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August 14, 1990

WHAT THE DEMOCRATS HAVE DONE TO DISMANTLE OUR NATIONAL SECURITY:

-Throughout the last decade, the Democratic Congress has repeatedly tried to kill the:

1. MX
2. Midgetman
3. B-2
4. SDI (25% cuts every year)

-Specifically re. FY '91, the House Armed Services Committee recently voted to:

1. Cut over \$24 billion from the Presidents Defense budget for FY '91.
2. Kill the MX and Midgetman
3. Kill the B-2 ("stealth") bomber
4. Reduce SDI budget from President's request of \$4.6 billion to \$2.9 billion (a cut of \$1.7 billion)

-Meanwhile, the Senate has already:

1. Voted to cut SDI to \$3.6 billion, and to effectively kill the "brilliant pebbles" program with an allotment of \$129 million.
2. Approved the Bingaman/Shelby Amendment which would place 11 line items in the SDI budget, and effectively eliminate the President's ability to ever deploy SDI.

-KEY POINTS HERE:

1. The President is committed to SDI, and his choice of Henry Cooper to head SDI has been widely praised in the defense community as a signal of his commitment.
2. The President is working towards an historic START treaty with the Soviets, a treaty which assumes the future development of MX, Midgetman, B-2, and SDI. These reckless Democratic cuts will render a START treaty useless, and even harmful to our security interests. For example,
 - the Soviets would have two mobile missile programs (as per the treaty) and we would have NONE.
 - the Start treaty favors strategic bombers, but B-2 is our strategic bomber.

-CONCLUSION: THE DEMOCRATS HAVEN'T CHANGED. THEY STILL WANT RECKLESS DEFENSE CUTS, THEY STILL WANT TO SACRIFICE THE NATIONAL SECURITY OF THE UNITED STATES. WE SAID NO BEFORE, AND WE'LL SAY NO AGAIN. PEACE THROUGH STRENGTH BROUGHT AN END TO THE COLD WAR, AND FREEDOM TO NICARAGUA AND PANAMA. NOW IS THE TIME TO CAPITALIZE ON HARD EARNED FREEDOM. THE ISSUE WAS NOT THE COLD WAR; THE ISSUE WAS, AND STILL IS, OUR NATIONAL SECURITY.

George Bush And the Politics Of Confusion

By Juan Williams

IN A REMARKABLY short time, George Bush has been transformed in the public eye from a commanding leader into a shadowy figure operating behind forceful aides. Is Bush a man who doesn't know what he stands for; a man who is unwilling to tell the public what he stands for; or a man who can't keep his staff under control? One unattractive possibility is that he may be all three.

"This is not the George Bush I've known, and I've known him a long time," said Sen. Daniel Patrick Moynihan (D-N.Y.), who keeps a picture of Bush and himself on his desk and tutored Bush on world affairs when he became United Nations ambassador in 1971.

"Due to his absence in the debate, there is developing at the White House, and in the Republican Party, an authoritarian culture meant to hide him away," said Moynihan. "This authoritarian culture doesn't allow for listening to other people's arguments because everyone who asks a question and makes a proposal is a fool, and they have no patience with fools."

The most charitable interpretation of Bush's dilemma is that he—like so many kings, czars and presidents before him—is the victim of his ministers.

William T. Coleman Jr., the former secretary of transportation who has known Bush closely for 40 years and advised him when he ran for president in 1980, said that when he went to see the president recently on the civil-rights bill he could "see in his eyes that he was straining with the situation and also with the situation in the Middle East and the problems with the budget—he doesn't have the time to spend on any issue, and he is relying heavily on his aides."

A less generous analysis comes from Kevin Phillips, the Republican political analyst, who points to the president's own record and personality as the source of his current embarrassment. Phillips argues that the waffling president is the same man who was near-invisible as Ronald Reagan's vice president and has always preferred foreign policy to the messy business of domestic policy and partisan politics.

"My sense is that he managed to avoid spelling out any position for eight years [as vice president], so I don't see what's happening now as any earth-shattering development," said Phillips. "He did convey strength for the first four, five or six weeks in Saudi Arabia but now he is not on top of the Middle-East situation either. With all that is going on, the poor guy must feel like a yo-yo and it shows . . . His ongoing weaknesses are now surfacing in different ways but all at the same time."

The official line of defense from the White House is that Bush has always been underestimated and, in the opinion of White House political director Ed Rogers, the president remains "a disciplined, resilient political figure. The smart money will stay with George Bush."

"If the Democratic strategy is to brag about raising

BUSH, C2, Col. 1

Juan Williams writes frequently for Outlook on politics.

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The Politics of Confusion

BUSH, From C1

taxes and they think it's good to boast that they launched a failed attempt to inject quotas and affirmative action into the American workplace, then I think they will have a harder time in the November elections than they are counting on," said Rogers.

Still, Bush did not look very confident when he lashed out last week at Ed Rollins, co-chairman of the National Republican Congressional Committee, who had counseled Republican candidates to distance themselves from the president. True, the current bunker mentality at the White House comes with Bush still very much a popular president, with a job approval rating of 56 percent. But his approval rating has fallen 19 points in the last month, at a particularly bad moment for GOP candidates for House and Senate seats looking for a boost from their party leader.

"Two months ago I thought we'd gain four or five seats, and that would have been unbelievable," said House Republican Whip Newt Gingrich (Ga.), who has led House Republicans in opposition to Bush's retreat from his no-new-taxes pledge. "Now with all that's gone on at the White House we are going to lose some seats . . . [Bush] was so popular and now—what we've got is an opportunity lost. It's not a hemorrhage, but we're hurt. The president's lack of leadership—I should say *we*, let me emphasize the *we*—we have given the Democrats and every one of their candidates issues to run on and we have not countered."

Nor has the president dared to reproach members of his party, such as Gingrich, who have fought his efforts to negotiate a budget package at every step.

In a series of critical tests since mid-August, when his approval rating was near 80 percent, Bush has failed to demonstrate that he is even sure of his own policies, much less to build a convincing case in their support:

■ **The Middle East:** Bush has yet to respond to charges that he has deployed American troops in the Persian Gulf on a blood-for-oil basis. When Bush told demonstrators at an Iowa campaign stop that U.S. soldiers were there to stand up to Iraqi aggression, Minority Leader Robert Dole, responded on the Senate floor that the reason for the American presence is spelled O-I-L. Public acceptance of Bush's Gulf policy is steadily sagging with a 14-point drop (to 64 percent in October, according to the latest Washington Post-ABC poll) and some observers in his own party worry that the president will feel forced to initiate combat to prevent further erosion of his support at home as well as abroad.

■ **The economy:** A record-high 58 percent of Americans don't approve of Bush's handling of the economy, up 17 points in the last month. Bush and his aides continue to argue that the economy is not in a recession, but 77 percent of the public believes the economy is worsening, a perception fueled by the president's prolonged inability to produce a budget deal.

■ **Budget negotiations:** "We screwed it up in every possible, conceivable way so we can get bashed by the Democrats for not getting a deal before and now for getting a deal," said Mary Matalin, chief of staff of the Republican National Committee. "We underestimated the demagoguery of the Democratic Party," said HUD Secretary Jack Kemp. "The White House underestimated the short-term appeal of just gross class envy."

After delaying any deal for more than a year

by insisting on a big capital-gains tax cut, Bush cut a deal last week in which his party's principal victory was avoiding a surtax on millionaires. The White House's hand-wringing over protecting the very, very rich has made "tax fairness" an issue for Democratic candidates to use against Republicans. And the president has been left making the awkward case to the public that the budget package deserves its support—even though Democrats are to blame for its contents.

■ **Civil rights:** After advertising himself as a friend to black America and winning a 74-percent approval rating from blacks at the start of the year, Bush's rating sank to 37 percent—and that was before he vetoed the 1990 Civil Rights Act. Bush left negotiations on the bill to a phalanx of aides who dickered acrimoniously over language details long after most observers concluded that White House concerns had been adequately addressed through a series of compromises by the bill's advocates. Instead of approaching the public on the larger point of support for racial harmony, Bush has fed racial anxieties. And by describing the act as a "quota bill" he has made quotas a divisive political issue for the next two years.

The civil-rights debate—in which Bush won a nominal victory in Congress's single-vote failure to override his veto—is worth examining in greater detail as a prime example of what ails the Bush presidency. As in the budget deal there are three ways of reading the situation: Hamhanded dealings by underlings; confusion of presidential purpose; or conflict between what the president told the public he was committed to in principle and what he really wanted—a red-meat slogan for the far-right wing of the party to take into the elections.

"I don't think [Bush] ever intended to sign the bill," said Vernon Jordan, a Washington lawyer and former head of the Urban League. "They decided it was too good a political issue . . . 'Quotas' will be for the 1992 race what Willie Horton was for the '88 race."

Bush could have chanced a pocket veto of the bill, hoping that Congress would adjourn within 10 days of its passage, but chose instead to kill it in dramatic, blood-sport style and stare down a possible override vote. White House sources point to polling data showing strong public opposition to quotas as support for White House Chief of Staff John Sununu's conviction that the veto can be sold as the justifiable defeat of a quota bill rather than the disreputable rejection of a civil-rights advance.

Opponents argue that the bill would still make it too easy for plaintiffs to attack employee-screening procedures that resulted in disproportionately few minority hires. And, they say, congressional bargainers, not the White House, were the ones less interested in substance than partisan advantage.

George Mannina, legal counsel to Wards Cove, a packing company that won one of the 1989 Supreme Court decisions that the 1990 act would have reversed, argues that "the proponents of the Kennedy-Hawkins bill were not interested in restoring *Griggs*—otherwise they would have used actual *Griggs's* language." *Griggs* was the 1971 Supreme Court decision that, prior to the *Wards Cove* ruling, allowed lawsuits based on statistical disparities between the composition of a company's work force and the pool of qualified workers.

But proponents of the final measure, such as William Coleman, note that while there was much litigation during the 18 years when the *Griggs* decision was in force, employers were not driven to quota systems and that amendments to the bill directly addressed the administration's concerns.

Coleman, who tried to engineer a civil-rights agreement, said the president apologized for not understanding the bill, explaining that "I'm not a lawyer" and asking him to work out a compromise with White House Counsel C. Boyden Gray. Coleman felt that while the president genuinely appeared to want to sign a bill, Gray was so uninterested in working out a deal that he

refused to write down the options they discussed.

Finally, Coleman went back to Bush.

"Sitting with the president, Sununu, Gray and [Attorney General Richard] Thornburgh and arguing for understanding with respect to blacks and also women, I said: 'Look around this room. This is what I mean by disparate impact.' There are no women in the room and no decision-makers here of color. I'm here as an advocate."

"The penultimate was when the White House sent back memorandum and had the customer-preference provision still in it. That was shocking," said Coleman. The customer-preference provision, introduced into the bargaining-only in September by White House aides, essentially allowed employers to defend their failure to hire women and minorities by claiming their clients or communities would feel uncomfortable dealing with them. The provision, which the White House now disowns, was widely regarded as an extraordinary reversal of civil rights progress.

All of this adds to the public and political confusion that is undermining both Bush's personal popularity and his party's electoral prospects—to the delight of Democratic National Committee Chairman Ron Brown. "Bush's popularity is based on his ability to come across as a nice guy," Brown said. "He lets his aides play bad cop to his good cop, but that game is falling down fast. It is almost like he would like to be kinder and gentler but he can't because he is totally beholden to right-wing ideologues."

But the right wing of the president's party thinks Bush's problems stem from the fact that he isn't beholden enough. Says Gingrich, "We are in the middle of one big disagreement and dissent is painful for everyone on the team. But in the long-run we are one team . . . Of course, I damn well wish things hadn't happened this way but you've got to look at the longer questions. To use a Civil War analogy, this is Ball's Bluff, not First Manassas. This is a skirmish, not a major battle."

Quayle Challenges RNC to Blame Hill Democrats for Any Tax Increase

By Gwen Ifill

Washington Post Staff Writer

CHICAGO, July 13—Vice President Quayle rallied his party's most loyal troops today, challenging members of the Republican National Committee who stood behind President Bush's no-new-taxes pledge in 1988 to place the blame for prospective tax increases on the Democratic-controlled Congress.

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

Republican officials here said Quayle's remarks were part of a White House-coordinated strategy to start shifting blame for some of the Bush administration's biggest headaches to congressional Democrats.

On Thursday, presidential pollster Robert M. Teeter sounded a similar theme, telling committee members Bush has not reversed himself on taxes but is simply addressing "political reality."

"The reality is you cannot pass anything in government without agreement of the Democrats in Congress; they control both houses," Teeter said. "That does not mean he has changed his mind. He has put the ball deep into the Democrats' territory."

It is now up to the Democrats, Republicans have said here, to propose spending cuts that will limit the need for a tax increase and approve other Bush-favored proposals, such as the capital gains tax reduction that Congress has rejected.

"Today, I call on congressional Democrats to come forth with their proposed spending cuts," Quayle said. "Their silence on this issue, as usual, is deafening."

In Washington, congressional negotiators have continued to meet privately with White House budget officials on Capitol Hill. No specific tax proposals, however, have been agreed upon.

To symbolize Republicans' determination to slash spending in order to reduce the federal budget deficit, House Minority Leader Robert H. Michel (Ill.) wielded a chainsaw as he emerged from a strategy session in Washington with Treasury Secretary Nicholas F. Brady, Office of Management and Budget Director Richard G. Darman and GOP negotiators. The idea was for Michel to use the apparatus to shred a paper labeled "spending" that sheathed its blade. But in what one lobbyist suggested "may have been a symbolic failure," the paper sheath just danced on the blade.

The closing of the Republican ranks around Bush on tax matters today extended to Illinois Gov. James R. Thompson (R), whose assessment of Bush's tax predicament differed in one key aspect from the White House's version.

While Teeter, Quayle and Republican Congressional Campaign Committee Chairman Edward J. Rollins have said that talk of tax increases does not represent a reversal for Bush, Thompson said it does.

"It is clear beyond any doubt to me that the president's position on federal taxes that he took during the 1988 campaign was deeply held, deeply believed and dramatically defined," Thompson said.

"If we cannot elect men and women to serve us who have the courage to change even deeply held beliefs . . . then our country will never be served by the institution that binds us all together—politics—or the party that binds us—the Republican Party."

Comparing Bush's decision to discuss tax increases to Abraham Lincoln's decision to free the slaves, Thompson called the federal budget deficit a "monstrous and immoral" problem that Bush must resolve.

Quayle also used his speech here to bash a favorite GOP target—New York Gov. Mario M. Cuomo (D), considered a likely presidential candidate.

After New Jersey Gov. Jim Florio (D) raised taxes this year, Quayle said, Cuomo "said it was so good that the governor of New Jersey should consider running for president."

In an aside from his prepared remarks, Quayle added: "Of course, the principal qualification for any Democratic candidate is a desire to raise taxes."

Staff writer John E. Yang in Washington contributed to this report.

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Republican Party Struggles To Find Consensus for '90s

GOP, From A1

izing lines in the sand. "Texans like to put some barbecue sauce on their politics," said Chris Hennick, a GOP southern operative.

The Texas GOP platform minces no words on the subject of sexual conduct: "The practice of sodomy leads to the breakdown of the family unit and spread of the deadly disease AIDS. The Republican Party of Texas calls upon federal, state and local governments to enforce all laws with respect to homosexual conduct."

In the case of abortion, the Texas GOP "believes that the unborn child has a fundamental individual right to life which cannot be infringed upon except for when the mother's physical life is in danger." The platform statement contained no exemptions for abortions in the case of rape or incest.

The sharply contrasting ideological thrust of the RNC meeting here and the Texas GOP convention reflected the growing divergence within the party between the goals of the presidential wing and those of politicians and strategists involved in the battle for lower offices, from the House to City Council seats.

That divergence is most acute in the South. In Texas, for example, the presidential wing of the Republican Party is secure after three consecutive victories by GOP candidates Bush and Ronald Reagan. But this realignment on the presidential election level has not been translated into Republican power in the battles to control the Texas House delegation and the state legislature, both of which remain dominated by the Democrats.

As a result, Texas Republicans hoping to chop away at these remaining bastions of Democratic strength are far less interested in finding ways to reach accommodation with a growing social activism cited by Teeter than they are in using capital punishment, gay rights, prison policy and other "red meat" issues to draw a sharp ideological line between the two parties.

Similarly, Republican strategists such as Edward J. Rollins, co-chairman of the National Republican Congressional Committee, and House Minority Whip Newt Gingrich (R-Ga.) are struggling to expand the number of GOP voters in contests for lower offices in moderate to conservative House districts that have been easily carried by Republican presidential candidates.

"Bush can be kinder and gentler because he doesn't have to push all those voters over into the Republican column—for him, they are already there," said one Republican strategist. "We do, and sometimes you have to use a little dynamite."

Rollins said there are "substantial differences" between his goals as head of the organization charged with electing GOP House candidates and the goals of the administration. Rollins described himself as engaged in a war, adding that "there are going to be some casualties."

Among many GOP House members, a critical partisan dividing line has been taxes. Without directly criticizing Bush's abandonment of his "no new taxes" pledge, freshman Rep. Dana Rohrabacher (R-Calif.) contended that the key swing voter is a young person who, on entering the work force, "experienced paycheck sticker shock when they saw how little was left after taxes. If we are going to keep those young voters, they have to know that the Republicans are going to give them higher take home pay and less taxes. If we lose that, I don't see how we can make it. Taxation is a defining issue."

Rep. Vin Weber (R-Minn.), a key architect of conservative strategy, said that Bush's tax decision may prove to be correct public policy but that from the political vantage point of House Republicans it was wrong.

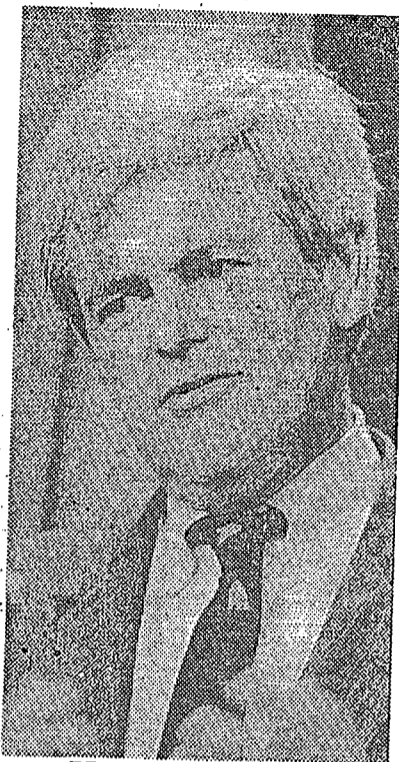
"The issue of taxes is important to us" he said. "We do not get credit for macro-management of the economy. . . . We need some issues to separate ourselves from the Democrats. What is good for the president may well be good for the country, but it is not necessarily good for congressional Republicans. We need wedge issues to beat incumbent Democrats."

A Republican strategist closely tied to the party's presidential wing countered that the electorate in the 1990s is no longer seeking black and white answers as many voters did in the 1980s. The problem facing Republicans now, the strategist said, is no longer "defending B-1 bombers versus day care," but finding a way to structure the debate on day care to pit a Republican voucher or tax-based proposal against a Democratic grant program for government-run centers.

A number of Democrats are seeking to capitalize on what they see as a growing conflict of interest between the administration and House Republicans.

"I think the principal problem of House Republicans is that their own White House seems to have discovered their irrelevance to the process. . . . [they] have neither the numbers nor the influence to deliver on his program," said Rep. Robert G. Torricelli (D-N.J.). "House Republicans are something for the president to work around, and not through."

Torricelli indicated he agreed with Teeter's thesis of revived social activism and a changed domestic agenda but he argued that Republicans will have an uphill battle



REP. NEWT GINGRICH
... Democrats' confidence misplaced

in dealing with this agenda. "During the worst of the Cold War and the height of concern over federal spending, the Democrats never established credibility, no matter how similar our language was to Republicans" on defense and spending issues, Torricelli said. "Republicans now face the converse of that dilemma."

Rep. Charles E. Schumer (D-N.Y.) contended that the contemporary Republican Party is "becoming like the Democrats were in the 1980s, looking for a place to go, without a consensus."

In his presentation to the RNC meeting here, Teeter contended that despite the seeming liberal tilt of growing social activism and concern about domestic problems, traditional Democratic approaches have been discredited among the voters. Voters are now prepared to deal with an activist domestic agenda driven by principles of "the market economy, lower taxes and less regulations," Teeter said. Moreover, voters have "little or no faith that the federal government is capable of solving these problems," he added.

Gingrich argued in an interview that growing Democratic confidence in the vulnerability of the GOP is misplaced.

"Look, right now the most famous Democratic mayor is [Washington] Mayor Marion Barry," he said. "The most famous Democratic congressman, [Rep.] Barney Frank [D-Mass.]. And the most famous Democratic presidential candidate is Jesse Jackson. This is not a party that is competing with us on a national setting."

Torricelli countered that the 1980s was a decade of Republican failure "to get majority party status. With the advantage of presidential landslides, ideological support from the electorate and an enormous financial advantage, they ultimately failed."

Now, Torricelli argued, "the agenda is changing too quickly for them to catch up."

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Bush Pursues High-Risk Strategy for Reelection

While Stressing Parties' Differences, President Counts on Budget Deal With Democrats

By Dan Balz
Washington Post Staff Writer

KENNEBUNKPORT, Maine, July 28—As he campaigns around the country this summer, President Bush delights in pointing out the differences between Republicans and Democrats. But back in Washington, he is betting that by blurring those distinctions, he can assure his reelection in 1992.

It is a high-risk strategy, made even more so by the latest government figures showing that the economy is close to recession.

Bush is counting on his ability to negotiate a deal with Democrats to reduce the federal deficit, an action he and his advisers believe will give the economy—and his reelection prospects—a significant boost.

The consequences of failure are great. Key Bush advisers say the most serious threat to his reelection is not the abandonment of his "no new taxes" pledge but rather an economic downturn. They also believe that without a credible budget deal, the odds of a downturn are far greater.

"There's no bigger component to healthy politics than a healthy economy," a White House official said this week.

But in seeking the budget deal with Congress, Bush has repeatedly raised the stakes for himself, while undermining the partisan advantages his party has enjoyed for nearly a decade.

The percentage of people who say the deficit is the country's most serious problem has grown from 6 percent in April to 21 percent in July, according to a new Gallup Poll, putting the deficit ahead of drugs and all other issues in the public's mind.

Administration officials say the president is responsible for heightening public concern. "It's been necessary for him to highlight the problem," one official said. "Otherwise you would never get a solution."

At the same time, Bush and the Republicans have suffered from his decision to abandon his no-tax pledge. A new Washington Post-ABC News Poll showed that the Republicans now enjoy only a modest advantage over Democrats on the question of which party will do a better job holding down taxes. And ironically, a higher percentage of Democrats than Republicans disapproves of Bush's decision to jettison the cam-

paign pledge, suggesting that while conservative Republican politicians have complained the loudest about the tax issue, the political cost to Bush may be among those voters he has been working to attract to the party.

Bush and his advisers are betting that the public will reward them politically for good government.

The budget talks are only one element of that overall strategy.

Bush's nomination of federal appeals court Judge David H. Souter to the Supreme Court is another. Seeking to avoid a costly confirmation fight over the abortion issue, Bush chose a nominee who, while conservative, is not a polarizing figure politically. Eventually, there could be a political backlash, especially if Souter has to decide an abortion case before the 1992 election. But initially, even Democrats expressed private admiration for Bush's ability to avoid a firestorm over the court.

Still, this good-government strategy has blunted Bush's partisanship on the campaign trail. The president has no rhetorical call to arms with which to rally his Republican audiences, no Reaganesque flourishes, no metaphors of the fight between good and evil.

Befitting his government style, his is a plainer, simpler political message, the essence of which is, yes, folks, there really are differences between Republicans and Democrats. His salesmanship, however, sounds tentative. "There are clear differences between the parties," he said. "And when the voters understand those differences, I think our side wins."

But they are not the sharp differences upon which Ronald Reagan campaigned so effectively. More than the tax issue has been diminished. The communist threat has been buried under the upheaval of democracy in Eastern Europe. The social issues—particularly abortion—have been muted by Republican National Committee Chairman Lee Atwater's call for a big-tent party that accommodates diversity on sensitive issues.

The savings and loan scandal has given government deregulation a bad name, and even the "big spender" label Republicans enjoy pinning on the Democrats—a sort of attack of first and last resort—has been blunted by a desire for bipartisan comity among the budget negotiators.

Where Bush has drawn the line, there are political consequences. His veto of the parental

leave bill gives Democrats the opportunity to make inroads on family issues. His threats to veto the civil rights bill undermine efforts by the party to reach out to black voters, and the latest Post-ABC poll showed that his approval rating among blacks had slipped sharply, with almost three in five blacks now disapproving of his performance.

The president's stump message centers on the fuzzy issue of "empowerment." The theme—giving people power over decisions on education or child care—is a variation of the attack on Democrats as the party of big government. But because Bush's strategists believe there is growing public demand for government attention to domestic problems, Bush can no longer cast the issue as a choice between government activism and getting the government off the backs of the people.

All of this makes the outcome of the budget talks crucial to the administration. But despite efforts to raise the stakes on the talks—first by calling the talks, then by agreeing to include new taxes in the eventual deal, then by warning of the economic consequences of across-the-board cuts of as much as \$100 billion, and lastly by the president's participation in morning sessions with Democratic congressional leaders—the negotiations continue to languish.

"What more can we be doing?" a frustrated administration official said.

Republican political operatives see a warning sign for Bush in the current round of polls that show public uneasiness over the direction of the country, and a dip in the president's approval ratings. "Americans are really frustrated right now," one Republican pollster said. "They don't sense any direction. They see the country as rudderless."

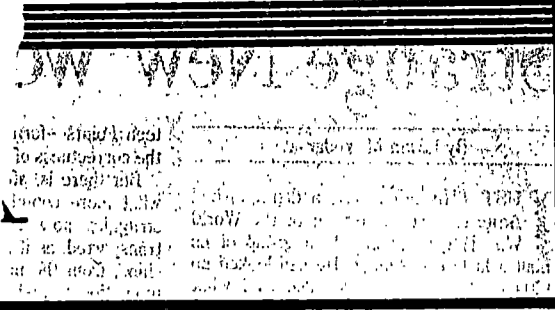
So far, not much of this has nicked Bush personally. But it could, especially if the economy continues to weaken, the pollster said.

But key advisers to Bush remain confident the president will emerge victorious from the budget talks, arguing that the problem is so big that both sides in the negotiations will eventually come together.

"But there's an obstacle course ahead, a couple of moats and some wild animals in the way," one strategist said. "It's going to get tough before it gets done."

NEWS
ANALYSIS

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Why Bush Should Start Worrying Now About '92

By Paul Taylor

GEORGE BUSH has been enjoying the most protracted honeymoon in the modern history of the presidency. Too bad for him, but it's over.

The president's political fortunes will wax and wane many times before he again must face the voters. But for the first time, a faint aura of vulnerability has attached itself to Bush, and it could affect his ability to deal with the vexing domestic issues he now confronts.

On the budget-deficit front, the president has nothing but unpalatable options in his summit with Congress. He must also deal with the savings and loan debacle at the very moment outraged citizens are waking up to the cost and scope of the catastrophe. His minimalist approach to governing isn't likely to wear well in the event of an economic downturn (which a near-majority of the electorate now fears) or among voters who are starting to take a sober look back at the upper-income consumption binge of the 1980s and an anxious look forward to the stored-up problems for the 1990s. And Bush's establishment persona leaves him ill-equipped to pull off the political masterstroke that his predecessor handled so effortlessly: In an anti-government age, a president must keep fanning the flames of populist resentment against the very government he heads.

These incipient signs of trouble and hints of weakness for Bush have already begun to embolden congressional Democrats. They defied the president on the flag-desecration amendment last week (proving they're no longer spooked by the 1988 campaign); they're starting to hector him about the S&Ls (last week the White House hectored back); and they show no sign of giving quarter in the budget negotiations that are likely to come to an anti-climax this summer or fall.

Perhaps more important for the long term, the outlines of the Democratic case against Bush in 1992 are now in place. It will seek to ignite latent middle-class anger at the alleged coddle-the-rich-and-rob-the-future policies of the Reagan-Bush era, and it will call for national economic renewal and reinvestment of the sort that can only be managed by a bold leader. These twin appeals—one negative, the other affirmative—will be glued together with heavy doses of populist Washington-bashing.

To be sure, the Democrats don't yet have a candidate, and they're facing some daunting history. For two centuries, the rule has been simple: Incumbent presidents rarely get beaten, except for cause. "Unless we have some economic or foreign policy catastrophe," said GOP consultant Craig Shirley, "Bush's reelection will be a slam-dunk."

That's been the received wisdom for the past year and a half as Bush's stewardship of foreign policy during the demise of communism has earned him record-

See POLITICS, C4, Col. 1

Paul Taylor covers politics for The Washington Post.

Photo Copy Presentation

• The Mob

me in P

... it more bluntly, it's time to tax our kids.

Spend time any afternoon at Tysons Corner or White Flint or the other teen-heaven malls. Who's flashing the big cash? Not Mom and Dad; they're counting pennies to pay the groceries. It's all the young Donnies and Maries, debating the merits of this sneaker or that beach trip.

Steve Bates is a Washington Post reporter.

taxed a dollar and the proceeds... driver education.

And we can't avoid taxing toys. If a 5-year-old has enough dough for G.I. Joe, he can also help support the police department.

We also should give governments broad powers to impose stiff temporary taxes on certain "fad" toys. Why not jump on the Teenage Mutant Ninja Turtles gravy train before these hot-selling characters become shells of their former selves?

Nintendo games offer an additional bonan-

How do...

lars continue? ... will become voters some... the same time, they will also... ents—and the tax shoe, the re bok, will be on the other foot.

If all else fails, the federal go could take the ultimate step: Natio surf shops and claim the proceeds... those uncounted millions of gaudy T-shirts polluting our fine country.

Why Bush Should Worry

POLITICS, From C1

high voter approval ratings. Now, however, with nettlesome new domestic issues dominating the landscape, Bush's continued high approval ratings belie mounting vulnerabilities. Among them:

■ A recent survey taken by GOP pollster Richard Wirthlin found the "largest confidence disparity we have ever tested" between a president's approval rating (71 percent) and the number of people who think the country is heading in the right direction (36 percent). The same poll also found that only 22 percent of voters express "strong approval" for Bush—which means that while he continues to enjoy an overall approval rating higher than Reagan's, his core support is much lower. "What all this says to me," said one GOP pollster who asked not to be identified, "is that one or two months of bad economic news, and Bush's rating will start sinking very fast."

■ Sixty percent of voters think the country is "off on the wrong track" (the most pessimistic reading in 2½ years) and while 46 percent think the economy is getting worse, just 7 percent think it is getting better, according to a Washington Post/ABC survey. The same survey found that Bush's ratings for handling the economy have slipped to the lowest levels of his presidency, with just a small majority (52-45 percent) now expressing approval.

■ At a time when many Americans believe that the nation may be losing control of its economic future, Bush is increasingly viewed as a reactive, caretaker president. By 53-34 percent, according to survey taken by Democratic pollsters Harrison Hickman and Paul Maslin, voters think he "mainly deals with today's problems" rather than "gets the country ready for tomorrow." By 50-37 percent, they say he "only takes action after problems have developed." This may or may not be a vulnerability. As Democratic pollster Thomas Kiley noted: "Voters are fearful of the difficult choices they know the nation faces, and there is a kind of avoidance going on. In some ways, Bush is a symbol of that avoidance—he's a reflection of the voters' confusion about the future. You can make an argument that this didn't hurt him in 1988; it actually helped him. The question is whether there will be a more activist mood by 1992."

■ As the budget deficit numbers keep growing—Budget Director Richard Darman has raised his deficit projection for fiscal 1991 to \$159 billion (up from \$100.5 billion in January)—Bush's maneuvering room keeps shrinking. "If he raises taxes, he's gone back on his word and given up a key Republican issue," said Democratic pollster Mark Mellman. "If he doesn't, he'll propose a small solution to what he has defined as a big problem. That goes to his vulnerability on leadership." Democratic budget negotiators have shown little interest in helping the president out of this ditch. "He dug it," said one Democratic congressional staffer. "Let him climb out of it."

■ The White House has gotten testy about the S&L scandal, with Press Secretary Martin Fitzwater last week launching an unusually personal attack on the administration's Democratic critics. "These guys are unraveling," said Brad Johnson, the top Washington aide to New York's Democratic governor, Gov. Mario M. Cuomo, who has been hammering at the S&L issue for a year. "They can sense the class anger that's out there—they can see that this is a story of greed and deregulation—two classic weaknesses of Republican administrations."

Bush's attempt to inoculate his administration against charges that it has been slow to prosecute S&L crooks—laid out in Friday's press conference at which he called for doubling funding for fraud investigations—is fraught with peril. Legal experts say cases will be difficult to win, and voters are intuitively skeptical about the enthusiasm of Republican administrations for going after white-collar criminals.

Chaser to home. Bush's son, Neil, is under

fire for failing to disclose loans his oil exploration business received from a developer in arrears on \$11 million in loans and other obligations to a Denver S&L on whose board Bush served. (The S&L, Silverado, subsequently failed, costing taxpayers \$1 billion.)

"This [the Neil Bush case] is the heart of the S&L crisis," New York Daily News columnist Lars-Erik Nelson wrote last week. "It is not outright embezzlement; rather it is a small group of friends who found a wonderful way to loot the Treasury... You take other people's money out of a bank and loan it to each other." Asked Nelson, "If you lay off Neil Bush, whom can you go after?"

Fitzwater's partisan threats and edgy defense of Neil Bush last week left many Democrats speculating that all the White House had accomplished was to call more attention to the issue. "What Fitzwater did was turn Neil Bush into Billy Carter," said one Democratic congressional staffer. "He hung a 'kick me' sign on the president's son."

■ Some of the inherent contradictions of Bush's campaign rhetoric are starting to pinch. He has threatened to veto legislation that would force employers to give employees unpaid leaves for pregnancies or for illnesses of family members. The business community and conservative think tanks are lobbying heavily against the proposal—sizing it up as a nose-under-the-tent for a raft of new "mandated benefits" that many Democrats in Congress would like to impose on employers. But women's groups are lobbying equally hard for it, reminding Bush what the "kinder-and-gentler" candidate said during the 1988 campaign: "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness."

■ The Supreme Court decision last summer upholding the rights of states to restrict abortions has activated a heretofore complacent abortion-rights majority in the electorate. As election results from 1989 and 1990 already attest, abortion-rights candidates are now advantaged—leaving Bush, politically, on the wrong side of the issue.

Many Republican strategists acknowledge that the remainder of Bush's term won't be the speed-boat romp it's been so far, but none seems inordinately concerned.

"This far into any administration, the halo is bound to dim somewhat, especially when you've got some nervousness about the economy," said Charles Black, a leading GOP consultant. "But the fact is that George Bush has built up a huge amount of goodwill and personal credibility. And you're certainly not going to beat him on foreign policy."

Black said it would take a "full national recession" for Bush to be in jeopardy in 1992. While that assessment is widely shared by analysts in both parties, it's not unanimous. "I have never believed that you need an economic collapse for George Bush to be vulnerable," said Cuomo's Johnson. "By 1992, people are going to expect a peace dividend. They're bound to be frustrated that while our philosophies are being embraced around the world, and while we should be enjoying a renaissance here at home, we're bankrupt instead. And when you tell them that the reason there isn't a peace dividend is that it was stolen by Republican policies and scandals, you're going to strike a nerve."

Many Democrats also feel their 1992 case will be bolstered by the line of analysis advanced by Republican strategist Kevin Phillips in a just-published book, "The Politics of Rich and Poor: Wealth and the American Electorate in the Reagan Aftermath."

Phillips notes that in the decade since Reagan was elected, private-sector chief executive officers saw their incomes grow by 50 percent in inflation-adjusted dollars while workers saw theirs fall by 5 percent. He writes that the overall tax burden on the rich has decreased, while it has held even or risen for virtually everyone else. There has been no comparable upsurge in the relative well-being of the upper class, he argues, since the Robber Baron era of the late 19th century. "Money politics—be it the avarice of the financiers or the question of who will pay for the binges of the '80s—is shaping up as a prime theme for the 1990s," Phillips writes.

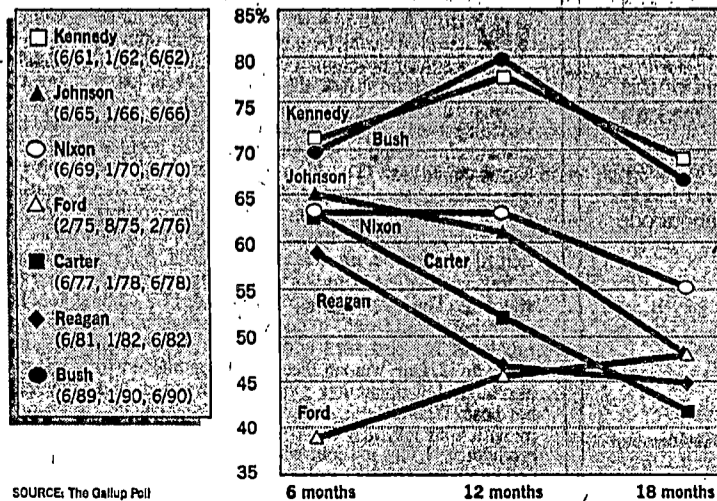
Along a parallel track, Democrats also believe that a case can be made against the Reagan-Bush era for its disinvestment in public infrastructure, in research and development, in education and job training and in other long-term strategies designed to keep the nation competitive in an increasingly globalized economy. Polls show that most middle-class Americans worry that their children won't find it easy to buy a house or pay for a college education—and these fears of a declining standard-of-living dovetail with the robbing-the-future indictment of Republican policies.

"Over the past two decades, the genius of the Republicans has been to forge a perceptual alliance of the middle-class and the rich against the poor, based primarily on cultural, foreign policy and anti-government themes," said William Galston, a University of Maryland political scientist and sometime Democratic adviser. "The challenge for the Democrats is to create a new perceptual alliance of the middle-class and the poor against the rich, based primarily on economic anxiety."

The challenge for George Bush will be to demonstrate that the success of his presidency is built on more than just the good fortune of being on duty when communism collapsed.

PRESIDENTIAL APPROVAL RATINGS

RATINGS AT APPROXIMATELY 6-12-18 MONTHS INTO THEIR FIRST TERM



SOURCE: The Gallup Poll

THE WASHINGTON POST

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Bargain hunters jam the 14th Street NW entrance of Garfinckel's flagship department store as the longtime Washington retailer began a liquidation sale that quickly turned chaotic. Story C

Bush Entering a New Phase Of Presidency, Observers Say

Many Issues Seen Converging to End 'Joy Ride'

By Ann Devroy
Washington Post Staff Writer

"There is a time in every presidency where you gotta start doing things that are unpopular with some groups, outside forces come in play and the joy ride is over," a Republican strategist observed yesterday. "Bush's time had to come. It's a wonder it lasted so long."

A variety of Bush advisers and outsiders suggested in interviews yesterday that a new phase of the Bush presidency has begun. The painful decision to acknowledge the need for new taxes was the most striking example of this, but so too were the president's less visible struggles over civil rights, parental leave and environmental issues. Suddenly this summer, Bush found that he could not avoid a series of tough decisions that were never forecast in his presidential campaign.

Over the past month as a number of issues closed in on him, Bush has

been a study in the difficulty of reconciling campaign promises with governing. His familiar desire to make decisions by splitting the difference—what friends call the "have-half Bush"—has been challenged by the need to make difficult choices over which the president has struggled aloud:

- To a group of Western politicians on choosing between protection for the northern spotted owl and what some see as the potential loss of nearly 30,000 jobs in the timber industry, he said, "I reject those who would ignore . . . the economic consequences of the spotted owl decision" but "I also reject those who do not recognize their obligation to protect our delicate ecosystem. Common sense tells us to find a needed balance."

- To a group of civil rights leaders pressing for his support for the Civil Rights Act of 1990, he said, "I want to sign a civil rights bill" but "I won't sign a quota bill."

See PRESIDENT, A6, Col. 1

■ Bush is testing a new theme in economic policy: growth. Page C1

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only. sday. keltway, comments on the trial. Page A10

er-inflation, but at a higher than predicted social price. The country is mired in a recession that has cut economic activity by 30 percent. Unemployment, which did not officially exist before this year, has soared. At the end of June, 570,000 people, or 4.2 percent of the work See POLAND, A15, Col. 5

GOP: Ideological Divide

Party Struggles to Find Consensus for the '90s

By Thomas B. Edsall
Washington Post Staff Writer

CHICAGO, July 13—A year and a half into the Bush administration, factions within the Republican Party appear to be moving in sharply different directions in their ideological appeals to voters.

This divergence, and the potential for internal party conflict, could be seen in the sharply contrasting tenor of the meeting here Thursday and today of the Republican National Committee—the presidential arm of the party—and a recent convention of the Texas Republican Party.

At the RNC meeting, Robert M. Teeter, a principal adviser to President Bush, warned that the nation is on the verge of a revival of social activism paralleling the surge of communal idealism in the 1930s and 1960s.

For the Republican Party to maintain the slow but steady growth that has put it on a par with the Democrats over the last decade, Teeter argued, the GOP must adapt conservative principles to a public agenda driven by many seemingly liberal issues, including the environment, day care and education.

At the Texas GOP convention last month, in contrast, a growing and hungry state party led by conservative Sen. Phil Gramm and gubernatorial candidate Clayton Williams sought to draw tough, polar

See GOP, A6, Col. 1



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which lawmakers
likely to find hard to swallow, and a

Bush Begins New Phase Of Term of Presidency

PRESIDENT, From A1

■ To questions on how he could abandon his campaign pledge to ensure women do not lose jobs because of pregnancy or family crisis, Bush said that pledge "did not go to what they call mandated benefits." When he made the pledge, White House press secretary Marlin Fitzwater said, it may not have been stated but was "implied" that Bush wanted firms to protect these jobs on a voluntary basis.

■ To questions on why he was breaking what many view as his most fundamental campaign pledge by agreeing to the need for tax increases, Bush thus far has offered no explanation. But Fitzwater, in an explanation aides say fit all campaign divergences equally, said Tuesday, "We feel he said the right thing then and he's saying the right thing now. Everything we said was true then and it's true now."

Early in Bush's presidency, Robert M. Teeter, Bush's campaign pollster and a key political adviser, described his hopes for the first months of the Bush presidency in terms of a savings account.

With no major crisis to solve, Teeter said, Bush would not have to "spend" his political capital early by making tough choices. Instead, he could reach out to minorities, women, the environmental community and others who had been alienated from the GOP to make new deposits to his popularity account that he could draw on when the tough times came.

Another Republican, comparing Ronald Reagan's first year in office to Bush's, said the president is struggling to find a balance between competing forces such as business interests and the environment "not because there is anything peculiar about this time period in a presidency but because there is something peculiar about Bush."

The strategist noted that until Bush, a string of recent presidents came to office pledging to fix what the former inhabitant of the White House had broken.

Bush could run what the strategist called a "keep on keeping on" campaign and was not pledged to fixing any major broken piece of the Reagan presidency, in which he was a key figure.

As a political candidate, Reagan "had an agenda, an ideology and a crusade," the strategist said. "Because he was the ideologue that Bush is not," the official said, "Reagan didn't have to make all these tough calls because they never got to him. No one would suggest to Reagan that the protection of the

spotted owl in any way was worth 30,000 jobs. He just never campaigned as the Environmental President so it was no problem."

Bush, one source said, "ran a campaign for class president. I like everyone and everyone should like me. And everything will be great." Now, said the official, "it's not the senior class he's running, it's the country. Sometimes it's just not that easy. This is one of them."

Bush's advisers, and even some Democratic strategists, predict that while some of his decisions will peel off some of his support, broken campaign pledges will not doom him if the economy holds up and he is seen as having taken the lead in maintaining economic health.

It is axiomatic among most political experts that a good economy ensures Republican retention of the White House outside of war or major scandal.

"If the economy is in trouble," said one Bush adviser, "it is the only issue and you are in trouble. Nobody will care if you're the Education President or the Spotted Owl President. Nobody will care if you promised to solve global warming and it's not solved yet."

Conversely, said the adviser, if the economy is in good shape "you have a cushion. You can take some risks. You can make some decisions some people won't like." That, the adviser said, is why Bush, weighing the taxes pledge over the fears for the economy, had to do what he did.

"Good government really is good politics," said Mary Matalin, chief of staff of the Republican National Committee.

Atwater Returns to Office

After Three-Month Absence

Lee Atwater, chairman of the Republican National Committee, returned to his office yesterday for the first time in more than three months and held an hour-long political strategy session, officials there said.

Atwater, who has been under treatment for a brain tumor, has been increasing his involvement in day-to-day political issues in recent weeks, officials said. However, they said that involvement had been limited to phone calls from home and an occasional meeting at his house with a handful of advisers.

According to Mary Matalin, chief of staff at the RNC, Atwater spent yesterday's session going over "many of the major races we're involved in," plus a string of recent issues with political implications for local races.

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Governors' Races Offer High Stakes

Parties Vie for Edge In Reapportionment

By Paul Taylor
Washington Post Staff Writer

MOBILE, Ala., July 30—Once every 20 years, the moons and stars of the political universe align this way: a majority of the nation's governors are up for reelection in the same year the census is held.

Nineteen-ninety is such a year, and its significance is keenly understood by elected officials at all levels of government. This November, voters will elect the hands that will draw the maps defining the constituencies for a decade's worth of congressional and state legislative elections.

Given the stakes, Democrats are barely able to contain their excitement about the 36 gubernatorial campaigns now underway. Not only do they seem likely to add to their current 29-21 advantage in governorships, but they just might make gains in two of the three key states that will pick up at least a dozen new congressional seats in the reapportionment that follows this year's census—Florida and California.

By 1992, nearly one-quarter of all members of the U.S. House of Representatives will hail from California, Florida and Texas. Republican governors (and Democratic legislatures) currently sit in all three state capitols, but Democrats have an even shot at capturing the governorship in California, a better-than-even chance in Florida and an outside—though dwindling—hope in Texas.

"It's not inconceivable that after November, all eight of the largest states will have Democratic governors—which would be important not just for redistricting but for the 1992 presidential campaign," outgoing Ohio Gov. Richard F. Celeste, chairman of the Democratic Governors Association, said in an interview here during the annual meeting of the National Governors Association.


Celeste's goals are considered extravagant by political experts in both parties. "He must have forgotten about his own state," Missouri Gov. John Ashcroft, head of the Republican Governors Association, retorted dryly, referring to Ohio, the largest prize among the five states in which the GOP has a good chance to pick up a Democratic governorship.

Still, Ashcroft knows his party's overall prospects are dicier than the Democrats'. "I'm not saying this is a year where the Republicans are likely to make spectacular gains." Part of the GOP concern is that their likely gains tend to be clustered in smaller states, while the Democrats' best hopes are in larger states. "If we lose Florida, it's not going to fly for me to say, 'Yeah, but we won Vermont,'" said Republican Governors Executive Director Michele Davis.


Governors' races—even more so than contests for federal office—turn on personality and local circum-

HOT RACES


BEST BETS FOR DEMOCRATIC PICKUPS




California: Dianne Feinstein has the franchise on charisma and shaking up the status quo. Can Sen. Pete Wilson (R) convince voters that she also represents risk—and that he's the more competent problem-solver? If not, she's the next governor.



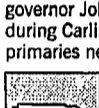
Florida: Wounded by his handling of taxes and abortion, Gov. Bob Martinez (R) is the nation's most vulnerable big state incumbent. But the Democratic primary has become fractious, and Martinez has \$5 million in the bank to throw at the winner.



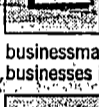
Maine: The deteriorating New England economy has put Gov. John R. McKernan Jr. (R) on the defensive. His opponent and predecessor, Rep. Joseph E. Brennan (D), is accusing him of being a big taxer. McKernan is accusing Brennan of being a big spender.



Kansas: The irony here is that the issue that makes Gov. Mike Hayden (R) so vulnerable—a reconfiguration of property taxes that has led to sharply increased appraisals around the state—isn't a good one for his likely Democratic challenger, former governor John Carlin. The reconfiguration was passed during Carlin's tenure. Both men face contested primaries next week.




Nebraska: Gov. Kay Orr (R) is in trouble because she raised taxes after she said she wouldn't and because her leadership style is widely seen as heavy-handed. She has begun to attack her opponent, businessman Ben Nelson (D), for his dealings with businesses involved with junk bonds.

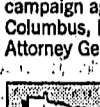


Rhode Island: Gov. Edward D. DiPrete (R), seeking a fourth term, has been hurt by a tax increase and his involvement in a questionable land deal. The polls show him trailing all three of his potential Democratic challengers. The primary is Sept. 11.

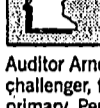
BEST BETS FOR REPUBLICAN PICKUPS




Ohio: Former Cleveland mayor George Voinovich (R) was expected to be a strong candidate for U.S. Senate in 1988, but "it was an \$8 million dress rehearsal where he learned what not to do," said one GOP operative. This year, running a textbook campaign against ethical abuses and cronyism in Columbus, he has an 8-10 point poll lead over Attorney General Anthony Celebrezze Jr. (D).



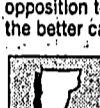
Minnesota: Gov. Rudy Perpich (D) has been in office longer than any Minnesota governor, and his maverick, sometimes flaky leadership style has led his approval ratings to plummet. State Auditor Arne Carlson (R), considered his strongest challenger, first must win a crowded Sept. 11 GOP primary. Perpich must survive a primary, too.



Oregon: Attorney General Dave Frohnmayer (R) has a big fund-raising advantage over Secretary of State Barbara Roberts (D), and appears to be better positioned on the spotted owl issue (he's pushing legislation to save logging jobs) and his opposition to closing the Trojan nuclear plant. She's the better campaigner, though.



Vermont: Gov. Madeleine M. Kunin's surprise decision not to seek a fourth term has thrown the door wide open to her Republican predecessor, Richard Snelling. The Democratic candidate is State Sen. Peter Welch.



Alaska: In this "year of the woman," can Republican State Senator and 1986 gubernatorial candidate, Arliss Sturgulewski, win in macho Alaska? She's the favorite in the Aug. 28 GOP primary and is likely to oppose Lt. Gov. Stephen McAlpine (D) in the fall.

stance. But as these 36 individual contests unfold, here are some of the dynamics present in many of them:

■ **Incumbency.** With voters' anxiety about the economy rising, anger at the savings and loan catastrophe building, and cynicism toward elected officials deepening, plenty of incumbents are wondering how much of an advantage it is to be an incumbent.

"People don't feel very good about their political leaders these days," said Michigan Gov. James J. Blanchard (D), who is seeking a third term. "When George Bush threw away his lips, he further eroded public trust—not just for Republicans, but possibly for all incumbent politicians."

Blanchard's opponent is GOP State Senate leader John Engler, a fixture in Lansing for the past 20 years. Normally that depth of experience is a plus for a challenger, but Blanchard said he plans to try to play the anti-incumbent strings in reverse: "I am somewhat blessed to have an opponent who has been in the legislature for 20 years."

Nowhere is the incumbency factor more stark than in Arkansas, where Gov. Bill Clinton (D), just 43, is seeking a record fifth term. Prior to 1986, the Arkansas gubernatorial term was two years. Clinton has run a staggering total of 17 political races—counting primaries, runoffs and general elections—in Arkansas since 1974, and the only real issue this year is whether his constituents have tired of a governor recently described as "the only man in American politics who's been a rising star for three successive decades."

Clinton, who is said to be considering a bid for the presidency in 1992, calls incumbency an "extra drag" this year, but says he is also counting on the political inexperience of his GOP opponent, busi-

nessman Sheffield Nelson, to hinder the challenger.

■ **Taxes and the Economy.** Where incumbents are in trouble, weak economies and/or rising taxes are the most common causes; this is true across regional and party lines. But it is also part of a paradox about state government: During the 1980s, virtually all governors raised taxes in one way or another—in response to cuts in federal programs—and voters generally tolerated the increases.

"There's an anti-government party in federal elections, but there is really no anti-government party in state elections," said Democratic pollster Geoffrey Garin. "People want their governors to solve problems and provide services, and they know it takes money."

"It's often not taxes, per se, that gets a governor in trouble," concurred GOP consultant Charles Black. "It's the way the governor handles the tax increase—the kind of taxes he raises, the leadership qualities he shows, the atmosphere."

■ **Redistricting.** After this year, 16 to 18 congressional seats will shift from nine Frost Belt states to five Sun Belt states. Both parties agree that the "crown jewel" at the end of this transfer will be California, slated to pick up as many as seven seats and become the largest congressional delegation in history. It could grow to 52 House members.

This spring, California Republicans failed to persuade voters to pass a ballot initiative that would have given control of redistricting to a bipartisan commission. Now they have nightmares that if they lose the governorship, Democrats will do to them in 1990 what they did in 1980—gerrymander away GOP chances in a half-dozen congressional districts. "All the chips are on Pete Wilson [who is running

against Democrat Dianne Feinstein], no question about it," said Black. "It's half of the whole ballgame, nationwide."

The nation's eight biggest states—where most of the exchange of congressional seats will occur—are currently split evenly in governorships. Democrats stand to hold onto New York and Pennsylvania; are ahead in Michigan and vulnerable in Ohio. Republicans are vulnerable in California and Florida, slightly ahead in Illinois and solidly ahead in Texas.

■ **Abortion.** "Six months ago I and a lot of other people would have said abortion would be the dominant issue this year," said the Republican Governors Association's Davis. "Now I'm not so sure. It's an important piece of the puzzle, but it's not overaching."

"They're whistling past the cemetery," retorted Democrat Celeste. He noted that although there is a wide variance of views on abortion among candidates within both parties, the issue is a net plus for Democrats in several critical states—including Florida and California.

Davis countered that Democrats who have recently switched to an anti-abortion stance—such as Ohio's Democratic gubernatorial contender, Anthony Celebrezze Jr.—will pay a price. "I shake my head in disbelief that he's planning to make a big issue of abortion," she said. "Let's just say it's not an area where he has a lot of credibility."

"We'll be happy to make Ohio a test case of the abortion issue any day," said Garin, Celebrezze's pollster. "The fact is that there is not a single Republican candidate anywhere in the country who is running an affirmative campaign on the pro-life issue. Not one. What there are is a lot of pro-life Republicans who are doing their best to run away from the choice issue."

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Schafer At Bu

By De
Washington

MOBILE, Ala. — Gov. William Shafer renewed his bid for administration of the National Governors' meeting here his administration is one of people-to-people and the new democratic Europe.

The Democratic session of the NGA international trade relations that the ad pattern was to "forget of the former Soviet state eagerness to prod America to get over there and get business."

While the Japanese gain for long-term relations "building a school or a Schaefer said, Americans ing nothing behind that lasting impression."

Schaefer voiced his concern the committee had Secretary of State L.

Calling on George Bush



A Guide to the 1990 Elections

There's only so much even a popular President can do for his party's candidates. Raising large sums is one of them, and President Bush is ready and willing to help.

BY BURT SOLOMON

Six hundred well-dressed Virginians let their watercress and Belgian endive grow limp while they listened to country-and-western singer Moe Bandy and his Americana Band in the Washington suburb of Vienna. At the head table in the hotel's elegant Grand Ballroom, Barbara Bush, dressed in black velvet, swayed her head in time to the smooth tune. Her husband sang along, then was introduced by the man being saluted, Sen. John W. Warner, R-Va., who was fittingly adulatory about the man whose presence at this March 8 fund-raising dinner had enriched Warner's reelection campaign by \$600,000.

President Bush was hyperbolically admiring in return, lauding Warner as a "symbol of Virginia at its best" who once had trudged three hours through a heavy snowfall in 1979 to read George Washington's farewell address on the Senate floor. More recently, Warner had helped negotiate a revamped Clean Air Act, backed Bush's antidrug strategy and (as ranking Republican on the Armed Services Committee) had been busy "encouraging peace" in Eastern Europe, Bush eulogized. "I'm looking to him to help guide new treaties and new [defense] budgets. . . . If you need a little extra campaign work, call the White House."

Warner won't need to: He may be unopposed for reelection. Bush agreed to a fund-raiser last year when Warner feared a contest from departing Democratic Gov. Gerald L. Baliles and went ahead with the logistically simple appearance—a helicopter ride away from the White House—even after Baliles refrained. Despite a search by Virginia's Democratic leaders, no one has shown interest in the party's nomination to contest a third term for Warner except a follower of extremist Lyndon LaRouche.

Warner, in an interview the following day, waxed grateful for the financial surge that had swelled his campaign treasury past \$1 million—thereby permitting a "credible campaign"—and for Bush's kind words. That "wasn't a lot of puffery last night," he said.

Bush, the first former national party

committee chairman ever to reside in the White House, has taken energetically to electioneering in his first cycle of presidential campaigning. On Feb. 27, on the eve of the President's second trip in three weeks to politically crucial but Bush-alooof California, White House press secretary Marlin Fitzwater was asked how Bush could justify devoting an entire day to politics. He replied: "A day is nothing, man. We're going to be spending more time on politics than you ever dreamed possible."

Bush, wielding the allure of the Oval Office, has raised more than \$8 million for Republicans at political events in Washington and \$14 million on the road in a dozen appearances last year and nearly as many so far in 1990. This spring, his schedule calls for fund-raising jaunts to two to three cities every 10-12 days and for campaigning about a day each week after Labor Day. By Election Day, White House political director James R. Wray figures, Bush will have come to the aid of Republican candidates running for "most" of the 34 Senate and 36 gubernatorial seats at stake. Bush also has been active in recruiting candidates—telephoning prospective congressional aspirants and occasionally meeting with batches of 30-40 Republicans considering state legislative races.

Bush's tepid, frequently rambling rhetoric rarely sets hearts aflutter. And there's only so much even a popular President can do. Ronald Reagan learned this in 1986, when his intensive Senate campaigning failed to avert the GOP's loss of eight seats. Bush's lesson came last year, when he campaigned for four congressional and gubernatorial candidates (plus a mayoral aspirant) and saw only one—Rep. Ileana Ros-Lehtinen, R-Fla.—elected. In, say, Iowa, where voters pride themselves on their independence, Bush's endorsement won't "frankly matter for much" in luring voters to support Rep. Thomas J. Tauke, who is now running for the Senate against Democratic incumbent Tom Harkin, Tauke press secretary Allen L. Finch acknowledged.

But it matters in other ways. In money,



President Bush appears with Senate hopeful Rep. Lynn Martin in Chicago.

for one. Bush's appearance for Tauke last December at a dinner and rally in Des Moines raised \$250,000 that Tauke spent principally on building an organization in the five-sixths of Iowa he hasn't represented in Congress. ("Smart early dimes beat late dumb dollars," as Republican Governors Association executive director Michele M. Davis expressed the political professionals' maxim.) That boosted Tauke's fund raising ahead of Harkin's for the second half of 1989, which in turn impressed political action committees that are deciding whom to support, Finch said, postulating: "Organization begets organization. Fund raising begets fund raising."

A presidential visit can also increase a candidate's credibility. Iowans able to identify Tauke rose by 4-5 percentage points immediately following Bush's visit. Rep. Claudine Schneider, R-R.I., also challenging a Democratic Senator, found that her reputation "solidified" as "someone who can get things done" in Washington after Bush traveled to Rhode Island last November "calling [her] his friend," Schneider aide Robert J. Rendine said. That may prove more valuable to her campaign than the \$175,000 Bush's visit raised for a campaign expected to cost \$2 million or more.

Nebraska Gov. Kay A. Orr perhaps fared better still. Bush's Feb. 8 stop in Omaha raised \$300,000 for Orr that otherwise would have entailed 8-10 smaller events and also helped with "a problem we have [ensuring that] voters are aware of her accomplishments," said former

Reagan White House political aide William B. Lacy, a political consultant who is advising Orr (and Tauke). He hopes for more. Unlike Rhode Island, the state where Democratic presidential nominee Michael S. Dukakis drew his greatest support in 1988, Nebraska is one of a handful of states where a majority of voters register as Republicans, increasing the chance that Bush's soaring popularity there (as high as 85 per cent) might rub off on Orr. "I hope his job rating stays up where it is," Lacy said.

These potential benefits of presidential politicking are bound to bring more Republican candidates seeking assistance than even an accommodating President can satisfy. Because the White House is willing to help only incumbents or established challengers, Bush has been able to grant 60-65 per cent of the requests for political appearances he's received so far, Wray said. That will decline, however, as the approaching primaries put more candidates in a position to ask. All 36 Republican gubernatorial standard-bearers, for instance, are expected to request Bush's help, and only 15 may be told yes.

The winning will follow certain principles. Bush will concentrate on races for Senate and governor and—in choosing among them—will pursue the Marxist principle "To each according to its need." His fall schedule will be left flexible so that appearances can be scheduled for candidates deemed likeliest to benefit with only two weeks' notice rather than—as now—four-to-six. In addition, Bush's "associations and friendships and loyal-

ties come into play," Wray said, acknowledging a lack of coincidence in Bush's appearances for Reps. Schneider, Tauke and Lynn Martin, R-Ill., all venerable Bush supporters who aspire to the Senate.

Bush political strategists have also kept reapportionment at the front of their minds, prompting attention to governorships in Sunbelt states expected to pick up House seats after this year's census and to state legislatures that will redraw the lines. Bush raised \$1.2 million for Sen. Pete Wilson—running for California governor—on Feb. 28 in San Francisco and \$1.25 million last January for Florida Gov. Bob Martinez. Both candidates' political needs also have entered into Bush's calculations as he ponders whether to permit controversial sales of offshore oil and natural gas leases off their states' coastlines. (See *NJ*, 3/10/90, p. 588.)

Candidates who don't merit Bush's personal presence still may get lesser forms of assistance—a presidential signature on a fund-raising letter, say, or a visit by a so-called surrogate. Vice President Dan Quayle, as part of his own master plan to gain favor first from Republican activists and then from the citizenry, will render aid to numerous candidates, including some too lowly for presidential attention. He plans, for instance, a March 21 fund-raiser in Providence for freshman Rep. Ron Machtley; attendees will pay \$150 to attend a breakfast and \$500 for a reception beforehand.

Barbara Bush raised \$150,000 for Schneider at a Rhode Island reception last June, while Environmental Protection Agency chief William K. Reilly, in the state to address an environmental group on March 11, met privately with Schneider and several environmentalists who presumably will feel warmer toward her Senate candidacy as a result. Tauke has received fund-raising help so far from Quayle, Reagan and White House chief of staff John H. Sununu.

Using surrogates could conceivably backfire. Harkin expects "most of the Cabinet [to] stroll through Iowa this year" on his opponent's behalf, said Harkin campaign aide Phil Roeder, who hopes that includes Agriculture Secretary Clayton K. Yeutter, who's "right up there with Earl Butz"—Agriculture chief for Presidents Nixon and Ford—in his unpopularity among farmers.

Besides, there's no substitute for a President, even one whose rhetoric has been described as veal rather than red meat. And Bush's tone may harden as Election Day draws nigh. Aides expect that voters this fall will hear less of the bland, upbeat tone Bush has lavished recently at fund-raisers and more of the hard-edged, stump-style rhetoric he offered, to decidedly mixed reviews, in 1988. □

Bush's Switch on Taxes Dogs GOP Candidates

New Hampshire Politicians Taking It Hard

By Helen Dewar
Washington Post Staff Writer

CONCORD, N.H.—Two years ago, Republicans here were riding high: Presidential candidate George Bush took the anti-tax pledge they demand of all candidates in the New Hampshire primary and then made it a centerpiece of his victorious campaign for the White House.

But now that President Bush has abandoned his promise to resist tax increases, most of the state's GOP leaders are seething at what they see as an act of betrayal, expediency and disregard for the fortunes of Republicans who were basing their campaigns this year on the party's record of opposition to tax increases.

It is a complaint heard around the country from Republican candidates, who saw the tax issue as a potential margin of victory in close races—until it was vaporized two weeks ago when Bush announced that "tax revenue increases" would be a necessary part of a deficit-reduction agreement with Congress.

In Illinois, Rep. Lynn Martin (R), who is challenging Sen. Paul Simon (D), said it is "not the kind of help I wanted." Rep. Claudine Schneider (R), running against Sen. Claiborne Pell (D) in Rhode Island, called it a "terrible" decision and said she will now have to work to convince voters that she disagrees. In Michigan, Rep. Bill Schuette (R), who is challenging Sen. Carl M. Levin (D), looked to the bright side, saying it might help by showing people "I'm nobody's boy."

But nowhere does the president's retreat from his "no new taxes" slogan of 1988 have more poignance and resonance than here in New Hampshire, where the issue was born and where some Republicans believe it could return to haunt Bush when he seeks a smooth send-off for his campaign for a second term in 1992.

Not that New Hampshire races this fall are expected to be particularly close. Republicans are strongly favored to continue in control of the state legislature, as well as the state's entire congressional delegation, including the Senate seat being vacated by Sen. Gordon J. Humphrey (R) after two terms.

Any jitters arise largely out of concern over New Hampshire's economy. Bouyant through most of the 1980s as it rode the crest of a high-tech, defense and commercial construction boom, the state's economy has gone flat in the past couple of years, unnerving those in power and causing some observers to hedge their bets on the outcome of this fall's elections.

The tax issue has added a note of volatility to a campaign that is already shaken by a tripling of unemployment to nearly 6 percent in the last year or so.

Perhaps more important, according to many Republicans, it has also raised questions about credibility and trust for all politicians and blurred one of the few clear distinctions between Republicans and Democrats at a time when military strength is receding as a political plus for the GOP in the wake of improved U.S.-Soviet relations.

"People feel a commitment has been broken," said Rep. Robert C. Smith (R), the front-runner to capture Humphrey's Senate seat. Even though he has been so consistently anti-tax that voters are unlikely to fear a flip-flop from him, Smith is concerned about the public's "cynicism about politicians breaking promises" and how this might affect other candidates, including himself.

Like many other Republicans, Smith believes Bush has sacrificed taxes as a defining issue for Republicans among voters, who already have a hard time finding relevant differences between the parties. "It was the black and white of Republican-Democratic politics, and we've now made it gray," he said.

Smith, a conservative now in his third term in the House, is favored over his closest competitor, businessman Thomas Christo, to win a four-way Republican senatorial primary Sept. 11. He is also regarded as a strong favorite to defeat whoever emerges victorious from the three-way Democratic primary on the same day: former senator John Durkin, who served one term in the late 1970s; Nashua Mayor James Donchess; or John Rauh, a wealthy young Sunapee businessman. The Democratic primary is regarded as close, with Durkin narrowly ahead.

But Smith is taking no chances on the tax issue.

While the genial, mild-mannered lawmaker has avoided some of the harsh rhetoric of his Republican colleagues, he lost little time in issuing a statement disagreeing with Bush, including a pledge that he will continue to oppose tax increases of any kind, regardless of what his president may propose.

Humphrey, who is seeking a seat in the New Hampshire state Senate in what is widely viewed as a step toward the governorship, has dispensed with the niceties, calling Bush's tax turn-around a "major disaster on a national scale." "A dumb move all the way around," added Rep. Chuck Douglas (R-N.H.).

Douglas said he will not be surprised if Bush runs into opposition in the 1992 New Hampshire pres-



REP. ROBERT C. SMITH
... "a commitment has been broken"



REP. LYNN MARTIN
... "not the kind of help I wanted"

idential primary unless he reverses course again and blocks any tax increase.

Democrats are poised to exploit Bush's reversal on taxes in a variety of ways, although it is virtually impossible to get to the right of New Hampshire Republicans in opposing tax increases.

Durkin, for instance, has said that Bush owes New Hampshire and the country an apology for breaking his promise on taxes. As for his own position, Durkin said that now is not the time to consider tax increases and that defense savings should be used to address new spending needs.

"Sure there will be a political spinoff in the Senate race," said New Hampshire Democratic Party Chairman Ned Helms. "It undercuts the Republican Party. No longer is there magic in just running around saying 'no new taxes.'"

According to news media interviews and the assessment of local politicians, New Hampshire voters appear to be far less shocked and outraged by Bush's reversal than Republican politicians. For one thing, voters say, they don't put much stock in anything that politicians promise before election day.

While New Hampshire voters have not abandoned their almost legendary hostility to taxes (the state has no sales or income taxes), even some party officials agree that most people here are willing to consider some tax increases—other than an increase in income tax rates—in order to reduce deficits.

Many people are also sympathetic to Bush's apparent strategy of wooing Democrats with concessions on taxes in order to get them to agree to spending cuts, officials say.

Donna Sytek (R), chairman of the state's House Ways and Means Committee, vehemently opposes Bush's turnabout but told a reporter during a Republican breakfast in Gorham, N.H., last Saturday: "People are willing to swallow hard and take a tax increase if that's what it takes to get Democrats to agree to spending cuts."

"You know, death and taxes, people know they've inevitable,"

shrugged Coos County Treasurer Paul Fortier (R), who also attended the breakfast. "Because of concern over the (federal) deficit, you don't find it's as much of an issue on the federal level as it is on the state level," added Rhona Charbonneau, a state senator and chairman of the New Hampshire Republican Party.

Both the economy and the tax issue could spell more trouble for Republican Gov. Judd Gregg, who is also seeking reelection this fall, than it does for candidates for federal office, some believe.

And if a budget agreement in Washington leads to higher federal taxes on cigarettes, beer and other items that New Hampshire relies on for revenue, it could make it harder for the state to balance its own budget, Sytek noted.

Voter tolerance of Bush's reversal on taxes is underscored by the fact that the only major Republican office holder who supports the president's position—Sen. Warren B. Rudman (R-N.H.)—is also the state's most popular politician, according to a recent Boston Globe-WBZ-TV poll.

If anything is going to threaten New Hampshire Republicans at the polls this fall, it is the economy, and the best way to rekindle economic growth is to bring down interest rates by cutting the deficit, Rudman contends.

So long as he does not agree to an increase in income taxes, New Hampshire voters will go along with any Bush-blessed tax increases, especially if the result is a renewal of economic growth, Rudman said.

Then why are his colleagues so wedded to a no-new-taxes position?

For 'Millie,' Wags & Dog Tales

By Paula Span,
Washington Post Staff Writer

NEW YORK, Sept. 12—We can probably say, without fear of contradiction, that this was the most elegant publishing party ever thrown to launch a book written by a dog.

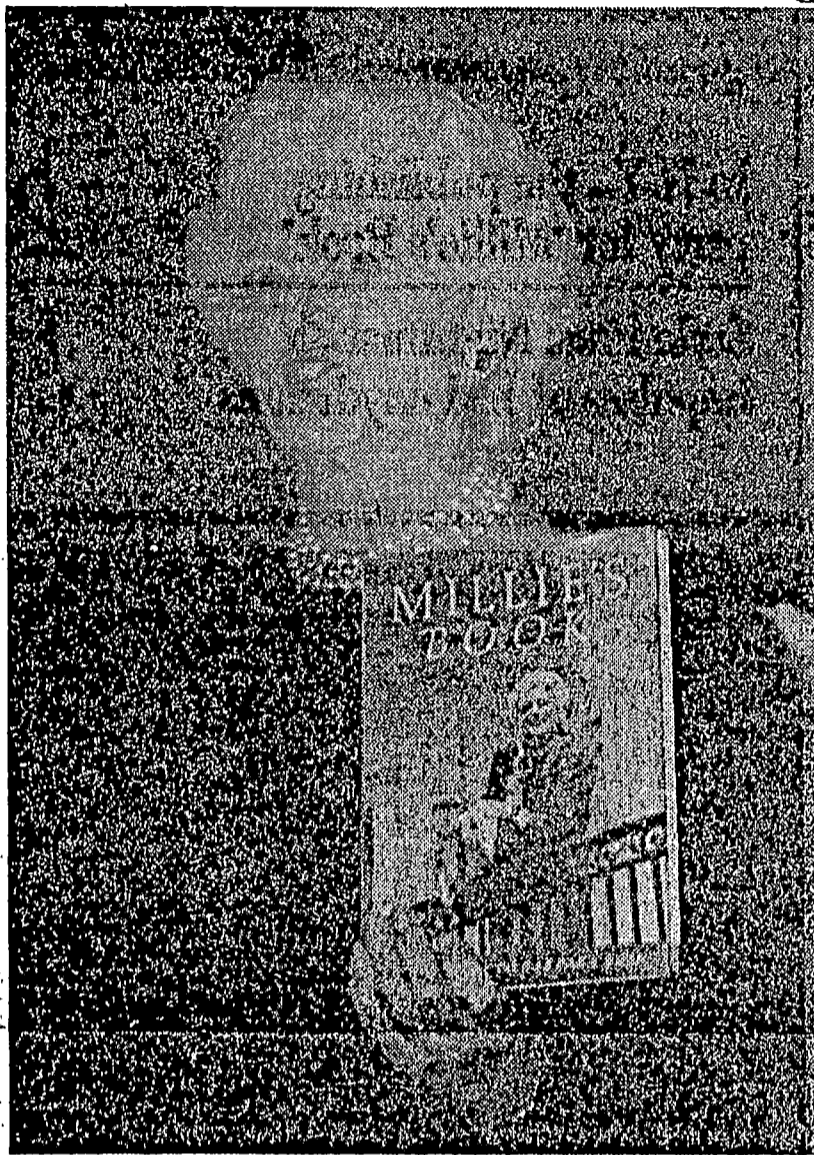
Tonight's reception for "Millie's Book," the relentlessly heartwarming memoirs of the First Spaniel "as dictated to Barbara Bush," took place in the stately Pierpont Morgan Library, where the fabled financier stashed his collection of antique volumes in inlaid wooden cases. Beneath the gilded ceiling murals, waiters passed salmon mousse canapes and grapes rolled in foie gras.

The author—curiously, for a book party—was not in attendance. Ghostwriter Barbara Bush, who was, conveyed the appropriate regrets. Millie, she explained, "has to greet the Prez when he comes home from the office. These are tough times, and some member of the family has to be there."

In fact, as a result of sitting in on morning briefings, Millie probably knows more about the Persian Gulf crisis than anyone except the president, his chief of staff and the National Security Council, Mrs. Bush said. She described Millie's mood through these anxious weeks as "like the president's—cool and calm, knowing they're doing the right thing."

It was that sort of anthropomorphic evening. Lisa Drew, Millie's editor at William Morrow, was exulting that the book had gotten a rave review from Garfield, the normally irascible cartoon cat, in this Sunday's New York Times Book Review. Howard Kaminsky, chairman of the Hearst trade book division (Morrow's corporate parent), said that "Millie's Book" was just arriving in bookstores and "seems to be starting to sell right out of the gate, if that's an appropriate image for a book by a dog." He also quipped—and didn't even apologize—that "we're expecting it to sell through the dog days of next year."

The thing is, it might. Hours before the reception, Morrow ordered a third printing of 25,000, bringing the press run to date to a serious 170,000 copies. The previous publishing effort by a Bush spaniel—"C. Fred's Story," published by Doubleday in 1984 when George was still the Vice Prez—sold a mere 20,000 copies or so. That's probably a canine record of some sort, unless Rin Tin Tin or Lassie once waxed autobiographical (we're check-



Barbara Bush with her dog's book at yesterday's reception.

ing on this), but mere kibble compared with the prospects for "Millie's Book."

The Barbara Bush Foundation for Family Literacy stands to gain from the accompanying hoopla, though it is a bit misleading to say (as the book does) that "all book proceeds will be donated" to the foundation.

The author and her ghostwriter will indeed donate all their royalties, which have already amounted to at least \$75,000 from subsidiary sales before a single copy of the book is sold. William Morrow is contributing the first \$75,000 of its profits, but plans to hold on to some of the hoped-for proceeds beyond that. It intends, in short, to turn a profit. "We'd only be serving tonic water here tonight if we didn't expect a profit," Kaminsky said. Morrow may make further contributions as the sales figures mount.

Like any author, Millie has been doing the promotional hustle. "Millie had the distinction of (a) being on all three morning talk shows and (b) going to sleep on all three morning talk shows," reported Mrs. Bush's press secretary, Anna Perez. Millie's also scheduled to appear on CNN and

Fox and, absent international disaster or the death of some movie star, on the cover of People. She will even—Barbara Bush promised, holding up a copy of the book with a paw print inside the cover—be doing book signings.

Naturally, many of her fans and the First Lady's turned out to celebrate tonight. Bill Blass was a drop-by; interior designer Mark Hampton offered his congratulations; Arnold Scaasi got a hug and proclaimed that Millie never interferes with fashion fittings. "She sits very quietly and watches us adoringly," he said. About 150 other guests, with less recognizable names but crucial affiliations like Waldenbooks, Barnes & Noble and K mart, passed through the receiving line.

Will there be future books? Mrs. Bush was asked. She noted that Millie's son Ranger had recently returned to the White House and after slight tension ("at first Millie thought there wasn't room for two dogs in a 93-room house") had settled nicely into the routine.

"Who knows, maybe it will be Ranger's turn," she mused. "Maybe the president will take the dictation next time."

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