a nurse and grandmother of 12, showed up at the Dockweiler Post Office in the south-central neighborhood with a wheelchair. She spent the morning helping elderly and infirm residents make their way into the building where they picked up first-of-the-month Social Security checks and other mail.

The post office was guarded by Alcohol, Tobacco and Firearms agents from San Diego and U.S. postal inspectors, part of the 1,000 riot-trained forces that Bush dispatched here and the only federal forces deployed.

Federal officials were so confident that the situation was under control that they put additional reinforcements on hold. These included an elite unit of Border Patrol agents trained to handle civil disturbances, which remained in San Diego, and units of U.S. Park police, who were kept in San Francisco and New York.

*Staff writers Ruben Castaneda, Lynne Duke, Al Kamen, Gary Lee, Carlos Sanchez and Avis Thomas-Lester and special correspondent Leef Smith contributed to this report.*



BY DAVE COOK—THE WASHINGTON POST

MOS  
copy

(Ferguson/Grossman)  
May 24, 1992  
TOWNHALL  
Draft One

PRESIDENTIAL REMARKS: LOS ANGELES TOWN HALL  
TBD  
MAY 29, 1992

[Acknowledgments]

Take credit. I pledged to do whatever was necessary to restore order.

We then took the necessary steps to begin the rebuilding of Los Angeles.

Understand: this is not a payoff for rioting. This money is directed to the victims, not the perpetrators, of violence. To the perpetrators the message must be clear and unequivocal: your lawlessness cannot be excused and it will be punished.

This morning I make this pledge: We will rebuild Los Angeles; we will rebuild our cities. And I pledge this: we will not rebuild our cities according to the old ways, from the dusty blueprints of the past. A better community will rise from the rubble.

I have been encouraged, in the wake of the riots, by the bipartisan consensus that something must be done. Leaders of both parties have met with me in the white house. I have presented them a six point plan, which I will discuss in depth this afternoon.

I confess to being less heartened by the response I have heard from some quarters, calling for ever higher federal expenditures. Let's be clear. The problems of our inner cities are not the result of a lack of federal funds. We have spent 2.5

with \$7.5 trillion, we  
could cover every square  
inch of Los Angeles,  
Detroit + N.Y.C. with  
\$100 (\$1000?) bills...  
alone

trillion over the last generation, only to see the decay seep  
still deeper into our inner cities. This year we will spend \$220  
billion on welfare -- enough to raise every family in poverty  
above the poverty level.

The system itself is broken, and no increase in federal funds can solve system's dysfunctions. You don't keep pumping gas into a car that doesn't run. You lift the hood, roll up your sleeves, and get to work fixing the car.

That is what we must do now. First let's analyze the problem that besets the inner cities.

All across the world over the past three years we have seen the collapse of command and control economies, of bureaucracies that arrogate to themselves decisions that Americans have always believed are better left to individuals. But while command-and-control model dies around the globe, it endures right here in our backyards -- in our inner cities.

The American dream is built on principles that simply do not apply in the inner cities. Americans rightly believe that if they get a good education, find a job, work hard, raise a family, they will prosper. Our free economy, in which decisions are made by the people themselves, makes this possible.

But people in the inner cities, labor under an entirely different set of rules -- promulgated by a command and control economy run by government. As the power of government has grown in the inner cities, the power of the residents there has steadily declined.

They find their choices restricted at every turn. It is almost as if the system in our inner cities <sup>was</sup> designed to thwart the very impulses and habits that allow a person to lead a happy and fruitful life. If you live in public housing, the government forbids you from buying your home and gaining equity. If you want to give your kids a shot at a decent education, the government tells you where you to send them to school, even though it's riven with drugs and violence. If you save to send your kids to college, you're accused of welfare fraud. If you marry someone with a full time job, you're penalized with a loss of income.

If you want to open a business, create jobs in your neighborhood, you face an informal redlining. The costs of government regulation and capital are already too high for our entrepreneurs; in the inner city, you must add to these the extra expenses of job training and security, plus the reluctance of investors to invest in the inner city.

In other words, when someone in the inner city musters the will to succeed, the system is there to slap him down.

This is a system borne of paternalism and condescension. No wonder it doesn't work; no wonder it breeds anarchy and irresponsibility. A fundamental truth: people cannot act responsibly if they're never given responsibility.

The six point plan I presented to congressional leaders aims to 1) make government services more responsive (Weed and Seed and Job Training 2000) and 2) return decision-making power to the

~~of: A structure is only as good as the confidence of the builders?~~

A thousand bureaucrats can build a housing project. But only two people can build a home: a man and wife.

To rebuild cities, we must re-structure the inner city. Fear of the builders.

inner-city residents themselves. This is what works for the rest of America; it will work for our inner cities. That's why we have been pushing many of these initiatives for more than three years.

First, restore order and make the streets safe with Weed and Seed them with a concentration of social services, to make crime less attractive.

Second, Job Training 2000, to consolidate the crazy-quilt of job training programs, to make it easier for those seeking training to find it.

Third, enterprise zones, to turn the redline into the greenline, and defray the costs of opening businesses and creating jobs in the inner city.

Fourth, choice in schools, to guarantee that poor people have the same choices for their children's educations that middle-class and wealthy people have.

Fifth, homeownership, because private property gives people a stake in their neighborhoods and instills a sense of responsibility for what happens there.

Sixth, welfare reforms, to strip away the penalties for people whose only crime is wanting to succeed: to marry, get a job, and save.

Each of these steps has been carefully designed to restore the sense of self-sufficiency, of personal dignity, that a generation of government arrogance has stolen from the people of our inner cities. But let's be honest: the problems of the inner

city can't be solved simply by adjusting economic inputs and outputs. Human beings respond to more than tax codes and bureaucratic rules. We are motivated first and foremost by values, by a sense of what is right and what is wrong.

If we are to take values seriously, and we must, we must have the courage to be frank about them. The word "values" is not relative; values deal in absolutes. A workable system of values separates virtue from vice. To speak of values is to praise one type of behavior and, just as important, condemn other types of behavior.

When a man and a woman -- or worse, a boy and a girl -- conceive a child that they are unprepared to care for, that is wrong, and society should not be afraid to say so. When a person succumbs to drug abuse or alcoholism, knowing full well the suffering he causes for friends and loved ones, that is wrong. When a man abandons his family, that is wrong.. When a person chooses the narcotic of welfare over the <sup>stimulus</sup> opportunity of work, that is wrong.

The federal government cannot teach values. But it can create an environment where decent values take root and grow. We will rebuild our cities with the decency and generosity that have always marked the American character. From devastation and despair will come a community of safe streets, where children can play and their grandmothers can walk without fear. A community built with whole and loving families, in which mothers and fathers together guide their children to lead a responsible life

of hard work, thrift, and integrity. A community of thriving businesses, fine schools and good jobs for all who seek them.

With your help, etc.

# # # #

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ccc9 4459

Small steps

Competitive Council's achievements

1457  
- 224 -  
George H. Board

-422

224-1251

12/5 22

Record  
11-12  
iii

with  
currently - 9 ops per day let's  
open dacs after several days  
dacs open  
ops spread

60 ± 15

Americas GA

Robert Keller  
PO Box 190

17540-806 (C16)

May 8  
7  
discharge  
application  
(915)

Tom Panuzio FEMA 646-2400  
Congressional affairs

3 weeks after DACs  
\$6m funds made available Pres Disaster funds  
local gov'ts, individuals affected

Each DAC allows disaster victim access  
to fed, state, local, volunteer agencies

tele-registration service (toll free)  
200 local residents hired to help  
At least 1/2 bilingual

7 centers opened May 8  
3 more centers within days

First checks went out 11-12

No idea if it's a record

## FEDERAL EMERGENCY MANAGEMENT AGENCY

WASHINGTON, D.C.

OFFICE OF INTERGOVERNMENTAL AFFAIRS

FACSIMILE TRANSMISSION

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FAX: 202-646-3600COMMENTS: Jennifer,

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

I wanted to hold off on giving you the informationuntil the senate passed HR 5132. Please usethis information, and let me know if thereis any additional information that you may need.Thomas Panuzio  
\_\_\_\_\_  
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\_\_\_\_\_Total Pages including cover: \_\_\_\_  
(Unclassified)

500 C Street, SW / Room 819 / Washington, D.C. 20472



# Federal Emergency Management Agency

Washington, D.C. 20472

May 26, 1992

**MEMORANDUM FOR:**

Jennifer Grossman  
Office of Speechwriting

**FROM:**

Thomas Panuzio *Thomas Panuzio*  
Special Assistant,  
Office of Intergovernmental Affairs

**SUBJECT:**

Talking Points for LA Disaster

Per our conversation on May 20, I have provided you with the following information: 1) a summary of congressional action on H.R. 5132, the dire emergency supplemental appropriation bill: 2) a summary of the Los Angeles disaster declaration due to fires during a period of civil unrest declared on May 2, 1992: 3) a summary of the Los Angeles disaster declaration that the President declared on February 25, due to severe flooding and mudslides.

Summary of H.R. 5132

\* As of today, H.R. 5132, the dire emergency supplemental appropriation to meet urgent needs for disaster assistance and loans to respond to emergencies such as those which occurred in Los Angeles and Chicago, for fiscal year ending September 30, 1992 has been referred to conference, and the Senate conferees have been assigned. The bill has passed the full house vote 244-162. Of those who voted, Democrats voted 199 yeas and 52 nays, the Republicans vote 44 yeas and 110 nays. The Senate passed the bill 61-36. Of those voting, Democrats voted 50 yeas and 5 nays, the Republicans voted 11 yeas and 31 nays. The bill provided \$1,994,185,000 in new budget authority in Fiscal 1992, including \$300,000,000 in disaster assistance for the Federal Emergency Management Agency (FEMA) and would allow FEMA to make an extra \$22 million in direct loans. These loans allow state and local governments to meet federal cost-sharing requirements. Since the Senate added additional language, the bill will go to conference and then be voted on by both the House of Representatives and the Senate once again.

Please let me know if there is any additional information that you will need.

SUMMARY

In the event of a declaration, the following information applies:

STATE: California  
NUMBER: FEMA-935-DR  
INCIDENT: Severe Rainstorms, Snowstorms, Wind,  
Flooding, and Mudslides  
INCIDENT PERIOD: February 10, and continuing through  
February 18, 1992  
DATE REQUESTED BY GOVERNOR: February 22, 1992  
FEDERAL COORDINATING OFFICER: A Roy Kite  
FEMA Region IX  
DECLARATION DATE: February 25, 1992

## DESIGNATIONS AND TYPES OF ASSISTANCE:

INDIVIDUAL ASSISTANCE (Assistance to families and  
Individuals):

The counties of Kern, Los Angeles, Orange, San  
Bernardino, and Ventura.

PUBLIC ASSISTANCE (Assistance to State and local  
governments for the repair or replacement of disaster-damaged  
public facilities):

The counties of Kern, Los Angeles, Orange, San  
Bernardino, and Ventura.

## COST PROJECTIONS:

|                        |                  |
|------------------------|------------------|
| Individual Assistance  | \$ 3,649,330     |
| Public Assistance      | 71,709,016       |
| Hazard Mitigation      | 2,500,000        |
| Administrative Expense | <u>3,469,900</u> |
| Projected Cost         | \$ 81,328,246    |

## FACT SHEET

STATE: California  
NUMBER: FEMA-943-DR  
INCIDENT: Earthquakes and Continuing Aftershocks  
INCIDENT PERIOD: April 25, 1992 and continuing  
DATE REQUESTED BY GOVERNOR: May 1, 1992  
DATE DECLARED BY PRESIDENT: May 4, 1992  
FEDERAL COORDINATING OFFICER: Richard Buck  
FEMA Region X

## DESIGNATIONS AND TYPES OF ASSISTANCE:

INDIVIDUAL ASSISTANCE (Assistance to families and individuals):

Humboldt County

PUBLIC ASSISTANCE (Assistance to State and local governments for the repair or replacement of disaster-damaged public facilities):

Humboldt County

## COST PROJECTIONS:

|                        |                  |
|------------------------|------------------|
| Individual Assistance  | \$ 5,117,000     |
| Public Assistance      | 11,300,000       |
| Hazard Mitigation      | 1,000,000        |
| Administrative Expense | <u>2,987,400</u> |
| Projected Cost         | \$ 20,404,400    |

**DISASTER FIELD OFFICE:**

3200 Broadway, Unit B  
Eureka, CA 95501  
707/441-8400

**FEMA/STATE MEETING HELD:**

May 6, 1992

**TELEREGISTRATION:**

Accepting applications since  
May 5, 1992  
Registrations Accepted: 518  
As of May 19, 1992 - 3:00 p.m.

**DISASTER APPLICATION  
CENTERS:**

Four DACs Opened to Accept  
1,190 Registrations.

Three of the four DACs have  
closed. The final one is  
scheduled to close May 20,  
1992.

**STAFF:**

Richard Buck  
Federal Coordinating Officer  
John Kainrad  
Individual Assistance Officer  
Walter Robinson  
Public Assistance Officer  
Madge Dale  
Program Support Officer  
John Passerllo  
State Coordinating Officer

SUMMARY

STATE: California  
NUMBER: FEMA-942-DR  
INCIDENT: Fires during a period of civil unrest  
INCIDENT PERIOD: Beginning April 29, 1992  
DATE REQUESTED BY GOVERNOR: May 1, 1992  
DECLARATION DATE: May 2, 1992  
FEDERAL COORDINATING OFFICER: William M. Medigovich  
FEMA Region IX

## DESIGNATIONS AND TYPES OF ASSISTANCE:

INDIVIDUAL ASSISTANCE (Assistance to families and individuals):

The City and County of Los Angeles.

PUBLIC ASSISTANCE (Assistance to State and local governments for the repair or replacement of disaster-damaged public facilities):

The City and County of Los Angeles.

DISASTER FIELD OFFICE: First Interstate Bank  
245 S. Los Robles, 4th Floor  
Pasadena, CA 91101  
818-405-7281

FEMA NATIONAL TELEREGISTRATION CENTER: 1-800-462-9029

## ROLL CALL VOTES ON THE DISASTER RELIEF SUPPLEMENTAL

**1992 HOUSE VOTE # 125 \*\* HR5132.** Fiscal 1992 Disaster Relief Supplemental Appropriations - Passage. Passage of the bill to provide \$494,650,000 in new budget authority in fiscal 1992 for disaster assistance and loans to respond to the Los Angeles riots and the Chicago tunnel collapse and subsequent flooding to be administered by the Small Business Administration and the Federal Emergency Management Agency. The funds are designated as emergency spending, thus exempt from the spending caps of the 1990 Budget Enforcement Act. Passed 244-162: R 44-110; D 199-52 (ND 155-17, SD 44-35); I 1-0, May 14, 1992.

\*\*\* YEAS (244) \*\*\*\*

## DEMOCRATS (199)

Abercrombie N (HI)  
Ackerman G (NY)  
Alexander B (AR)  
Anderson G (CA)  
Andrews M (TX)  
Andrews R (NJ)  
Andrews T (ME)  
Annunzio F (IL)  
Aspin L (WI)  
Atkins C (MA)  
Bacchus J (FL)  
Barnard D (GA)  
Beilenson A (CA)  
Bennett C (FL)  
Berman H (CA)  
Bevill T (AL)  
Bilbray J (NV)  
Blackwell L (PA)  
Bonior D (MI)  
Borski R (PA)  
Boucher R (VA)  
Boxer B (CA)  
Brooks J (TX)  
Brown G (CA)  
Bruce T (IL)  
Bustamante A (TX)  
Byron B (MD)  
Campbell B (CO)  
Cardin B (MD)  
Clay W (MO)  
Clement B (TN)  
Coleman R (TX)  
Collins B (MI)  
Condit G (CA)  
Conyers J (MI)  
Cooper J (TN)  
Costello J (IL)  
Cox J (IL)  
Coyne W (PA)

Frank B (MA)  
Frost M (TX)  
Gejdenson S (CT)  
Gephardt R (MO)  
Gibbons S (FL)  
Gonzalez H (TX)  
Gordon B (TN)  
Guarini F (NJ)  
Hall T (OH)  
Hamilton L (IN)  
Hayes C (IL)  
Hertel D (MI)  
Hoagland P (NE)  
Hochbrueckner G (NY)  
Horn J (MO)  
Hoyer S (MD)  
Hughes W (NJ)  
Jacobs A (IN)  
Jefferson W (LA)  
Johnston H (FL)  
Jones B (GA)  
Jontz J (IN)  
Kanjorski P (PA)  
Kaptur M (OH)  
Kennedy J (MA)  
Kennelly B (CT)  
Kildee D (MI)  
Klecicka G (WI)  
Kopetski M (OR)  
Kostmayer P (PA)  
LaFalce J (NY)  
Lancaster H (NC)  
Lantos T (CA)  
LaRocco L (ID)  
Lehman R (CA)  
Lehman W (FL)  
Levin S (MI)  
Lewis J (GA)  
Lipinski W (IL)

Nowak H (NY)  
Oberstar J (MN)  
Obey D (WI)  
Olin J (VA)  
Oliver J (MA)  
Ortiz S (TX)  
Owens M (NY)  
Owens W (UT)  
Pallone F (NJ)  
Panetta L (CA)  
Pastor E (AZ)  
Payne D (NJ)  
Pease D (OH)  
Pelosi N (CA)  
Perkins C (KY)  
Pickle J (TX)  
Poshard G (IL)  
Price D (NC)  
Rahall N (WV)  
Rangel C (NY)  
Reed J (RI)  
Richardson B (NM)  
Roe R (NJ)  
Rostenkowski D (IL)  
Roybal E (CA)  
Russo M (IL)  
Sabo M (MN)  
Savage G (IL)  
Sawyer T (OH)  
Scheuer J (NY)  
Schroeder P (CO)  
Schumer C (NY)  
Serrano J (NY)  
Sharp P (IN)  
Sikorski G (MN)  
Skaggs D (CO)  
Slaughter L (NY)  
Smith L (FL)  
Smith N (IA)

de la Garza E (TX)  
 DeFazio P (OR)  
 DeLauro R (CT)  
 Dellums R (CA)  
 Derrick B (SC)  
 Dicks N (WA)  
 Dingell J (MI)  
 Dixon J (CA)  
 Donnelly B (MA)  
 Dooley C (CA)  
 Dorgan B (ND)  
 Downey T (NY)  
 Durbin R (IL)  
 Dwyer B (NJ)  
 Early J (MA)  
 Eckart D (OH)  
 Edwards D (CA)  
 Engel E (NY)  
 English G (OK)  
 Espy M (MS)  
 Evans L (IL)  
 Fascell D (FL)  
 Fazio V (CA)  
 Feighan E (OH)  
 Flake F (NY)  
 Foglietta T (PA)  
 Ford H (TN)  
 Ford W (MI)

#### INDEPENDENTS (1)

Sanders B (VT)

#### REPUBLICANS (44)

Boehlert S (NY)  
 Campbell T (CA)  
 Chandler R (WA)  
 Coughlin L (PA)  
 Davis R (MI)  
 Fawell H (IL)  
 Fish H (NY)  
 Franks G (CT)  
 Gallo D (NJ)  
 Gekas G (PA)  
 Gilchrest W (MD)  
 Gilman B (NY)  
 Goss P (FL)  
 Green B (NY)  
 Hastert D (IL)

Long J (IN)  
 Lowey N (NY)  
 Manton T (NY)  
 Markey E (MA)  
 Martinez M (CA)  
 Matsui R (CA)  
 Mavroules N (MA)  
 Mazzoli R (KY)  
 McCloskey F (IN)  
 McCurdy D (OK)  
 McDermott J (WA)  
 McHugh M (NY)  
 McMillen T (MD)  
 McNulty M (NY)  
 Mfume K (MD)  
 Miller G (CA)  
 Mineta N (CA)  
 Mink P (HI)  
 Mollohan A (WV)  
 Montgomery G (MS)  
 Moran J (VA)  
 Mrazek R (NY)  
 Murtha J (PA)  
 Nagle D (IA)  
 Natcher W (KY)  
 Neal R (MA)  
 Neal S (NC)

Hopkins L (KY)  
 Horton F (NY)  
 Houghton A (NY)  
 Hyde H (IL)  
 Ireland A (FL)  
 Kasich J (OH)  
 Klug S (WI)  
 Leach J (IA)  
 Lent N (NY)  
 Lewis J (CA)  
 Lowery B (CA)  
 McDade J (PA)  
 McGrath R (NY)  
 Michel R (IL)  
 Morella C (MD)

Solarz S (NY)  
 Spratt J (SC)  
 Stallings R (ID)  
 Stark P (CA)  
 Stokes L (OH)  
 Studds G (MA)  
 Swett D (NH)  
 Swift A (WA)  
 Synar M (OK)  
 Thornton R (AR)  
 Torres E (CA)  
 Torricelli R (NJ)  
 Towns E (NY)  
 Traficant J (OH)  
 Traxler B (MI)  
 Unsoeld J (WA)  
 Vento B (MN)  
 Waters M (CA)  
 Waxman H (CA)  
 Weiss T (NY)  
 Wheat A (MO)  
 Whitten J (MS)  
 Wise B (WV)  
 Wolpe H (MI)  
 Wyden R (OR)  
 Yates S (IL)  
 Yatron G (PA)

Morrison S (WA)  
 Porter J (IL)  
 Ravenel A (SC)  
 Rinaldo M (NJ)  
 Ros-Lehtinen I (FL)  
 Saxton H (NJ)  
 Schiff S (NM)  
 Schulze D (PA)  
 Shaw E (FL)  
 Skeen J (NM)  
 Smith C (NJ)  
 Smith L (TX)  
 Upton F (MI)  
 Wylie C (OH)

\*\*\* NAYS (162) \*\*\*\*

DEMOCRATS (52)

Applegate D (OH)  
Brewster B (OK)  
Browder G (AL)  
Bryant J (TX)  
Carper T (DE)  
Carr B (MI)  
Chapman J (TX)  
Cramer B (AL)  
Darden G (GA)  
Edwards C (TX)  
Erdreich B (AL)  
Gaydos J (PA)  
Geren P (TX)  
Glickman D (KS)  
Hall R (TX)  
Harris C (AL)  
Hayes J (LA)  
Hefner W (NC)

Hubbard C (KY)  
Huckaby J (LA)  
Hutto E (FL)  
Jenkins E (GA)  
Johnson T (SD)  
Moody J (WI)  
Murphy A (PA)  
Orton B (UT)  
Parker M (MS)  
Patterson L (SC)  
Payne L (VA)  
Penny T (MN)  
Peterson C (MN)  
Peterson P (FL)  
Pickett O (VA)  
Ray R (GA)  
Roemer T (IN)

Rose C (NC)  
Rowland J (GA)  
Sarpalius B (TX)  
Sisisky N (VA)  
Skelton I (MO)  
Slattery J (KS)  
Stenholm C (TX)  
Tallon R (SC)  
Tanner J (TN)  
Tauzin W (LA)  
Taylor G (MS)  
Valentine T (NC)  
Visclosky P (IN)  
Volkmer H (MO)  
Washington C (TX)  
Williams P (MT)  
Wilson C (TX)

REPUBLICANS (110)

Allard W (CO)  
Allen G (VA)  
Archer B (TX)  
Armey D (TX)  
Baker R (LA)  
Ballenger C (NC)  
Barrett B (NE)  
Barton J (TX)  
Bateman H (VA)  
Bentley H (MD)  
Bereuter D (NE)  
Bilirakis M (FL)  
Bliley T (VA)  
Boehner J (OH)  
Broomfield W (MI)  
Bunning J (KY)  
Burton D (IN)  
Callahan S (AL)  
Camp D (MI)  
Clinger W (PA)  
Coble H (NC)  
Coleman T (MO)  
Combest L (TX)  
Cox C (CA)  
Crane P (IL)  
Cunningham R (CA)  
DeLay T (TX)  
Doolittle J (CA)  
Dornan R (CA)  
Dreier D (CA)

Gingrich N (GA)  
Goodling B (PA)  
Gradison B (OH)  
Grandy F (IA)  
Gunderson S (WI)  
Hammerschmidt J (AR)  
Hancock M (MO)  
Hansen J (UT)  
Hefley J (CO)  
Herger W (CA)  
Hobson D (OH)  
Holloway C (LA)  
Hunter D (CA)  
Inhofe J (OK)  
James C (FL)  
Johnson N (CT)  
Johnson S (TX)  
Kolbe J (AZ)  
Kyl J (AZ)  
Lagomarsino R (CA)  
Lewis T (FL)  
Livingston R (LA)  
Machtley R (RI)  
Marlenee R (MT)  
Martin D (NY)  
McCandless A (CA)  
McCollum B (FL)  
McEwen B (OH)  
McMillan A (NC)  
Meyers J (KS)

Paxon B (NY)  
Petri T (WI)  
Quillen J (TN)  
Ramstad J (MN)  
Regula R (OH)  
Rhodes J (AZ)  
Ridge T (PA)  
Riggs F (CA)  
Ritter D (PA)  
Roberts P (KS)  
Rogers H (KY)  
Rohrabacher D (CA)  
Roth T (WI)  
Roukema M (NJ)  
Schaefer D (CO)  
Sensenbrenner F (WI)  
Shays C (CT)  
Shuster B (PA)  
Smith B (OR)  
Snowe O (ME)  
Solomon G (NY)  
Spence F (SC)  
Stearns C (FL)  
Stump B (AZ)  
Sundquist D (TN)  
Taylor C (NC)  
Thomas B (CA)  
Thomas C (WY)  
Vucanovich B (NV)  
Walker R (PA)

Duncan J (TN)  
 Edwards M (OK)  
 Emerson B (MO)  
 Ewing T (IL)  
 Fields J (TX)  
 Gallegly E (CA)  
 Gillmor P (OH)

Miller C (OH)  
 Molinari S (NY)  
 Moorhead C (CA)  
 Myers J (IN)  
 Nichols D (KS)  
 Nussle J (IA)  
 Oxley M (OH)

Weber V (MN)  
 Weldon C (PA)  
 Wolf F (VA)  
 Young C (FL)  
 Young D (AK)  
 Zimmer D (NJ)

\*\*\* NOT VOTING (29) \*\*\*\*

DEMOCRATS (17)  
 Anthony B (AR) #  
 AuCoin L (OR) ?  
 Collins C (IL) ?  
 Dymally M (CA) ?  
 Foley T (WA) S  
 Hatcher C (GA) ?

Jones W (NC) ?  
 Kolter J (PA) ?  
 Laughlin G (TX) ?  
 Levine M (CA) ?  
 Lloyd M (TN) ?  
 Luken C (OH) ?

Moakley J (MA) ?  
 Oakar M (OH) ?  
 Sangmeister G (IL) #  
 Staggers H (WV) ?  
 Thomas L (GA) ?

REPUBLICANS (12)  
 Dannemeyer W (CA) ?  
 Dickinson B (AL) ?  
 Henry P (MI) ?  
 Lightfoot J (IA) ?

McCrary J (LA) ?  
 Miller J (WA) ?  
 Packard R (CA) X  
 Pursell C (MI) X

Santorum R (PA) ?  
 Vander Jagt G (MI) ?  
 Walsh J (NY) ?  
 Zeliff B (NH) ?

? Did not vote or make position known

1992 SENATE VOTE # 109 \*\* HR5132. Fiscal 1992 Disaster Relief Supplemental Appropriations. Passage of the bill to provide \$1,944,185,000 in new budget authority in fiscal 1992, including \$495 million for disaster assistance and loans to respond to the Los Angeles riots and the Chicago tunnel collapse and subsequent flooding and \$1.45 billion for Summer Youth Employment, "the Weed and Seed" program to focus federal programs at high poverty and crime areas, the Head Start Summer Program, and public schools for their summer sessions. The funds are designated as emergency spending, thus exempt from the spending caps of 1990 Budget Enforcement Act. Passed 61-36: R 11-31; D 50-5 (ND 37-2, SD 13-3), May 21, 1992.

\*\*\* YEAS (61) \*\*\*\*

DEMOCRATS (50)  
 Adams B (WA)  
 Akaka D (HI)  
 Baucus M (MT)  
 Biden J (DE)  
 Bingaman J (NM)  
 Boren D (OK)  
 Bradley B (NJ)  
 Breaux J (LA)  
 Bryan R (NV)  
 Bumpers D (AR)  
 Burdick Q (ND)  
 Byrd R (WV)  
 Conrad K (ND)  
 Cranston A (CA)

Exon J (NE)  
 Ford W (KY)  
 Fowler W (GA)  
 Glenn J (OH)  
 Gore A (TN)  
 Harkin T (IA)  
 Hollings E (SC)  
 Inouye D (HI)  
 Johnston J (LA)  
 Kennedy E (MA)  
 Kerry B (NE)  
 Kerry J (MA)  
 Lautenberg F (NJ)  
 Leahy P (VT)

Mikulski B (MD)  
 Mitchell G (ME)  
 Moynihan D (NY)  
 Nunn S (GA)  
 Pryor D (AR)  
 Reid H (NV)  
 Riegle D (MI)  
 Robb C (VA)  
 Rockefeller J (WV)  
 Sarbanes P (MD)  
 Sasser J (TN)  
 Shelby R (AL)  
 Simon P (IL)  
 Wellstone P (MN)

## REPUBLICANS (31)

Brown H (CO)  
 Coats D (IN)  
 Cochran T (MS)  
 Cohen W (ME)  
 Craig L (ID)  
 Dole B (KS)  
 Domenici P (NM)  
 Durenberger D (MN)  
 Garn J (UT)  
 Gorton S (WA)  
 Gramm P (TX)

Grassley C (IA)  
 Helms J (NC)  
 Jeffords J (VT)  
 Kassebaum N (KS)  
 Kasten B (WI)  
 Lott T (MS)  
 Lugar R (IN)  
 Mack C (FL)  
 McCain J (AZ)  
 McConnell M (KY)

Murkowski F (AK)  
 Nickles D (OK)  
 Pressler L (SD)  
 Roth W (DE)  
 Rudman W (NH)  
 Simpson A (WY)  
 Smith R (NH)  
 Symms S (ID)  
 Thurmond S (SC)  
 Wallop M (WY)

\*\*\* NOT VOTING (3) \*\*\*\*\*

## DEMOCRATS (2)

Bentsen L (TX) ?

Pell C (RI) ?

REPUBLICANS (1)  
 Chafee J (RI) ?

? Did not vote or make position known

646-2400

FEMA

~~Cabinet~~ affairs  
congressional

514-2000

Lisa

336-7326

Bush-Quayle

~~Ton~~

Panuzio

Lt. Col Conrad Bush

US Army under direction

Army Maj Gen. Covault (Marvin)  
commander 7th infantry division  
joint task force Los Angeles

## VIEWPOINTS

# is road to indepen

1965. Housing for low-income families is unsafe and segregated. The current system produces more unemployment than it did 25 years ago. People stay on welfare because they can't go to work. Many are forced to retire before they are ready to go on.

A new way of looking at the problem is a conservative one. It emphasizes on the individual, not government programs. It stresses efficiency and expands the number of examples.

A new housing policy for inner cities would end large public housing projects, bringing people economically into the neighborhood with crime and drugs out of the area. It's difficult to live in that environment. Children need to break out of it.

Encourage home ownership and private housing so children can move out of inner city neighborhoods. It lets them manage their own

complexes, throw out the drug dealers and improve the quality of life.

■ **Child care:** Federal child care programs, actual and proposed, have advocated institutional child care, restrictive federal standards that drive up costs and dry up access, and a zero tolerance for religious or home-based care. Empowerment offers tax credits and vouchers to help low-income parents choose their own child care — in a traditional center, in church, at grandmother's, at work, or with one parent staying at home if the family chooses.

■ **Education:** Empowerment means bringing parents back into education in a major way. It allows them to choose a school that fits their child's needs, whether or not it's their "attendance zone." Empowerment means decentralizing education, authority for teachers and principals, with diversity replacing uniformity.

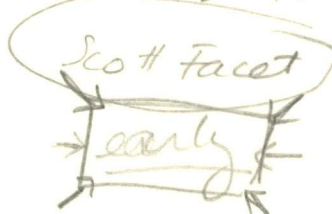
■ **Social Security:** Empowerment would repeal the Social Security earnings limit, and allow older Americans to work. The earnings limit places working senior citizens in the highest marginal tax bracket in

① # of volunteers involved  
in rebuilding

100's ?

1000's ?

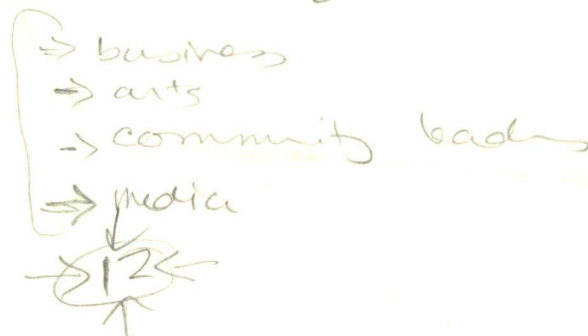
lead → Timson



750

Town Hall  
has played  
a major  
role in arts  
for over 50 yrs

→ urban  
policy 2983



Another focal point is an analysis of the national contributions to the potential warming of the atmosphere through emissions of greenhouse gases. The report ranks 146 countries as climate polluters through a Greenhouse Index that sums each country's contributions. The United States and the Soviet Union lead the list, but developing countries are already significant contributors to this growing problem as well (see pages 14-18).

The report also includes an overview chapter on the world environmental outlook and a special analysis of Latin America's environmental and resource problems.

Preparation of World Resources 1990-91 has been guided by a distinguished international Advisory Board and is published by the World Resources Institute in collaboration with the United Nations Environment Programme and the United Nations Development Programme.

I hope you will find World Resources 1990-91 a thought-provoking and useful source of reliable information. Your comments would be most welcome.

Sincerely,

Gus Speth

(703) 545-6700 DOD

Exec. Officer of  
General Hildstab

---

Col. Ross Nagy  
Team Chief of Crisis  
Action Team

(703) 697-3203  
695-7045

Miss Taylor Sec.

---

Sec. Army

Maj Wells

Justice 514-2000

Public Affairs 514-2007

Amy Kastner ✓

National Guard

703 545-6700 Pentagon

697-5737 Public Affairs

Nat'l Guard <sup>(703)</sup> 695-3673 Gen. Connelly  
Public Affairs

<sup>?</sup>  
Major Toy

I federalized the Nat'l  
Guard

Ordered federalization

Maj Nei

# The New Civil-Rights

Congress is about to send President Bush the civil-rights bill he has promised to veto. Mr. Bush should make good on his threat, but he should also take full advantage of the opportunity. He could combine a veto ceremony with setting out a conservative civil-rights agenda; the ideal location would be Alexandria, Va., where community residents were recently stunned when a federal judge invalidated the anti-loitering law they hoped would fight drugs and crime in their neighborhood.

## Rule of Law

By L. Gordon Crovitz

There's a growing consensus that whether it's public schools or vagrancy laws, the most important word for civil rights is not "quotas" but "empowerment." The Kennedy-Hawkins civil-rights bill is from an earlier era. It is best understood as a final offering to the heroic assumption that what minorities need most is more litigation in courtrooms where concepts such as compromise, understanding and tolerance are checked at the door. Would anyone anticipate racial harmony if lawyers such as the Rev. Al Sharpton's friends Alton Maddox and C. Vernon Mason were lured by this bill to bring employment cases?

Only lawyers have been able to follow the fine details of the proposed bill. As it emerged last week from a House-Senate conference, the bill does nothing to meet White House opposition to quotas or a "lawyer's bonanza." All that's clear is that it will be malpractice for labor lawyers unless they advise employers to hire strictly by the numbers. Put it this way: Any vague bill is a quota bill.

Discrimination in any form is already prohibited. This bill would go further, replacing equality of opportunity with equality of result. A last-minute provision assur-

ing that the bill doesn't require quotas swamped by the rest of the bill, which put the burden of proof on employers to justify any "disparate impact" by showing "business necessity."

In English, this means that an employer would have to justify any statistical differences between the proportion of minorities in the local community and the number hired by the defendant. The business necessity of any seemingly neutral requirement or test used to select workers would have to meet the vague test of business necessity (see table for various definitions). The latest version of the bill has two different tests: a "significant relationship" rather than "successful performance" or to "significant business objective."

Contingency-fee plaintiff lawyers could take this bill to the bank. The brew of certain legal standards plus jury trials and punitive damages would ensure mass litigation. Although the bill has a section entitled "Providing for damages in cases of intentional discrimination," intention is irrelevant. Instead, punitives could be assessed if a jury can find "reckless or gross indifference to the federally protected rights of others," whatever that means. Punitive damages for firms even as small as 15 employees could be \$150,000 or up to the amount of compensatory damages.

There is no evidence to suggest that without discrimination people will naturally sort themselves out neatly into even possible jobs. Economist Thomas Sowell recently found disparities in occupational incomes all times in all countries. Yet if this bill comes law, Korean groceries and black rap groups might have to swap employees.

In a little-noticed provision, this bill would also create a new statistical subsection of America. In addition to the usual race and gender categories, disparate impact tests would also cover religions. Employers for the first time would have to make sure their employees were balanced.