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TEXT:
PBS NEWSHOUR
Aired on November 9, 1998

GOP SHAKE-UP

Rep. Bob Livingston of Louisiana is slated to win
the job of House
Speaker that Newt Gingrich gave up this weekend.
What does this
signal about the future of the GOP? Four
Republicans debate the
meaning of the leadership overhaul.

MARGARET WARNER: As of today, Republican Bob
Livingston of Louisiana appears to face no opposition in
his quest to become Speaker of the House. Though he's
served in Congress more than 20 years and is chairman of
the powerful Appropriations Committee, he's not a
well-known national figure. During a television appearance
yesterday he was asked why so many congressional
conservatives were unhappy with Speaker Gingrich's
leadership.

REP. BOB LIVINGSTON:
Congress had lost its ability to
deliver the message and deliver
the legislation to back up the
message. What we want to do
under my speakership - if my
friends will elect me speaker - is not only articulate the

message but to provide the legislative machinery that it takes to back it up and put it through Congress and write

into law, yes, with a Democrat president, yes, with a Democrat minority in both Houses. I intend to reach out and bring anybody who wants to, together to formulate the legislation that we need that will enhance the quality of

for all American citizens but under Republican guidelines.

COKIE ROBERTS: Now, they say that's exactly what worries them, that you will go across the aisle too much and put together coalitions with Democrats. Is there any danger that they would vote against you come January, not in this election in November, but when the full House meets in January, vote with the Democrats?

REP. BOB LIVINGSTON: Sure, if they want to be the minority party, I suppose some people could vote against me, and some Republicans could. But the point is that we are going to be the majority party this year with a margin of only six votes. The last two years we had a margin of only 12 votes. I know George Will is going to just about to nail me in about a minute, and he's going to say we haven't been purist enough. But when you have slim margins at twelve or six votes, you can't do everything that you want. We are not a monolithic society. Our forefathers wrote a Constitution that gave us the opportunity to settle our differences by compromise, not by dictate.

MARGARET WARNER: Later in that program Livingston was asked about a major piece of pending congressional business, the impeachment inquiry.

SAM DONALDSON: Was this last election a referendum on impeachment, and, if so, is the President now home free?

REP. BOB LIVINGSTON: Well, I don't know if he's home free or not. I haven't been part of the Judiciary Committee's deliberations and Henry Hyde will have a lot to say about that in

coming weeks. And as a person who believes in the system, who believes in the committee process, I intend to rely heavily on Henry, Henry's recommendations and the recommendations of the Judiciary Committee. But I would have to say that the President has still to answer to the American people for the charges. And the charges are that he lied and that he lied under oath. And I think that's

serious when one considers that it is a felony to lie under oath.

in I think that the American people have certainly indicated
the polls that they don't see it as an impeachable or
dismissible offense. And that would have to be considered
in the political arena. But still in all we cannot simply
society disregard the fact that there are other people in our
CEO's in the military and in various other walks of life - as
or principals of schools - who have been likewise charged,
who have lost their jobs.

The view from the House.

MARGARET WARNER: Now, four Republican views
on the leadership overhaul in the House. Joining us are
three current representatives: Matt Salmon of Arizona;
Lindsey Graham of South Carolina; and Michael Castle of
Delaware; and one former Congressman, Vin Weber,
friend and adviser to Speaker Newt Gingrich.
Congressman Graham, beginning with you, Congressman
Chris Cox dropped out - the last main challenger to Mr.
Livingston. He dropped out of the race today. Why are so
many members, including many conservatives like yourself,
rallying to Mr. Livingston at this point?

REP. LINDSEY GRAHAM, (R)

South Carolina: Well, I was for
Bob before Chris dropped out.

When we were thinking about
succession politics after Newt -
and that's been going on a while -

the idea of constructing a Republican House post Newt
Gingrich has been going on for quite a while. A lot of us
have been thinking about running for quite a while if Newt
stepped down later to run for President. The thing that
drew me, I guess, to Bob was he was willing to offer his
services. He's got a very good conservative voting record
as an individual. The American Conservative Union rates
him high. He's very good on social issues. He's had the
toughest job in the House, and that's managing the
Appropriations Committee. And we spent less money up
here for four years, and we're able to balance the budget
ahead of schedule, so Bob's proved to me that he's fiscally
tight when he - when he has the votes to be fiscally tight.
That's where his heart's at. And he's got an ability to

argue with you and still be your friend when the day's over. I've
had some knockdown dragouts with Bob Livingston and
I'm still supporting him. Passion is a good thing in

politics if you can be effective. He's passionate and effective, and I
think that's why conservatives are getting behind Bob,
because I think he can deliver. And if we don't deliver,

we're going to lose.

MARGARET WARNER: Congressman Castle, you just heard Congressman Graham say that he considers Livingston a conservative. The "New York Times" and "Wall Street Journal" both said today that rallying around Livingston means Republicans are returning to some sort of pragmatism. How do you see it?

REP. MICHAEL CASTLE, (R)

Delaware: Well, I see it as both those things. I think he's a pragmatic conservative. I'm a moderate. There's perhaps 50 moderates in the Republican caucus of 223 now. We believe very strongly that Bob Livingston is an excellent manager. We feel that he can take the process and move legislation forward. I also feel that Bob Livingston is the kind of person who can go to the Democrats in the House of Representatives and go to the Senate and go to the White House and sit down and say, what is the best way to resolve a problem? I think we realize that our majority is so slight now that we're

going to

have to do more of that, and I can't imagine a better person to do it. He did it on the appropriations process

for

a number of years now and is the head of the Appropriations Committee, more significantly in recent years, and I think he's done an outstanding job. My view is that Bob Livingston brings a different skill altogether

than

Newt, who was a charismatic and brilliant leader and a great revolutionary, but now we need that management style. Bob brings it to us. And I think that most of the moderates on the House Republican side are very enthused about Bob becoming the speaker.

Who can best achieve the Republican agenda?

MARGARET WARNER: And Congressman Salmon, how are most of the harder conservatives feeling, such as yourself? Just to explain to our audience, you were one of the so-called "firebrands" that Speaker Gingrich blames, in a way, for his demise because you threatened to not even vote for him when the speakership came up for a vote in January.

REP. MATT SALMON, (R)

Arizona: Let me also set the record straight, because there are some unsubstantiated rumors out there that say that there are

Republicans that were going to vote for Dick Gephardt. Let me just say emphatically not

one Republican I know was going to vote for Dick Gephardt.

MARGARET WARNER: And back to my question, if you would, how do you see Congressman Livingston?

REP. MATT SALMON: I see a man of courage. He stepped out on a limb when nobody else was willing to step out on a limb and declared his candidacy against the speaker. I think courage goes a long way with me in moving toward a Republican agenda.

MARGARET WARNER: Vin Weber, what difference will it make for Republicans in the House then if Bob Livingston is speaker instead of Newt Gingrich?

FORMER REP. VIN WEBER,
(R) Minnesota: It will make a big difference, but let's talk about some similarities. First of all, Bob Livingston and Newt Gingrich are friends and ideological soul brothers. The difference is while Newt Gingrich aspired first and foremost to be a national articulator of the Republican agenda, Bob Livingston aspires first and foremost to be a legislator, to lead the Republican Party in the House of Representatives. And that skill set is exactly what's needed with the razor-thin margins that Republicans have in the House.

MARGARET WARNER: Congressman Graham, what do you see as the differences, more in style or in substance or both?

REP. LINDSEY GRAHAM: Well, one difference is that he hasn't had about \$600 million of ads run against him and he hasn't been demagogued for four years, so he gets a fresh start. And Bob is a pragmatic guy in the sense that he had to pass the legislation to run the government, the

appropriation bills. He hasn't been out there talking about a vision. He's been executing a vision. Let me just say

to my colleagues that are listening here: Mike Castle is a moderate but he's a fiscal conservative, I believe. I've joined up with Mike on a bunch of issues about not - you know - avoiding pork barrel spending and trying to keep the purse strings tight. He was the governor of Delaware. I think he's a fiscal conservative. That unites us. The spending of money up here in a wise way unites us, but we've got to produce. And one of the areas I think we can produce in that Bob will be very capable of leading us to

is

HMO reform. We've got to prove to the American people that Republicans and Democrats can effect legislation that affect their lives in a positive way and we're just yards apart on that issue, not miles apart. And I hope we'll get Bob trying to guide us into producing a bill that will

help us

regulate HMO's to protect consumers without socializing medicine. Bob has the ability to do that. He's - I think -

a

very complete package.

MARGARET WARNER:

Congressman Salmon, are you behind that kind of an agenda? In other words, would Bob Livingston be able to bring you and people who feel as you do to that kind of agenda?

Livingston's more practical approach.

REP. MATT SALMON: I think we have a clear agenda and that is to get back to the principles that won us the majority in the first place, and that is a smaller, more limited federal government, tax relief, going forward to

fix

the health care dilemma in our country. There are a lot of things that we can unite on, and we need to focus on the things that unite us, rather than the things that divide

us.

We did it with the Contract With America. In fact, 60 to 70 percent of that was passed not only with every Republican vote but with most of the Democrats. We've proven we can do it before. We could do it again.

MARGARET WARNER: Congressman Castle, do you agree that that kind of unity is possible?

REP. MICHAEL

CASTLE: Not only do I agree but I'm delighted with this conversation. You know, Matt and Lindsey are great guys. I wish Vin

was back in Congress; he's wonderful too. These are people who are speaking the same agenda I am. This business of being conservative, moderate and Republicans being different is perhaps exaggerated at certain times. We absolutely need to have a good fiscal process. That's what we did not have last year. It led to the highway bill. It

led

to that terrible omnibus bill at the end of the year. We

need

to get rid of that. Bob Livingston is convinced he has to

do

that as well, so that's important. He will also manage the legislation as we go along. This business of getting HMO changes made and other health care expansions made in the United States of America is a tremendously difficult, even tedious job. And a guy like Bob Livingston can do that if he has the right leadership team. We haven't talked about the other leadership positions; there's a lot of

them.

And I think we have some very important decisions to make on who else will fill in, because it's not just one person who makes that decision. It's about nine or ten people who are very key to the functioning of the Republican Party. Who we choose is important next week is of great significance to the entire future of the

Republican

Party.

MARGARET WARNER: And you're talking, of course, about the majority leader and other posts for which there are still many contenders.

REP. MICHAEL CASTLE: There are many contenders. I am indeed talking about those positions. There are many contenders. And sometimes those lesser positions, which are viewed as not being that important, are important, because it puts those people in the room, helping to make the fundamental guiding decisions for the party. So each of those positions is very important before it's all said and done.

REP. LINDSEY GRAHAM: Can I give you a quick scoop? Sue Myrick is winning for vice chairman. I just heard that. So you've got a lot of quality people there.

MARGARET WARNER:

Thank you, Congressman. Vin Weber, we're hearing this talk of, you know, conservatives and the moderates can really work together. But now your friend, Speaker Gingrich, really

found this conflict, really bedeviled him, did it not?

FORMER REP. VIN WEBER: Well, I think he that achieved it for a while. Let's be candid. What bedeviled us as Republicans and former House Republicans was really the man in the White House. We found that we had a president with whom we disagreed profoundly but who was very skillful politically. And that can't be

overstated.

And I think that Newt did battle with him every day for

four years, and finally the conference has decided this was - they were going to decide this -- that they need a different kind of leadership in coping with this White House. And I don't think there's anything wrong with that. I think that the election has had a chilling effect on Republicans and the unity that you've seen on this program today is an example of that. Republicans know that they have to hang together with this razor thin majority.

They're

going to elect an excellent legislator. I served with Bob Livingston on the Appropriations Committee. He's been a good chairman. He's got \$125 billion out of Clinton's spending requests since he became chairman of the Appropriations Committee. They're going to get a lot done, but it's going to be a balancing act every day

holding

that majority together, every single day.

The future of the impeachment inquiry.

MARGARET WARNER: And, Congressman Graham, of course, one of the issues that he'll have to deal with is

the

impeachment inquiry. Do you think that these leadership changes are going to affect how Republicans deal with the whole impeachment question? You are, of course, a member of the Judiciary Committee.

REP. LINDSEY GRAHAM: It's going to be a defining moment, I think for Bob Livingston and every member of this Congress - how we handled the allegations against the President. I've been saying for months now let's slow down and let the evidence do the talking. The charge against the President about grand jury perjury is tremendously serious. I've set

a

standard in my own mind to make sure that the sexual nature of this doesn't override what needs to happen. If you go before a federal grand jury and you give false testimony in a material element, regardless of the subject matter, you're a very good candidate to go to jail in this country. The President of the United States, if he committed grand jury perjury, there are people in jail for that same event, is in very - I think -- has committed a serious offense. Proportionality - what to do with the President - and when to do it - comes in later down the road. Let's get the facts right. Let's make sure we know what we're talking about factually. If he did commit a serious offense, let's make sure the rule of law is upheld, but at the end of the day, let's make sure that there's a balance, that every felony in the country doesn't allow the

death penalty to occur. Impeachment is the political death penalty. Let's make sure that crime and the punishment fit together. That comes later. And I think Bob is very open-minded about what to do then.

MARGARET WARNER: And do you think - staying with you for a minute though - that the results of the election and this leadership change that we're about to see is going to affect the way say your committee even does its work?

REP. LINDSEY

GRAHAM: I can only tell you this about myself. If we picked up 50 seats, I'd be very insistent we hear the evidence before we took

action against the President. The presidency is at stake, not just Bill Clinton. Let's not engage in conduct that

will

jeopardize the presidency by making him a key. He's certainly not above the law or she's not above the law as President. But also let's make sure that we don't take conduct that is inappropriate and embarrassing and allow it to be readily impeachable. Let's don't lower the bar to impeachment. The reality, of the election, I think, is that people are going to look very hard about proportionality. At the end of the day, what's the right disposition for the sake of history and the rule of law? It has had a chilling effect, I think, for the Senate for sure. But let's don't

just

live for the political moment on this matter. Let's do something that will stand historical scrutiny, a hundred years from now they can look back and say that was a fair result for Bill Clinton; it made some sense in light of the facts. And that's what I'm trying to do. Before the

election,

after the election, if we'll use that standard, we will

get it

right.

MARGARET WARNER: All right, gentlemen. I'm sorry to say we have to leave it there. But thank you all four

very

much.

END Segment One

SUPREME COURT REVIEW

Aired on November 9, 1998

The Supreme Court rejected two White House appeals in the Monica

Lewinsky case and decided not to hear a school vouchers case.

NewsHour regular Jan Crawford Greenburg explains the latest developments.

PHIL PONCE: Here to tell us about some of the decisions the court made today is NewsHour regular Jan Crawford-Greenburg, National Legal Affairs Reporter for the Chicago Tribune. Jan, the administration had a couple of setbacks today, one case involving attorney-client privilege. Remind us what the facts were in that case.

JAN CRAWFORD

GREENBURG: Well, this case came about when the independent counsel, Kenneth Starr, tried to get presidential confidante Bruce Lindsey and other White House attorneys to testify before his grand jury. They maintain the White House and the lawyers maintain that they shouldn't have to answer certain questions because of the attorney-client privilege, which, as you know, protects lawyers from testifying about conversations they've had with their clients.

PHIL PONCE: And what was the independent counsel's argument in response to that?

JAN CRAWFORD GREENBURG: Well, he maintained that this is information that he is entitled to. He's investigating criminal misconduct, and certainly a federal grand jury should be able to hear what some of these conversations were.

The Supreme Court sides with Starr.

PHIL PONCE: And what happened in the lower court and what did the Supreme Court do today?

JAN CRAWFORD

GREENBURG: The lower courts always sided with Mr. Starr, and the Supreme Court today refused to step in and say we think the lower courts were wrong.

PHIL PONCE: So at this point, what's the impact of it? Is it going to mean - just to clarify - this applies to government-paid attorneys.

JAN CRAWFORD GREENBURG: That's right.

PHIL PONCE: In a criminal case.

JAN CRAWFORD GREENBURG: Right.

PHIL PONCE: Which means what, if the President has a private attorney in a criminal case, the attorney-client privilege continues?

JAN CRAWFORD GREENBURG: Certainly. And Justice Breyer, who would have heard the case - he wrote in dissent today - as well as Justice Ginsburg - said

that's

really what's going to happen - that now presidents and other government officials will be forced to consult with private attorneys, or they may just not tell government attorneys everything. So they would argue - the White House and Justice Breyer - that struck a chord with him - that now they're going to have to go to private attorneys. But, of course, Mr. Starr maintains and so do the lower courts - agree that these attorneys are paid by the taxpayers and they should be required to testify if they have information about criminal misconduct for heaven's sakes, so that was their argument, and the court today decided that they were not going to step in and say the federal lower court's got it wrong.

PHIL PONCE: So what is the practical impact of this case on -

JAN CRAWFORD GREENBURG: In ongoing investigations, right.

PHIL PONCE: In ongoing investigations.

JAN CRAWFORD GREENBURG: Well, as you know, Mr. Starr is still continuing his investigation into other matters

- I guess - Bruce Lindsey could be summoned back to his grand jury to testify for the fifth time and answer some of the questions that he had argued; he shouldn't have to answer statements -

PHIL PONCE: And, as you mentioned, it just doesn't apply to Bruce Lindsey, this is a case involving -

JAN CRAWFORD GREENBURG: That's right.

PHIL PONCE: -- government attorneys -

JAN CRAWFORD GREENBURG: Sure. Sure.

PHIL PONCE: -- who are on the government payroll, who had to work in the White House.

JAN CRAWFORD GREENBURG: Right.

PHIL PONCE: The Secret Service case, what was that about?

JAN CRAWFORD GREENBURG: Another legal dogfight between the White House and Kenneth Starr, this one involving whether or not Secret Service officials have to testify before Starr's grand jury. The Clinton administration argued that this is totally inappropriate

that

Secret Service officials should not have testify about what they've seen or heard the President say and do. They maintain that if the President worried that they would be called to testify, you know, against him, that he would distance himself from them and therefore put his life in jeopardy.

A new Secret Service privilege?

PHIL PONCE: And the administration actually was arguing for the creation of a new privilege, is that

right?

JAN CRAWFORD

GREENBURG: That's right, and they call it a protective function privilege. But the lower court said no way, we're not going to do this. If this something important, which we don't think it is, it's never come up in the past, this is something that Congress does -

PHIL PONCE: In other words, Congress could come up with something called the protective function privilege?

JAN CRAWFORD GREENBURG: Right.

PHIL PONCE: Are these two - since the court decided not to take these cases on appeal, I mean, are they binding on future presidents?

JAN CRAWFORD GREENBURG: Well, in the circuit you could say that would be, but this issue is going to -

if it

comes up again in the court, it certainly set no national precedent say for government attorneys, so government attorneys in other circuits outside of say the District of Columbia wouldn't necessarily be bound by it.

PHIL PONCE: Reaction from the parties?

JAN CRAWFORD GREENBURG: Well, the White House issued a very terse statement saying it was disappointed with the ruling or decision not to get involved in the government attorney's case, but Starr's office issued a surprisingly detailed and pretty combative - I thought - statement in which it said it was gratified by the decision, but then it didn't stop there. It went on to say that the White House's arguments were novel and with utter lack of merit and amounted to a gross misuse of public funds and I said that all it had done is delay and impede the grand jury's investigation. I think that the statement today really reflected just how bitter some of this legal wrangling has become between Starr and the White House.

Saying yes to school vouchers...

PHIL PONCE: Another big case today, one out of Wisconsin involving school vouchers - again, the court decided not to take the case on appeal. What was the case about?

JAN CRAWFORD GREENBURG: And this case certainly can have a tremendous impact across the country as school districts and state legislators and parents are trying to find ways to solve problems with struggling school systems and diminishing test scores. Specifically, this case asks whether or not a program in Milwaukee in the state of Wisconsin that would allow parents to use state money to send their kids - certain low income parents to send their kids to private schools, whether or not that violated the Constitution. Opponents of this school voucher program argued that it was unconstitutional under the First Amendment because it essentially amounted to the state government subsidizing religious schools, because it would allow the parents to use state money as tuition in a sense.

PHIL PONCE: And what had the Wisconsin Supreme Court held?

JAN CRAWFORD GREENBURG: The Wisconsin Supreme Court didn't buy that

argument. They said, no, this doesn't violate the First Amendment. For one thing, the state's not trying to advance religion; it's letting parents choose whether or not

they're

going to send their kids to say a religious school or a non-religious school, so the state's not really making this decision; it's the parent. It's up to the parent. So

according

to the Wisconsin Supreme Court, the school voucher program was fine. And that was the ruling that the court

let

stand today. This case was very, very closely watched by groups across the country that are thinking about or are trying similar programs and there are other legal

challenges

now brewing, four different states are paying for it, has

this

exact issue or a very similar issue now before them. So even though the court does not get involved today, certainly they're going to have another opportunity in the future, perhaps as soon as next year.

PHIL PONCE: Again, not taking this - this case on appeal - it's not a decision and what - does it have any precedential value at all?

JAN CRAWFORD GREENBURG: No. And the opponents of school vouchers were very quick to make that point today that this decision has this decision not

to

get involved, has no national - sets no national precedent. And there's all these other cases being decided and certainly let's say, for example, when the Ohio Supreme Court issues its ruling, you can be sure that whoever is on the losing side, they'll be back asking the Supreme Court to step in and decide this issue. But right now what we have is the decision from the Wisconsin Supreme Court and that is law in Wisconsin and that stands and that says this school voucher program in Wisconsin that has already this past year benefited upwards of five or six thousand students is okay under the Constitution.

PHIL PONCE: Jan Crawford Greenburg, thank you very much.

END

**Clinton Presidential Records
Automated Records Management System
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This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another collection.

Collection: 2017-1073-F

Bucket: WHO

Creation Date: 1999-07-28

Subject: CNN Larry King, July 27, 1999

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Kitchens/OU=WHO/O=EOP [WHO]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jenni R. Engebretsen (CN=Jenni R. Engebretsen/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:30-AUG-1999 01:26:41.00

SUBJECT: ABC This Week, August 29, 1999

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ABC THIS WEEK
Aired on AUGUST 29, 1999

ANNOUNCER: From ABC News in Washington, This Week with Sam Donaldson and Cokie Roberts, featuring George Will, and our roundtable with George Stephanopoulos and Bill Kristol.

COKIE ROBERTS, ABC News: (voice-over) This week, a stunning disclosure about the Waco, Texas, standoff: The government did use inflammatory devices that could have sparked the deadly fire.

JANET RENO, Attorney General: I am very, very troubled by the information I received this week suggesting that pyrotechnic devices may have been used in the early morning hours on April 19, 1993 at Waco.

COKIE ROBERTS: (voice-over) Was there an FBI cover-up? We'll ask a former FBI special agent, Bob Ricks, and Michael Cadell, the Davidian family attorney.

Also this week Notra Trulock, the whistleblower who sparked the Chinese nuclear spying story, resigns. We'll talk with him.

And this week, we commission our own focus group with George Stephanopoulos and pollster Frank Luntz on the campaign trail in New Hampshire.

MARK: We've been liked to. We're like the scorned spouse. The American public has been lied to enough. We don't need to have another liar.

COKIE ROBERTS: (voice-over) We'll bring you the results in our roundtable.

Waco revisited, Notra Trulock on spying, a New Hampshire focus group, all here this Sunday morning.

(on camera) Good morning. You're going to see something really fascinating in this broadcast. That focus group in New Hampshire, it's usually something only seen by a candidate and people in his campaign what the voters are saying about the issues about the candidates so that the candidates can then form their own messages. We sent George Stephanopoulos to New Hampshire and we will have that report later.

But first, the news out of Waco has Congress saying that it will hold hearings. That story is only going to get hotter. And we're joined by Bob Ricks, a former FBI special agent and the chief spokesman for the FBI during the siege, and Michael Cadell, the attorney representing the Davidian family. And joining us in the questioning, as always, George Will.

Mr. Ricks, the information that the FBI did in fact, use tear gas that could have started a fire. All these years later, to come out with that information, how could that happen that they never told us that before and suddenly, they're telling us that?

BOB RICKS, Former FBI Special Agent: Cokie, it's hard to put this in context but it's sometimes it's hard to say what is the FBI. There were hundreds of people who were involved and apparently this information was contained in the files of the FBI, once they examined their files. But many of us who were involved had not visited the issue on Waco for years.

In fact I left the day after the fire had occurred and had not really had any discussions, except on one occasion with regard to what had occurred in Waco. In some ways, we're so bureaucratic I think it can get lost in the recesses of the agency.

COKIE ROBERTS: But somebody who was there surely knew that this was the case and when the FBI was handing out these statements saying absolutely no time, no way, no how, why didn't one of the agents on the scene speak up?

BOB RICKS: And that's what I want to find out. I think it's very appropriate that we have an inquiry. I want to find out myself what happened because I was one of those individuals who was handing out such a statement. So, I'm very curious as to how this could have occurred.

COKIE ROBERTS: Mr. Cadell, bureaucratic screw up?

MICHAEL CADELL, Davidian Family Attorney: No. Not--as Bob Ricks says, somebody had to know. In fact, we submitted, in our civil suit, affidavits and TV video taken more than--at the time, the morning of the final assault. We submitted that two years ago, which showed that there were puffs of smoke arising from the tornado shelter where they now say they used pyrotechnic devices. Clearly, the government lawyers from the Department of Justice, also had to deal with this issue and again, the response was, no pyrotechnic devices were used. So somebody was involved in a cover-up.

COKIE ROBERTS: Now, at the same time, it is now being revealed they were used. They're still saying they could not have caused the fire. And

an independent arson investigation has agreed to that.

MICHAEL CADELL: Well, two things: First, I don't--I question the independence of that investigation. The arson investigator, in fact, was married to an ATF employee. Second, I think this information does not directly tie to the fire. I'm not saying that pyrotechnic devices fired at the tornado shelter caused the fire, but the truth is the evidence shows that there were several other pyrotechnic devices found in the evidence lockers at the DPS that were found by the DPS at the locations where the fire began.

BOB RICKS: Cokie, I really have great dispute with regard to that. I think there's confusion about what certain devices are. There were certain flash bangs used by ATF on the morning that the raid occurred. My understanding that those were collected in different portions of the house and some of those where fires actually erupted. But those again, were 51 days before the fire occurred. There were no other pyrotechnics based on the information that I have that were used at any time on the wooden structure itself. I am 100 percent convinced that the FBI did not cause that fire there. We had many, many recordings indicating that the fire was going to be started.

Excuse me, I'm sorry. Go ahead.

COKIE ROBERTS: But, were you convinced last week that the FBI didn't use pyrotechnics?

BOB RICKS: I was. I had been asked and said, just that statement. I thought it was somewhat foolish of somebody was going around saying pyrotechnics had been used. I was absolutely shocked just as the attorney general was shocked.

GEORGE WILL, ABC News: Mr. Ricks, let's nail that down. The FBI's position today and yours still is that they could not have caused the fire because A, they were fired at a concrete bunker and were fired hours before the blaze started. That's your position, right?

BOB RICKS: That is correct. It's estimated 20 or 30 yards away from the wooden structure. And it was fired very early. There's some dispute as to exactly when that did occur. But we believe it was in the early morning hours, at least two or three hours before the fire itself erupted.

GEORGE WILL: Mr. Cadell, one of the people you're representing, one of the survivors from the compound, David Tibidell (ph) says that he saw one of these canisters stuck in the wall of the chapel, I believe. Does that flatly conflict what the FBI is saying, and are you sure he's right in his recollection?

MICHAEL CADELL: Well, first, any eye witness testimony is suspect. So I--I believe he knows what he saw, but of course there's always an issue with respect to that. But again it takes us back to the issue and Mr. Ricks referred to it, these flash bangs--there were other pyrotechnic devices that were found at the locations where the fire started. Now, the FBI's explanation for that is, mere coincidence. These were used by the ATF 51 days earlier and it just happened to be that they were scattered around the Mount Carmel in the precise locations where the fire was started. Is that credible? I don't think so.

GEORGE WILL: "Newsweek" is reporting in tomorrow's issue that a ranger, that morning after the fire, looking through the rubble, found one of these canisters and pointed it out to an agent. Do you know where that was found? Who the ranger was and what agent he pointed it out to?

BOB RICKS: I don't have any idea myself. A lot of this, as I've indicated, most of the people that were on the scene had left that scene

the day after and had no dealings with the evidence itself. The evidence was turned over to the rangers just to ensure impartiality would prevail in this inquiry.

GEORGE WILL: How about you, Mr. Cadell. Do you know the answers to those questions?

MICHAEL CADELL: No. We've not had any discovery in our lawsuit. It's incredible, but after five and a half years, we've still not had a chance to look at the evidence. The information we've gotten has come to us from an investigative journalist, Mike McNulty, who has cooperated with us. And we have helped finance some of his work, but we've not had direct access to the evidence as you would imagine we would have in a civil lawsuit.

GEORGE WILL: Mr. Ricks, one other controversial aspects of this is the role of some people associated with the Army's highly elite force, the Delta Force. They evidently were brought into this because the law permits them to be involved in domestic affairs if there's a suspicion that drug use or drug activity is involved; however, after ATF got them involved here, there was no evidence of drug paraphernalia found afterwards. Some people are saying that the Delta Force people were there in a supervisory or an advisory role, not an operational role. Do you think there are large issues here and are you troubled by the fact that the Delta Force was involved?

BOB RICKS: I'm really not, George. We have used Delta in JSOC for years. Every time we've had a major operation...

COKIE ROBERTS: Tell us what JSOC is?

BOB RICKS: It's a Joint Special Operation Command which has oversight over Delta. Every time there's been either an inaugural, an election, the Olympics, special training exercises, we've always trained jointly with these people. That's where the FBI's hostage rescue team was formed, by working with Delta and other special forces.

So they have a role domestically, if something should get out of control in the capability of the FBI, so they very much were properly there. We had many military advisors that would come in and out, just to observe what was taking place because they also are always trying to learn what are the latest techniques with regard to hostage rescue. I don't believe there is any role.

I would like to make one quick clarification and if I could make the record clear, we had intercepts very early on that they began pouring the gasoline and fuel oil. They continued to talk about it. They discussed--and these are intercepts that we have and are available as to when to light it up and there were demands that it be lit and that the fire be continued. We also had eyewitness observations of the fires being lit. They erupted in three separate locations simultaneously, which would have been impossible if it had been just one incident.

COKIE ROBERTS: Mr. Cadell, do you dispute that?

MICHAEL CADELL: Well, yes, two things: First, I appreciate Mr. Ricks raising that point. The FBI's own transcripts--again, we've not had access to the actual tapes. What I understand is that the tapes are very hard to decipher, but the FBI's own transcripts actually contain language which says, don't start the fire. And the FBI tapes are not at all three locations where the fire began, but primarily in the chapel. So, I do dispute that.

But I'm glad to hear Mr. Ricks talking about Delta Force, this was not a training exercise. This was a police operation. There was no--it is a violation of the law for the military to be involved in that police

operation. And let me give you an example of why this could be a problem: The pyrotechnic devices that we're talking about are military, tear gas canisters. Delta Force is military.

BOB RICKS: Well, there--that's a complete stretch. They were not involved in this exercise in any way. And we've used such canisters since I first began in the FBI in 1969. This is not something unique or special. This is what FBI agents are trained in using. This is readily available to all law enforcement--it's not something special military.

COKIE ROBERTS: Gentlemen, clearly we're not going to clear this up today. The court case will go forward, the Congressional hearings will go forward. With any luck, we will be learning the facts eventually.

Thank you both very much for coming in this morning, Mr. Ricks, Mr. Caddell. Thanks a lot.

Coming up, the Chinese spying scandal and the man behind the story, former deputy director of intelligence, Notra Trulock.

And later, on the campaign trail in New Hampshire. George Stephanopoulos gives us an inside look at focus groups.

(Commercial Break)

COKIE ROBERTS: The investigation surrounding charges of Chinese spying at Los Alamos took another turn this week.

(voice-over) The news hit with a bang last March--"Breach at Los Alamos," "China Stole Nuclear Secrets." The key figure in the story? Notra Trulock, an Energy Department official who had given secret testimony to a Congressional committee naming Chinese-American scientist Wen Ho Lee as the suspect and charging the Clinton administration with negligence in pursuing the allegations.

Two days after the story broke, Lee was fired from Los Alamos. A couple of months later, the Congress was briefed on the committee's findings.

Sen. TRENT LOTT, Majority Leader: Believe me, when I was attending that briefing yesterday and other senators of both parties, the hair on the back of my neck stood up, because it's scary.

BILL RICHARDSON, Secretary Of Energy: Well, it is a scary report. Nuclear weapons information, design information was obtained. There was lax security at the labs in the '70s, '80s and '90s. But we are correcting the problem.

COKIE ROBERTS: Richardson awarded Trulock a prize for his whistleblowing, but Trulock continued to criticize the administration, even as Wen Ho Lee adamantly denied the allegations against him. And Trulock's critics charge racial bias in the accusations against Lee.

This week, Notra Trulock quit.

COKIE ROBERTS: And joining us now is Notra Trulock. Thank you very much for being here.

NORTA TRULOCK, Former Deputy Director of Intelligence DOE: Nice to be here.

COKIE ROBERTS: You quit because of past behavior on the part of the administration? Present behavior? Is it ongoing in your view?

NORTA TRULOCK: The precipitating cause was the issuance of an inspector general report. Very serious problems occurred at the department in 1997-1998. Senior officials obstructed our ability to provide information to the new Secretary of Energy, Secretary Pena, about a major ongoing espionage investigation at one of his laboratories.

Secondly, a senior political appointee prevented us from providing information to the Congress as we are legally obliged to do. For the inspector general to make that into essentially he said/she said to me, so

trivializes such a serious issue that I decided the time had come for me to leave.

COKIE ROBERTS: Mr. Trulock, at a study of the President's Intelligence Advisory Board came to the same conclusion with Warren Rudman, a former Republican senator, issuing the report saying that he--that they also did not see that you had been forbidden from testifying to the Congress.

NORTA TRULOCK: I can only repeat again that I was actively blocked by the then deputy secretary from reporting to the Congress. I fielded a request, it is inconceivable to me that somehow I forgot to tell my superiors or that I forgot to go to the Hill, as the report would have you believe.

COKIE ROBERTS: Your superior in this case was Elizabeth Moler?

NORTA TRULOCK: That's correct.

GEORGE WILL: Mr. Rudman, the head of the foreign Intelligence Advisory Board, has accused you of wildly inaccurate assertions and reckless accusations. You have said, in talking about what happened at Los Alamos, that it's comparable to the leakage of atomic secrets under the Rosenberg's and Fuchs. Others are saying it's not even clear anything was stolen from Los Alamos. How, at this point, can there be such a disparity of the assessment?

NORTA TRULOCK: It is striking, isn't it? I would say a couple--make a couple of points: I think the fact of espionage, at this point, is indisputable. Even the intelligence communities damage assessment, which published its unclassified findings this spring, concluded that espionage had indeed occurred; that the Chinese had acquired weapons design information on at least three systems.

GEORGE WILL: But not necessarily at Los Alamos.

NORTA TRULOCK: And, in fact, our part of the investigation conducted in 1995 and 1996 identified 12 suspects from a number of different locations within the DOE laboratory complex. It was, in fact, the FBI that focused on Los Alamos and Mr. Lee.

GEORGE WILL: How many of those 12 were at Los Alamos?

NORTA TRULOCK: I cannot recall specifically. I don't--I no longer have access, but not all of them.

GEORGE WILL: Were any other than Mr. Lee of Chinese-American ethnicity?

NORTA TRULOCK: My recollection is there were two additional people on the list that were Chinese-American. The rest were Caucasian.

GEORGE WILL: As you know, Mr. Robert Vrooman, (ph) former head of counterintelligence at Los Alamos, says that your case is built on thin air and built on ethnicity, racism.

NORTA TRULOCK: Again, Mr. Vrooman (ph) knows better. Mr. Vrooman (ph) was a participant in the administrative inquiry that we conducted at Los Alamos in 1995 and 1996. He helped us put together that list. He never came back to us and said, essentially, the allegations he's making now. Those allegations came to light after the inspector general report recommended he be disciplined for not doing his job.

GEORGE WILL: So you're saying that when those 12 names went to the FBI, there was no--the FBI was looking at that without any guidance and from you and went to Mr. Lee.

NORTA TRULOCK: That's correct.

COKIE ROBERTS: Mr. Lee seems to be an unlikely suspect. He has been cooperating with the FBI as early as the '80s. His wife is an FBI informant and the FBI tried a sting against him last year and it didn't work. Why would he even be on a list?

NORTA TRULOCK: He fit the criteria that we established in our methodology. We didn't know at the time that we compiled that list that Mr. Lee had had dealings with the FBI and now as it turns out, also with the CIA in the early 1980s. He had access to the information. He had opportunity, in that he had interactions with Chinese nuclear scientists. But so did the other 11 people on the list.

COKIE ROBERTS: But--so, is it possible that the criteria are flawed?

NORTA TRULOCK: Well, the criteria that we came up with were approved by the FBI as we set forth our administrative inquiry. And, in fact, we had an FBI agent detailed to us who participated in our administrative inquiry at every step of the way.

COKIE ROBERTS: Now, you have said that you don't think the Clinton administration is very concerned about national security. That's a fairly strong statement.

NORTA TRULOCK: Yes, it is.

COKIE ROBERTS: Do you continue to say that?

NORTA TRULOCK: I will tell you that I am concerned that the Clinton administration, in my judgment, simply did not take this problem very seriously. And, you know, there was a period in time and there were officials, Secretary O'Leary, Charles Curtis, who was the deputy secretary at that time, George Tenet, the DCI, Louis Freeh, have all been supporters in this. We found a lot of push back and resistance from the White House, from the NSC and other members of the administration on these issues.

COKIE ROBERTS: Now, "The Washington Post" is reporting today that you are very keen on a conservative Web site on the Internet, and that this seems to be identifying you as a Clinton opponent.

NORTA TRULOCK: Well, I voted for Bill Clinton twice. I was asked to come to Washington to be a member of the Clinton administration. I was given my job by a Clinton appointee. I also have bookmarked "The Nation and the New Republic" (ph) and ABC News and a variety of other things. I'm in the information business and so I try to cast my net as broadly as possible. I'm a little concerned that people are monitoring my Internet use, but I guess maybe we won't go there.

GEORGE WILL: We keep coming back to the threshold question, the largest loss is supposed to have been a particular warhead. Was it the W-88 warhead?

NORTA TRULOCK: The W-88.

GEORGE WILL: Is it possible that the Chinese could have got that without stealing secrets? It is something about the non-classified material and the international fraternity of physicists and all the rest?

NORTA TRULOCK: It was our judgment, and particularly the judgment of our scientists, that over time the Chinese could have possibly developed such a system. Just as over time, surely the Russians would have developed an atomic bomb. The key here was the savings in time, possibly as much as a decade or more, the savings in resources, in terms of the dozens of nuclear tests that we did, versus the one that the Chinese did.

COKIE ROBERTS: Mr. Trulock, do you now think that the spying is ongoing and do you think that there is negligence now?

NORTA TRULOCK: I think that Secretary Richardson has made a good start. I think he's brought in two very strong people. Ed Curran, who I know has been on your program, and General Habiger, who I don't know. I think they are serious people. I think that if they're allowed to do their job, as I was trying to do at time, I think we'll make a good start at fixing these problems.

COKIE ROBERTS: OK, thank you very much. Thanks for coming in this morning.

TRULOCK: Thank you. My pleasure.

COKIE ROBERTS: Coming up our roundtable an inside look at a focus group in Manchester, New Hampshire.

(Commercial Break)

COKIE ROBERTS: You've probably heard a good deal about focus groups--those are gatherings of voters used by political campaigns to help candidates shape their messages. Well this week, we decided to show you a focus group in action. We commissioned pollster Frank Luntz to put together a Republican group in New Hampshire and George Stephanopoulos went along to watch.

GEORGE STEPHANOPOULOS, ABC News Analyst: (voice-over) With the New Hampshire primary only five months away, we came here this week to listen and learn.

FRANK LUNTZ: You understand how people feel. You understand what motivates them.

GEORGE STEPHANOPOULOS: (voice-over) Pollster Frank Luntz, whose client list includes Newt Gingrich and New York Mayor Rudy Giuliani, conducts focus groups. He says they're the best way for campaigns to figure out how to move voters.

FRANK LUNTZ: It allows you to understand how people feel, not just how they think. To understand their emotions, to explain their behavior. You really get inside their hearts, as well as inside their minds.

I want you to just follow me and then I'll indicate which seat you should take.

GEORGE STEPHANOPOULOS: (voice-over) For \$50 bucks and a free lunch, 13 New Hampshire voters came to Bedford for our focus group--seven women, six men, all Republicans, all planning to vote. And it didn't take long to discover what was on their minds.

MAN WEARING DARK SHIRT: I've done some cocaine in the past, OK. I'm not proud of it.

GEORGE STEPHANOPOULOS: (voice-over) Topic A--Governor George Bush and cocaine.

FRANK LUNTZ: How many of you think that George Bush has admitted that he used cocaine? Raise your hands.

GEORGE STEPHANOPOULOS : (voice-over) They're not sure whether he did or not, but they don't seem to care either way.

MAN WEARING GLASSES: If it was a one-time shot, you wanted to try it--hey, we can understand. I mean, it's not the end of the world.

ANN: There's a generation of the '60s people that, I mean, I know many that--come on, that was the way things were back then. People smoked pot all the time. It's not like, "Oh, my God." We're not the same as our parents were, where nobody tried those things."

GEORGE STEPHANOPOULOS : (voice-over) So, is the issue dead? Not exactly. These voters want some assurance that Bush has outgrown a past that even he has called young and irresponsible.

LADY WEARING RED SHIRT: If it's 25 or 30 years ago, I don't need to know that. If it's not current. If he is doing cocaine now, I'd like to know that before I vote for him.

GEORGE STEPHANOPOULOS : (voice-over) And most here say he'll be in big trouble if he's not being honest.

MARK: We've been lied to. We're like the scorned spouse. The American public has been lied to enough. We don't need to have another liar.

GEORGE STEPHANOPOULOS : (voice-over) But for now, they've heard enough about Bush and cocaine, which is why they hate the press.

LADY WEARING WHITE SHIRT: They go after the negativity, they go after the wrong things all the time.

GEORGE STEPHANOPOULOS: (voice-over) Luntz gave the group hand-held meters to gauge their instant reaction to news footage of a recent Bush press conference.

FRANK LUNTZ: Each of you has a dial...

GEORGE STEPHANOPOULOS: (voice-over) Whose side are they on? No contest. When reporter questions come in, the graph goes down.

REPORTER WEARING SUIT: Can you tell us whether or not you've used illegal drugs.

GEORGE STEPHANOPOULOS : (voice-over) Then shoots back up with Bush's stiff-armed response.

GEORGE W. BUSH: I believe it's important to put a stake in the ground and to say enough's enough when it comes to trying to dig up people's background in politics.

LADY WEARING GLASSES: The press just throws this stuff in our face so much that we've gotten to the point that--it's not that we don't care, it's just that we--we don't want to hear it anymore. We just can't hear it anymore, and so we move on. But then we gloss over things that are really are important.

UNKNOWN FEMALE: You're right.

GEORGE STEPHANOPOULOS: (voice-over) And Luntz's conclusion

FRANK LUNTZ: The enemy here is not his Republican opponents. It's not even Al Gore. It's the press. But he's not out of the woods, because the drug issue has raised questions that would otherwise have not been raised.

GEORGE STEPHANOPOULOS: (interviewing) What should the Bush New Hampshire strategy be?

FRANK LUNTZ: The bottom line is to get him up here as much as possible, is to get him to move away from the drug issue, is to continue to talk about admitting mistakes, learning from them, saying enough is enough, and moving on.

COKIE ROBERTS: George Stephanopoulos, very interesting stuff.

GEORGE STEPHANOPOULOS: It was. It seemed from what I could tell yesterday in talking to these voters, and it is a limited group, that Bush has stumbled into the right strategy. I believe, from listening to them, it would have been a mistake not to answer the questions at all. Because they were a little bit concerned if there was a question of cocaine use in the recent past. But once he's answered it, once he's put it into the past, you saw it. When he says enough is enough, they all agree.

COKIE ROBERTS: It was really remarkable watching that graph. The stronger he got with, I'm putting a stake in it, no more of this. They just loved it.

GEORGE STEPHANOPOULOS: Absolutely.

COKIE ROBERTS: Does that mean no questions about these things?

BILL KRISTOL, ABC News Analyst: No, but it means that it's not only Clinton fatigue, there's scandal fatigue and Bush is benefiting hugely among Republican voters right now. Among his own supporters or his tentative supporters from the notion that, you know, we don't want to hear anymore of this. We don't want the media looking into this. People I talked to this week who are concerned when you push them a little bit about even what might have happened 25 years ago--but even if they're concerned, they just don't want to even think about it, and that's helping

Bush terrifically right now.

COKIE ROBERTS: Of course, part of the reason they don't want to think about or much else, and we will talk about issues later when we do some more on this focus group, but people aren't even worrying about that. They just want somebody to win.

GEORGE WILL: They want somebody to win and they also want someone they are--to use a 90s word--comfortable with. It really is the case...

COKIE ROBERTS: It's shocking for you to use a 90s word.

(Laughter)

GEORGE WILL: I know, I wince in so doing. It really is the case that biography is destiny now in politics. That's John McCain is running on his biography, in a sense Elizabeth Dole is running as the first in her history of her gender to do this, that and the other thing.

In a sense what George Bush has been doing in this case is defining his biography. Stake in the group kind of guy who won't answer questions about his biography, but that becomes his biography.

GEORGE STEPHANOPOULOS: But who learned from his past. I mean, that's an important part of the biography that he's grown up.

GEORGE WILL: I mean, all these people saying, gee, if I'd only talk about revenue sharing.

(Laughter)

GEORGE WILL: I don't think they care a fig about the issues, nor should they at this point. I mean, they're trying to get a beat--as someone once said of Dwight Eisenhower, his smile was his philosophy. There's a sense in which that's always true of a candidate, that his persona matters first and most.

GEORGE STEPHANOPOULOS: What they do care about is if they believed that somehow this issue would get legs. Like if they believed everybody else would care, they would care more because he would be less electable.

COKIE ROBERTS: And that's the thing they care about most.

GEORGE STEPHANOPOULOS: Right, no question about that.

COKIE ROBERTS: That worries you. That worries you that this whole question of principles and party could get lost and just--let's find somebody we like and elect him.

BILL KRISTOL: And plus it should worry George Bush and his advisors a little bit. Because if you put your stake in the ground as he said, on electability, what if the polls close a little. That could happen. It could be a five percent lead over Gore. And people could be getting nervous.

I was in Milwaukee this week with a bunch of Republicans, conservatives. Gave a talk. Had a dinner with some of them. They're all Bush supporters. They all wish him well, they very much hope this issue goes away. But if you push them a little, there is a nervousness. They're nervous. They don't know much about him. Will he--they don't know what he--it's not just that they don't know what he did 25 years ago, but they don't know much about him today.

COKIE ROBERTS: Well, that's the other issue, of course. There has been some criticism leveled at the governor that he is Bush lite. He's a fraternity boy who...

GEORGE STEPHANOPOULOS: Or Clintonesque.

COKIE ROBERTS: Or Clintonesque.

GEORGE STEPHANOPOULOS: And this is where he got himself into some trouble, as well. What they were a little uncomfortable with was a little bit of the slipperiness in the answers. They would much prefer, if they

had to do it all over again, if he would have come out at the beginning and said, I did it then, that was it.

But on the flip side, he could have a Clintonesque out. And that is the 1992 Clinton strategy; Governor Bill Clinton in 1992, Gennifer Flowers, the draft says they, they press, want to make this about my past. I want to make the election about your future.

COKIE ROBERTS: Your future.

GEORGE STEPHANOPOULOS: The answer is there.

COKIE ROBERTS: We could all write the speech, George. We've done it.

Well, what about that question? Does either of you want to take that--on that question, whether the Bush--whether he's affable, but maybe that's all he is?

GEORGE WILL: Well, they don't care what else is, as long as he's electable. The fact is that the loathing of Clinton on the part of the Republican-nominated electorate has done something you didn't think you could do to that electorate, and that's driven it toward the center. It's made it more moderate. Look, the three leading contenders right now, I gather we derive from this focus group, are Dole, McCain and Bush. Establishment, centrist people.

BILL KRISTOL: If that holds. I mean the question is, will this--four or five months from now is a long time. Will voters be going in January, February, saying an affable good guy who seems to more or less know what he's doing and can get elected--above all can get elected--is enough. Or will they say, we need a serious guy who can be commander-in-chief of the United States. That would obviously be--something like that would be John McCain's hope. He's got to make the case for the next three months.

COKIE ROBERTS: We'll talk about the candidates and the issues when we come back.

But I want, very quickly, George, this question about, would you tell your own kids? Clearly, these people had done some drugs themselves.

GEORGE STEPHANOPOULOS: It only came up briefly. They basically are much happier with the truth. The truth, say it, move on.

COKIE ROBERTS: Say it, move on.

All right, issues, candidates when we come back from New Hampshire.
(Commercial Break)

COKIE ROBERTS: Lots of other issues were on the minds of the New Hampshire voters. Frank Luntz talked to our focus group of Republicans about those issues and about the candidates and about a former candidate, President Clinton.

FRANK LUNTZ: Real quick, one word or phrase to describe Bill Clinton, quickly.

LADY WEARING WHITE T-SHIRT: Yuk.

MAN WEARING DARK SHIRT: A useless human being.

LADY WEARING GLASSES: I don't know. Terrible president.

MAN WEARING WHITE SHIRT: Time for a change.

LADY WEARING RED SHIRT: Time for a change.

LADY WEARING GREEN DRESS: Politician.

MALE WEARING BLACK SHIRT: Disappointment.

MAN WEARING GLASSES: Pathological liar.

MALE GREEN SHIRT: Liar.

LADY WEARING TAN SHORTS: Poor leadership.

MAN WEARING SUIT: Fraud.

LADY WEARING STRIPED CLOTHING: Liar.

ANN: Liar.

GEORGE STEPHANOPOULOS: (voice-over) It's no surprise these die-hard New Hampshire Republicans share a distaste for President Clinton. And in a state that has no income or sales tax, it's probably no surprise that they want their next president to lower their federal taxes.

FRANK LUNTZ: How many would say taxes would be one of your top two issues? Two, three, four, five, six, seven, eight, 11. I'm sure that's going to be a winner.

What bugs you about taxes?

MAN WEARING BLACK SHIRT: Too high and they're unfair.

MALE WEARING GLASSES: Too high, they're unfair. They're everywhere. We've no propensity to save cause we're taxed too high.

MALE WEARING GREEN SHIRT: Too high and where does the money go?

GEORGE STEPHANOPOULOS: (voice-over) But what might seem more surprising is what didn't come up when our group was asked to list the issues that matter most to them.

FRANK LUNTZ: Not one of you said the word abortion in that entire set. Two minutes of running down the issues, no one said abortion. Why?

UNKNOWN FEMALE: I don't know. I just thought of it.

UNKNOWN MALE: That's a no-win issue. There are no winners in that.

UNKNOWN MALE: It's not a government issue.

UNKNOWN FEMALE: It's a personal issue.

GEORGE STEPHANOPOULOS: (voice-over) And although none of the Republican candidates describe themselves as pro choice, Luntz found that this group of Republican voters is split--half pro-life, half pro-choice.

MALE WEARING DARK SHIRT: Once you pick up the guns somebody gets hurt.

GEORGE STEPHANOPOULOS: (voice-over) The group was also divided over what to do about gun violence and the influence of the National Rifle Association.

ANN: The NRA has drawn this line that we aren't supposed to cross over in any way. They won't meet us at all as far as being reasonable people.

MAN WEARING SUIT: The NRA is made up of farmers, it's made up of pharmacists, it's made up of business people, it's made up of people who like to target practice like some people like to play golf.

GEORGE STEPHANOPOULOS: (voice-over) Most seemed to support some new gun controls, but they don't believe it will make much difference unless the government does a better job of enforcing existing laws.

LADY WEARING GLASSES: Those kids in Columbine broke 19 laws. They didn't do anything legal. They broke 19 laws. So we make 19 more. Is that going to stop them? No. They stole those guns.

GEORGE STEPHANOPOULOS: (voice-over) And families do a better job of raising their children.

MALE WEARING BLACK SHIRT: And we have a segment of our society that doesn't have the time that I'm willing to put in to bringing up my children. And those are the kids and those are the situations that have to be dealt with. I agree with you. It's not the gun, it's the reason why those kids are picking up the guns.

FRANK LUNTZ: How many of you agree with that? How many of you agree with that? That's a consensus?

UNKNOWN MALE: Yes.

UNKNOWN FEMALE: Absolutely.

GEORGE STEPHANOPOULOS: (voice-over) These voters want to hear more specifics from the candidates on nearly all the issues; health care, education, Social Security, and the environment. But from what they know so far, they favor Bush. They like his pedigree, his personality, and most

of all, they think he can win.

As for the rest of the field, they love Elizabeth Dole.

FEMALE WEARING GLASSES: Articulate.

MALE WEARING WHITE SHIRT: Diligent.

FEMALE WEARING RED SHIRT: Intelligent.

FEMALE WEARING GREEN DRESS: Experienced.

MALE WEARING BLACK SHIRT: Sincere.

GEORGE STEPHANOPOULOS : (voice-over) And respect John McCain.

MALE WEARING SUIT: Heroic.

FEMALE WEARING TAN SHORTS: Hard working.

MALE WEARING GREEN SHIRT: Best man.

MALE WEARING GLASSES: Military.

MALE WEARING BLACK SHIRT: Strong character.

GEORGE STEPHANOPOULOS: (voice-over) Steve Forbes, on the other hand, seems to be burdened by his background.

FEMALE WEARING TAN SHORTS: Rich.

MALE WEARING GREEN SHIRT: Money.

MALE WEARING GLASSES: Wealthy.

MALE WEARING BLACK SHIRT: Untested.

GEORGE STEPHANOPOULOS: (voice-over) And the others--Quayle, Keyes, Hatch, Bauer, and Buchanan--they barely registered with this group. Which means that for right now at least, this race is all about Bush.

FRANK LUNTZ: He's his own greatest enemy. He's his own greatest asset. This campaign is his to win or his to lose, and the other candidates just have to play wait-and-see.

GEORGE STEPHANOPOULOS: (interviewing) And if he stumbles, who's there to pick up the pieces?

FRANK LUNTZ: If he stumbles, based on this session, you'd say Elizabeth Dole, then John McCain having a possibility.

GEORGE STEPHANOPOULOS: Of course, there is one dark horse who could blow George W. Bush away. His name George Bush. That's right, his father, the man Bill Clinton beat in 1992.

FRANK LUNTZ: How many of you would want him to be the nominee? You all would. So you're all really angry at what happened.

UNKNOWN MALE: He was our man.

COKIE ROBERTS: George Bush, George Herbert Walker Bush as the nominee.

GEORGE STEPHANOPOULOS: They want a rerun of 1992 election. You know, there is a sense among these Republican voters--In fact, three of these voters voted for Perot in 1992, but they kind of feel they did Bush wrong. And we've had eight years of a Democrat and they want to take it back.

COKIE ROBERTS: And a New Hampshire voting Democrat.

GEORGE STEPHANOPOULOS: Exactly.

COKIE ROBERTS: So--Yes?

BILL KRISTOL: Well, this is a huge change. I mean, right after the '92 election, I remember this well, Republicans were angry at George Bush and President Bush. They thought he frittered away the Reagan legacy, the Reagan inheritance, he had lost the White House to this guy, Clinton. And in '94, Republicans ran as Reagan Republicans, not as Bush Republicans. If you go back and look at Governor George W. Bush's speeches in '94 or Jeb Bush's speeches when he was running for governor of Florida, they cited Reagan more than they cited their own father. That has totally changed.

GEORGE STEPHANOPOULOS: Reagan's name never came up.

BILL KRISTOL: And what has changed? What has changed? Two things, I think; Gingrich and the over reaching of '95, which sort of discredited

that aggressive, ideological conservatism we're seeing, too, and Clinton in '98. George W. Bush, Governor Bush of Texas was at around 20, 25 percent in the polls at the beginning of '98. He went to 50 percent by the end of '98.

COKIE ROBERTS: And a lot of people at that point think--were confused, thought it was George Bush.

BILL KRISTOL: Absolutely. They thought--It was this kind of buyers remorse about his father, and Republicans rallied to George W. Bush. And we thought at the same time their judgment of his father and now say, now we have a Bush Republican Party, in a sense, of late 1999.

GEORGE WILL: Well it, particularly in the sense that the rhetoric of 1995, the early months when the class of '94 came into Congress, Gingrich and all the rest, that rhetoric sounds as antique as three coins of silver. It just has no purchase on America anymore because...

COKIE ROBERTS: You're talking about the Contract with America, all of that?

GEORGE WILL: Well, more than that. Limited government. They were going to have a fundamental reevaluation of the post new deal relationship of the citizen of the central government and all. It's all rubbish.

GEORGE STEPHANOPOULOS: And the standard bearer is gone.

GEORGE WILL: Yes.

GEORGE STEPHANOPOULOS: I mean, we asked this group about Newt Gingrich--uniformly negative, boring, old, pathetic, increasingly recently a hypocrite as well on these personal issues. They are done with Newt Gingrich. Do not see him as a standard bearer.

COKIE ROBERTS: But George's point about the limited government and all that. Look, you talked to these voters about issues, they weren't for limited government.

GEORGE STEPHANOPOULOS: Well, no, they say they are. They say they're against government waste, but then when you get to each individual issue--and this is even though they don't like President Clinton--they kind of are moderate centrists on the issues, more on education, more on the environment, more on health care.

GEORGE WILL: I rest my case.

GEORGE STEPHANOPOULOS: Right.

GEORGE WILL: No, this is before...

COKIE ROBERTS: So it's a kinder, gentler Republican Party.

GEORGE WILL: Well, chastened. I'd say a chastened and embarrassed Republican Party, because they put these markers down, these rhetorical markers, and we've had four years of calling their bluffs, and it turns out that everything they said, everything was a bluff.

COKIE ROBERTS: Everything was a bluff?

BILL KRISTOL: Well, I mean, we'll see. I think, you know, Bauer and Forbes, in particular, are going to spend the next four months trying to raise the flag of Reagan Republicanism, and they'll see if anyone salutes. They will correctly say that, "Look, on the social issues that Ronald Reagan was strong on, on cutting government, on foreign policy, on moral aggressive foreign policy. Doesn't anyone want the Reagan Republican Party?"

GEORGE WILL: Excuse me, excuse me. The education department was there when Ronald Reagan came to power, and it was there when he left power.

BILL KRISTOL: But Ronald Reagan...

COKIE ROBERTS: And a new department was formed.

BILL KRISTOL: But Ronald Reagan, Ronald Reagan proposed budgets that would have cut the education department by a third. I know. I worked there. We got slaughtered by Congress, including by Republicans.

GEORGE STEPHANOPOULOS: Bill may be on to something.

BILL KRISTOL: And I don't know whether they can succeed in saying, "Don't you want Reagan Republicanism not Bush Republicanism?" That is going to be a theme for the next three or four months.

GEORGE STEPHANOPOULOS: I think that's exactly right. This is the way that Bill, I mean, was right about John McCain. I think there is a small opening for McCain as a war hero to talk about who will be the best commander-in-chief. There still is this underlying concern about Bush 'cause he's not quite up to it. And one guy said it's a quantum leap for him to go to the presidency. I'm not sure he has the skill set for...

COKIE ROBERTS: Skill set.

GEORGE STEPHANOPOULOS: If McCain can push him on foreign policy and the credentials of commander-in-chief, that might be something.

GEORGE WILL: It's beyond McCain's power, though. I mean, the people who can make McCain president are in Beijing. The People's Republic of China can have a crisis in the Taiwan Straits and suddenly, McCain is going to look very good.

COKIE ROBERTS: Yes, I mean, I'm a great believer the 2000 election is going to be more event driven than any election in my lifetime, and particularly of a foreign policy event like that comes along, and particular if Al Gore is the Democratic nominee, because at that point, he can start to look very good.

But let me ask you about third parties now. You said earlier some of these people voted for Perot.

GEORGE STEPHANOPOULOS: Perot last time.

COKIE ROBERTS: And there is out here now this business about maybe Pat Buchanan or Jesse Ventura or Warren Beatty.

GEORGE STEPHANOPOULOS: They don't like Warren Beatty, these are Republicans. They weren't big Warren Beatty fans.

COKIE ROBERTS: Warren Beatty wasn't on their list.

GEORGE STEPHANOPOULOS: And Ross Perot's falling off. I mean, they say, the ones who voted for him say, "I'm not going to make that mistake again."

But there still is the fascination with the outsider. They kind of like Jesse Ventura, as you would imagine you would find if Colin Powell were in there as a third party candidate, all the hands go up.

COKIE ROBERTS: As opposed to George Bush, though?

GEORGE STEPHANOPOULOS: As opposed to George W. Bush, testing against the President. He's the strong one now.

COKIE ROBERTS: Isn't that interesting? So really, if they had their druthers of any candidate on earth, it would be George Herbert Walker Bush.

GEORGE STEPHANOPOULOS: Bush, Colin Powell. The people who aren't in are always more attractive than those who are in.

COKIE ROBERTS: Well, that's true, that's true. All right, we'll be back with more roundtable in just a moment.

(Commercial Break)

COKIE ROBERTS: Well, we're going to do some more of these focus groups. We're going to go with Democrats and see what they're saying about Democrats.

But before we talk about Democrats, what do we think about focus groups

as an idea? Candidates love them, use them all the time. We accuse the candidates of having the focus groups tell them what to say. I think with some candidates, that's true.

You look very skeptical on this subject.

GEORGE WILL: Well, I know they prettify by it by saying all they're doing is testing and honing and fine-tuning the nuances of the message--and not get into substance 'cause their convictions, we know how deep they are.

But can you imagine Abraham Lincoln convening on focus groups saying--having Fred (sic) Luntz of his day saying, "Well, what do you folks think about popular sovereignty in the territories over slavery an issue. We resupply Ft. Sumpter." It's a little odd. Imagine a starchy person like Thomas Woodrow Wilson submitting any of his ideas to a group like that. That's not leadership.

COKIE ROBERTS: Well, he probably didn't want to submit it to the voters either.

GEORGE WILL: Of course, not.

GEORGE STEPHANOPOULOS: But they would probably talk with more voters in more real settings. And I have to say, George, it did...

COKIE ROBERTS: I'm not sure. I'm not sure that Woodrow Wilson...

GEORGE STEPHANOPOULOS: Abe Lincoln?

COKIE ROBERTS:...talk to more voters in more real--Princeton University.

GEORGE STEPHANOPOULOS: Maybe not. OK, Woodrow Wilson, I'll accept that.

But I have to say, you know, we asked the people afterwards. They love it, and it's not just because of the free lunch and all that. They love to be heard. They love to be asked and to actually have the chance to have this kind of a conversation. What you have to be careful of is a kind of Heisenberg principle, taking over...

COKIE ROBERTS: Which means?

GEORGE STEPHANOPOULOS: Once you're focusing--It changes by watching it. Once you're focusing these people on an issue, they automatically would know and talk about it a lot more than average people would around their table.

BILL KRISTOL: The other thing you have to be careful of, and I saw a few focus groups myself when I was in the White House, focus groups in the summer of 1991 showed that voters loved President George Bush. He had done a great job on the Gulf War and he deserved to be reelected. They are snap shots of the President which means they're really snap shots of the past. They're what the voter--the voters reacting to what they've learned over the last few months. They don't factor in, obviously, what's going to happen, what the butchers in Beijing, to use Bill Clinton's term, might do. And I think if you're a Republican looking at this focus group which is, of course, very good for Bush, you say, "Well, how can I change what's on people's minds?" And as I say, Bauer and Forbes have to try to somehow get Republicans to be more ideological and less concerned about electability. John McCain, as George says, has to get Republicans thinking, "Hey, we need a commander-in-chief, not just a nice guy governor." But the trouble with running a campaign based on focus groups is you are--It is a little bit like driving in the--looking in the rear view mirror, I think.

COKIE ROBERTS: What about if you're a Democrat looking at this focus group?

GEORGE STEPHANOPOULOS: Mixed. I mean, first of all, there's not one

voter in that room that's going to vote for a Democrat no matter what.
These are real Republicans.

COKIE ROBERTS: Right. And they were chosen for that purpose.

BILL KRISTOL: We'll stipulate they're a fine group of people.

GEORGE STEPHANOPOULOS: But the way that it's mixed is obviously this distaste for the President is going over to Al Gore. You know, they want to have a change.

On the other hand, on the broad range of issues, they're pretty much where both George W. Bush and either Gore or Bradley is going to end up in the broad, some would say, mushy middle.

COKIE ROBERTS: And actually, that's what the Democrats challenge keeps being is to change the subject to that set of issues, to the issues of education and health care and all those things, where they continue to at least poll better with the voters. Can that happen?

GEORGE WILL: Well, I don't know, because what I take out of that group of people is that the Democrats are going to have trouble frightening people about Republicans. Because beginning with Goldwater, but particularly in recent years, the Democrats' best argument has been risky schemes to blow holes in--extremist Tom DeLay, all these people, Newt Gingrich. Those people don't look frightening, and they are not rallying to people who can be called frightening.

COKIE ROBERTS: Well, so then the challenge is for the Democrats to make the Congress look extremist, which is something they're going to work very hard to do.

GEORGE STEPHANOPOULOS: Well, and also to make the Congress look extremist or make the candidate look not up to the job. Again, this will be a reverse. They could end up running George Bush's 1992 campaign at the end saying, "Bill Clinton is from a small state. You can't trust him. He's just not up to the job of being president." It will have to be a much more personal not an ideological election.

COKIE ROBERTS: Well, and you think that works?

BILL KRISTOL: Didn't work very well for President Bush in '92.

COKIE ROBERTS: That is...

BILL KRISTOL: I think if you're a Bill Bradley advisor, you're more chin up by this focus group than if you're an Al Gore advisor, because they outsider, third party sentiment you could imagine channeling into Bradley's sentiment in the Democratic primaries.

COKIE ROBERTS: Well, and also, what I heard was that great slogan, "It's time for a change." And that is the thing that could be a real problem for Al Gore.

GEORGE STEPHANOPOULOS: That's right.

COKIE ROBERTS: Well, we'll be talking about this a lot more in the weeks and months to come. And I'll be back in just a moment.

(Commercial Break)

COKIE ROBERTS: Here's what's coming up on ABC News.

(ABC News clips)

COKIE ROBERTS: And on this program next week, Sam Donaldson will be back in full voice.

That's all for this Sunday. Until next week, that's This Week.

END

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Inside Politics

Aired August 30, 1999 - 5:42 p.m. ET

Jesse Ventura Slams Minnesota Newspaper

BERNARD SHAW, CNN ANCHOR: Minnesota Governor Jesse Ventura's

recent stint as a pro wrestling referee has sparked a grudge match between the governor and a newspaper.

Ventura made a return to the world of wrestling as a referee in an August 22nd pay-per-view event. When an editorial in "The St. Paul Pioneer Press"

criticized the governor's involvement in an event steeped in sex, violence and raw language, the governor responded on his weekly radio show.

(BEGIN VIDEO CLIP)

GOV. JESSE VENTURA (REF), MINNESOTA: There you got it. For the first half of the show today, a blistering account here on "Lunch With the

Governor" for the hypocrisy of "The St. Paul Pioneer"
porn newspaper. The
St. Paul Pioneer Press" are a bunch of hypocrites from
top to bottom. At the
end of Tom Powers's column are no less than five ads for
pornography in the
"Pioneer Press" newspaper. These are all the ads that
are pretty much in the
"Pioneer Press" newspaper on pretty much a daily basis.

So are they not in the pornography industry? I'm no
longer going to refer to
"The pioneer Press" anymore as "The Pioneer Press." I'm
going to refer to it
as "The Pioneer Porn."

(END VIDEO CLIP)

SHAW: Ventura says he will cancel his office
subscription to the newspaper,
and he will refuse interview requests from "Pioneer
Press" reporters.

Well, joining us now, the editor of "The St. Paul
Pioneer Press," Walker
Lundy.

How is this feud affecting your paper?

WALKER LUNDY, EDITOR, "ST. PAUL PIONEER PRESS": Well,
it's
made for an interesting couple of days of interviews by
various and sundry TV
stations and radio stations and newspapers. I just
heard, however -- we have
breaking news on this story -- I heard on the way over
to the studio that his
office is now telling the Associated Press that he just
meant it all as a joke,
that he's really not going to cancel his subscriptions,
and I guess not do the
other thins.

So he remains an unpredictable fellow.

SHAW: Well, I'm glad you update our audience on that,
but what about his
accusation that you and your colleagues at the paper are
a bunch of hypocrites
and that you're marketing, trafficking -- my verbs -- in
pornography? What
about those two allegations?

LUNDY: Well, the advertising, as I'm sure most of your

viewers know, the
advertising department and the news department at most
newspapers are
separate. So this is not a policy I set as the editor,
but it's a policy I agree with.
And the policy is that we allow any legal business to
advertise.

I think the First Amendment doesn't just belong to the
governor and doesn't
just belong to me as the editor of the newspaper, but it
also belongs to people
who advertise in our paper. And, of course, they have to
meet certain
standards, but I think once you start saying, well,
we're not going to let this
industry advertise, then you've got the tobacco industry
and then you've got
the gambling industry and then you've got the liquor
industry, I think that's a
slippery slope that that a newspaper that supports a
First Amendment isn't
very smart to start down.

SHAW: So this is just business?

LUNDY: Yes, for our advertising department, yes.

SHAW: You're a bunch of "hypocrites," unquote, according
to the governor of
Minnesota.

LUNDY: That's what he said. He knows a bit more about
what goes on in
these places than I do, and I take him at his word for
what occurs there. It's
interesting he's...

SHAW: Can I interrupt -- I'm sorry, go ahead, sorry.

LUNDY: He's been governor for about eight months, and
this is the first time
he's taken on this issue. And I challenged him on Friday
to get a dozen good
citizens of Minnesota and said he could even include his
wrestling friend Mr.
Asp (ph) and have them read a week's worth of "The
Pioneer Press," a copy
of his autobiography, and buy a copy of his \$29.50 tape
of the "Summer Slam,"
and let the citizens view all three and say what they --
which one they think is
pornographic.

SHAW: Wait a minute, Walker Lundy. My reporter's ears just heard something, and I wrote it down. You said, "He knows about what goes on in these places," unquote. What does that mean?

LUNDY: Well, I don't know if you've had an opportunity to read his autobiography, but he went on at great length about the instances in which he visited whorehouses and other places as a young man. So I -- when he tells me pornographic things go on at these places, I assume that he's -- well, he says he's been to places like this as a younger man, so he knows.

SHAW: And you just brought our audience up to date on a late development in this feud. You said that the governor told the Associated Press that in -- in the area of newspaper subscriptions, he was only kidding. He was only joke about canceling.

LUNDY: That's...

SHAW: And you also...

LUNDY: That's what I am told by my office, yes.

SHAW: OK, and you also just said in this interview that you're doing with INSIDE POLITICS that Governor Ventura is unpredictable.

LUNDY: Yes...

SHAW: How long -- how long will this feud go on, and where is it going?

LUNDY: Well, I don't really consider it a feud. If he -- if he attacks the newspaper and does so either inaccurately or unfairly, I sort of feel like it's my responsibility to respond. But -- but I mean, we haven't done anything, I don't think, in any instance that we've kind of taken the initiative in this. Our columnists have commented on his performance as governor and in this instance his performance as a wrestling referee, but -- and he's a little thin-skinned, and that's really what the issue is here, not so much what advertising

we allow and what advertising we don't.

SHAW: Is this macho of a man governor of Minnesota thin-skinned as you just called him?

LUNDY: That's been the performance so far. He really doesn't much like getting criticized.

SHAW: Walker Lundy, the editor of "The St. Paul Pioneer Press," we'll be watching this. Thanks for joining us.

LUNDY: Sure, thank you.

SHAW: Quite welcome.

Alan Keyes Discusses His Campaign for President

BERNARD SHAW, CNN ANCHOR: More than 3,000 Republican delegates from Alabama counties gathered this past weekend for the state's first presidential straw poll. Of the nine GOP candidates, only Alan Keyes and Orrin Hatch attended, and these delegates rewarded them for their effort.

Keyes, winning with 29 percent of the vote. Hatch for second with 27 percent. GOP front-runner George W. Bush was third with 25 percent. The rest of the field was in single digits, with Gary Bauer finishing fourth followed by Elizabeth Dole and Steve Forbes.

Joining us now, presidential candidate, former ambassador Alan Keyes. What accounts for your win?

ALAN KEYES (R), PRESIDENTIAL CANDIDATE: Well, I think it's a combination of thing. The views I represent, I think, are very popular with conservatives in the South. And I also think, of course, it helped to show some respect for the grassroots people who spent months putting together this straw poll and who took it very seriously. There were choices that were made at the county level and things of this kind. It was an effort on the part of the folks in Alabama to have an influence on the process so that

their grassroots people
would not be left out. And I thought it was important to
show respect for that
and did.

So I think the combination was important. We have good
grassroots strength
in Alabama in terms of the message of moral priority
that I represent. And I
also think, of course, it said something very
significant about the "New South,"
about the fact that a black Republican candidate goes
into the heart of the
deep South. The notion that just by showing up you win
an election I think
does a great disservice to the truth in that it would
have to be an indication of
some enormous and fundamental changes in the heart and
condition of
America that I don't think many people want to
acknowledge.

But I see it all the time that folks now are focused on
views. They're focused
on, does this person reflect my heart, and a lot of the
racial baggage, which
unfortunately is still held against people in the South,
turns out to be a thing of
the past.

SHAW: The Ames, Iowa straw poll, where did you finish?

KEYES: We got 1,100 votes. I think -- I forget where
that put me in the field,
seventh or something, like that. But of course, that was
a bought-and-sold
straw poll. In this straw poll, you were having people
from the grassroots,
chosen by folks from the grassroots, no money, no
tickets bought, no things
that could be influenced and bought and sold.

So this was not an auction block straw poll that was
defined by money. It was
an actual reflection of what people feel at the
grassroots in Alabama.

SHAW: From Iowa defeat to Alabama victory --
justification for your
candidacy?

KEYES: Well, no. The justification for my candidacy is
in the issues that I
represent, and those issues, which have to do with the

fact that we're in the
midst of the greatest moral crises this country has ever
seen. It is, in fact,
affecting in ways that destroy our institutions, as we
have seen with the
presidency; that affects what goes on in our schools, as
we see with tragedies
like Columbine.

I think a lot of Americans are waking up to the fact
that we are going to lose
our liberty and system of self-government if we don't
address the issues like
abortion and other issues that are poisoning our moral
conscious.

SHAW: Alan Keyes, on that point, abortion, one of your
opponents, Arizona
Senator John McCain, says he is now for overturning Roe
v. Wade. I see
you're smiling.

Is Senator McCain hurting the pro-life cause?

KEYES: I -- I really -- I'm smiling because politics
these days is for a lot of
these guys about telling people what they want to hear.
You get in front of one
audience and you say you won't overturn it. You get in
front of another, you
say you will: because the only thing that matters is
that you do what your
pollsters and your focus group people tell you will win
votes.

I think that that is a wrong and corrupting way to
approach our politics, but it's
the way that everybody else does it. I refuse to do it
that way.

I simply go before people, speaking the truth as best I
can see it and think it
through. And if folks will support me on that basis,
fine. If they don't, then I'll
lose.

But as I said in Alabama over the weekend, I would
rather get elected to
nothing than stand for nothing.

SHAW: Are you also in effect saying, in effect saying
that Governor Bush,
Senator McCain, Elizabeth Dole are gutless on the issue
of abortion?

KEYES: I haven't said anything of the kind. I wouldn't say gutless. I think they're just expedient-minded politicians. They're doing whatever they think will get them power. They are not doing what is required by principle, what is required by a conscientious effort to present to the American people the issues that we really need to address if we're to survive in freedom.

That's what I think our politics should be about. For these people, it's just about money and power. And I think folks who support them get exactly what they deserve.

SHAW: There seems to be a preoccupation with the top three in the field, the crowded field of Republican candidates. Lamar Alexander has dropped out. Might you drop out?

KEYES: Well, I'm only preoccupied with trying to present to the folks at the Republican grassroots what I believe reflects their real heart and the kinds of things that were put in the Republican platform last time, which Bob Dole said he hadn't even bothered to read.

I think it's about time we had a Republican presidential candidate who not only reads but believes in the things that the Republican Party says that it represents before the American people.

I think it's time we stopped dealing with these expedient-minded, tell-them-what-they-want-to-hear politicians, and instead start standing before the people and speaking to the issues from your heart and letting folks make up their minds based on what you actually believe.

SHAW: You are respected as a party strategist. If Governor Bush gets your party's presidential nomination, who should be his running mate?

KEYES: Well, I don't speculate on things like that. We haven't had a single...

SHAW: You have thoughts -- you have thoughts about that?

KEYES: We haven't had a single actual caucus or primary in this country.

The fact that people are preempting the vote of our people, trying to act like media folks or moneybags should be deciding the election -- the people of this country should decide who the nominee is going to be. And before -- before they have spoken, I don't see any reason to talk as if I know who's going to win.

SHAW: Who's doing this preempting?

KEYES: Well, I think it's quite clear.

SHAW: Names?

KEYES: No vote has been taken, and yet you just sat here just now talking to me as if George W. Bush was a winner. What has he won?

SHAW: I said if. I said if. But who are these people preempting? Give our viewers some names.

KEYES: Who are they preempting?

SHAW: No. Who are doing the preempting? Who's doing the preempting?

KEYES: I think it's clearly the strategy of the Bush campaign to create an impression that the combination of money and media attention can take the place of actual votes in primaries and caucuses, and therefore, go around the country telling people, well, he's won already, don't bother with anybody else.

That is a way of trying to act as if the actual election doesn't matter. And if the people at the grassroots are willing to be herded around the way, sad to say we will have turned our elections into a media-manipulated, money-manipulated sham. And that will destroy our system of self-government. I think it's very dangerous.

SHAW: Ambassador Alan Keyes, thanks for joining us on
INSIDE
POLITICS.

KEYES: Good to be with you.

SHAW: Good to have you and good to see you in person.

'PRWeek' Magazine Ranks Candidates' Communication Skills

BERNARD SHAW, CNN ANCHOR: John McCain may not lead the presidential polls, but look at this: He tops a new ranking of the candidates' communications skills and communications teams. "PRWeek" magazine rates

George W. Bush second in the communications department, Bill Bradley third.

Al Gore and Steve Forbes tie for fourth, followed by Elizabeth Dole.

Well, what exactly are the campaigns's pluses and minuses in the message department? Let's ask the editor in chief of "PRWeek," Adam Leyland. He joins us from New York.

How did you come about this?

ADAM LEYLAND, EDITOR IN CHIEF, "PRWEEK": Well, we took a panel of three expert consultants who aren't actually involved in the campaigns themselves, right now. We also talked to some media experts from the -- from journalists, and we used our own internal resources to rate them, as well.

SHAW: OK, pick apart the McCain team for us.

LEYLAND: The McCain team has got a good consistency of message

coming through. McCain himself we liked -- we ranked the candidates in terms of candidate himself as a communicator, and also in terms of the team.

McCain scored highly as a Viet vet, suggested substance. Also, the way in which he's talking -- is also talking in terms of substance -- he's talking about issues, even if they don't seem to be popular from his own standpoint.

As far as the team was concerned, we also liked their -- we liked their -- their

-- the way they were working. Richard Davis is a strong manager. Dan

Shnurr, the -- we liked him. We felt that his experience with Pete Wilson in

California was very strong, and could be a clenching factor if it is to go to the wire. And we liked the fact that he's not driven by polls. He's going out on his own, and his team seems to be supporting that.

SHAW: Now, the perceived front-runner in the Republican field, Texas Governor George W. Bush, is rated second by "PR" magazine. What's going on there?

LEYLAND: Well, there were -- until very recently, actually, he was coming out the clear winner. And then, in the last few days, certain issues have emerged, and there are one or two queries. I mean, he's quite clearly the favorite from the Republican side. I think everybody inside the Beltway knows that. But in terms of communications, he's dropped a couple of balls, I believe you say. I don't know what the American phrase is.

But there were two concerns. First of all, his skirting around of certain issues, and particularly the cocaine one was a -- was a problem we have perceived.

It's gone on too long. We believe that he's been naive in saying that's all he said in his latest proclamation. He made a very elusive comment, and he's appeared to sort of say "That's all I want to talk about." I think that's what he was credited with saying.

I think that's naive. The journalists have smelled blood, and they want him to come fully clean. And he's skirted about this in a way that's Clinton -- regarded as "Clintonesque."

SHAW: Well, Adam Leyland, especially interesting, as we look at the Democratic field, you rate Bill Bradley over Al Gore. You list Bradley in "PRWeek" magazine as third, and Al Gore fourth. That's interesting.

LEYLAND: Well, we think there's good reason for that. I mean, if -- let's talk about Bill Bradley first. He is a sports person, and he's also an intellectual. So he's in the a sports jock, so therefore he's like Jesse

Ventura, only with brains.

I think the problem is -- is the...

SHAW: Say that again? He's like Jesse Ventura, but with brains?

LEYLAND: Yes.

SHAW: OK, pardon the interruption.

LEYLAND: No problem.

But I think the other thing that's -- the downside is that he's not as much of a personality, or he's not portraying as much of personality as Mr. Ventura.

That's the downside. If you look at his team, though, they're a very experienced bunch. They're working well as a team. And this is what we perceive as a big difference with Al Gore is Al Gore's team are the all-stars, the PR all stars. They've got some really experienced people like Bob Squire and Carter Eskew -- he's one of the young stars of the Democrat side.

SHOW: Don't think me rude, but we're fast running out of time, and I want to get to Steve Forbes and Elizabeth Dole. You rank Elizabeth Dole better communicator than Steve Forbes, but you rank Forbes as have -- as having a better team than Elizabeth Dole.

LEYLAND: Yes, that's right. We think that they've done very well at getting the guy, Muller there, and his team have done very well at working together, keeping him in -- constantly in the news. And we also thought that their Web site was excellent. It was sort of continuing the theme from -- in the Clinton campaign of being constantly available for quotes. We notice that the Web site is being constantly updated and added to. The issue with Elizabeth Dole was we felt while she was a strong communicator, she didn't have a big enough and strong enough team. She didn't have a media consultant. There were organizational and field concerns with her campaign, as well -- the fact that it doesn't seem to be fully developed. She's got some good

things to say it

appears, but she's not framing them in the right way.

SHAW: Adam Leyland, editor and chief of "PRWeek" magazine, thanks so much for joining us.

LEYLAND: Thanks to you.

SHAW: You're quite welcome.

Congress Plans to Revisit Waco

BERNARD SHAW, CNN ANCHOR: Criticism of Attorney General Janet

Reno and the Justice Department has increased in recent days following an admission that the FBI used pyrotechnic devices during the siege of the Branch Davidian compound at Waco, Texas.

As Pierre Thomas reports, Congressman Dan Burton is leading yet another investigation into the actions at Waco.

(BEGIN VIDEOTAPE)

PIERRE THOMAS, CNN CORRESPONDENT (voice-over): On Monday, Dan Burton's House Government Reform Committee fired off subpoenas to the Texas Rangers who've been reviewing the FBI's role in the Branch Davidian standoff. And Burton tells CNN he'll send more to the Pentagon and the Justice Department later this week.

Burton is investigating while the FBI is only now acknowledging using pyrotechnic devices in the final assault on the Davidian compound; something it had denied for six years.

REP. DAN BURTON (R-IN), GOVERNMENT REFORM CHAIRMAN: I want to find out if Janet Reno and the Justice Department hierarchy knew about it, and if they did and they kept a lid on it, why did they do that? And if they didn't know about it, why didn't they do a thorough investigation?

THOMAS: The new revelations have left Attorney General Janet Reno and senior FBI officials stunned, although they maintained

the FBI did not ignite
the fires which left more than 80 dead.

But even Reno's congressional supporters acknowledge the
case should be
re-examined.

REP. BARNEY FRANK (D-MA), JUDICIARY COMMITTEE: I do
think it is something that should be investigated. I
must say, nothing I've seen
so far suggests that the fundamental conclusion was
wrong, that the fire was
started by this. On the other hand, there is reason to
think that the FBI was
less than forthcoming.

THOMAS: Reno's considering her own probe of the final
assault, and
there's growing bipartisan pressure on her to find
someone outside the
Justice Department to head her investigation.

REP. LOUISE SLAUGHTER (D), NEW YORK: I would like some
outside group to really go over the FBI. I've been
pretty disappointed with
them in general lately.

THOMAS: Sources tell CNN Reno would like to seek an
outsider to head
the probe. And she also recognizes the FBI would have a
credibility
problem investigating itself.

(on-camera): But Justice sources admit finding someone
outside could take
time they don't have. So as a backup, Reno is also
considering naming a
U.S. attorney with no previous ties to the case to head
the investigation.

Pierre Thomas, CNN, Washington.

(END VIDEOTAPE)

Gore Campaign on Defensive About Moscow Connections

BERNARD SHAW, CNN ANCHOR: Now we focus on the other
Clinton
partner running for office. Al Gore's campaign is
increasingly being put on
the defensive about his support for the Russian
government. This amid
growing evidence of financial corruption in Moscow.

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ALBERT J. GORE JR., VICE PRESIDENT OF THE UNITED STATES:

You deserve a leader who has been tested in it, who
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SHAW: One of Al Gore's main selling points as he seeks
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U.S. investigators say up to \$10 billion has effectively
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SHAW: In a statement last week, Elizabeth dole said,
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President Gore has failed in his only major foreign policy effort."

George W. Bush's aides say the vice president should have been more aware of the level of corruption in Moscow.

Gore's advisers say that's unfair, noting that the vice president has long supported tying international aid to Russia to both economic reform and anti-corruption initiatives.

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SHAW: Democratic presidential contender Bill Bradley today continues a swing through New Hampshire, where he has been downplaying past drug use as a campaign issue.

In an interview with WMUR TV yesterday, our affiliate, Bradley had this to say about the questions dogging George W. Bush.

(BEGIN VIDEO CLIP)

BILL BRADLEY (D), PRESIDENTIAL CANDIDATE: Well I think that every candidate has to draw the line as to where privacy begins and public life ends. He's done that.

QUESTION: And for you, do you draw a line anywhere?

BRADLEY: Sure, I'll draw a line. I've always believed that people have a right to know if I'm a crook but not if I'm a sinner, since we all are.

(END VIDEO CLIP)

SHAW: Bradley has acknowledged trying marijuana several times in the early '70's, as has Vice President Gore.

Joining us now with some perspective on the Democratic presidential contest, Ron Brownstein of "The Los Angeles Times."

Ron, first to the earlier piece preceding Bradley. Will corruption in Russia stick to Gore?

RON BROWNSTEIN, "LOS ANGELES TIMES": Well, I think absent information that ties him more directly to it, to the allegations, it's going to be hard to go too far on the specific questions on raising issues about that.

But in the broader sense, Al Gore, as has often been said, as your piece suggested, is going to want to emphasize his experience in foreign policy against virtually any Republican if he's the nominee. And it's a potential advantage for him, the fact that he has been on the national stage. And anything that the Republicans can raise to question his competence in that has got to be an asset for them, very similar to what Bill Clinton did as a governor with no foreign policy experience in '92, used the issue of China and Bosnia at that time to question the competence of Bush's foreign policy experience, and thus try to neutralize some of that advantage.

SHAW: So tactically, is Steve Forbes on the money by blistering Gore with this radio ad?

BROWNSTEIN: The inevitability, Bernie, is that when you're in office everything that goes well you try to claim credit for, and everything that is a problem the other side tries to tar you with. And I think this will just continue that.

As you saw, not only Forbes, but Dole and Bush, and certainly whoever the nominee is, if Al Gore is the Democratic nominee, is going to raise this.

SHAW: That's one flank on Mr. Gore's side. What about the Bradley flank?

BROWNSTEIN: Well, I think, you know, Bill Bradley's going to be announcing his candidacy next week, and right now you can see developing something that the left, many on the left have been waiting for through the entire '90s, which is a basic liberal challenge to Clintonism, as reflected in this case or embodied in this case by Al Gore.

Look, Mario Cuomo didn't run in 1992 against Bill Clinton. Jesse Jackson didn't challenge him in 1996. But this time it appears Bill Bradley, although there are some problems with his positioning, is largely running to Al Gore's left and providing the sort of basic choice that many on the left have been wanting, asking that party whether Clinton has taken him too far to the center.

SHAW: But does Bill Bradley risk marginalizing himself if he veers too far to Al Gore's left?

BROWNSTEIN: He has two problems. First, as you suggest, the problem with running too far to the left in the primary is it can leave you in a very difficult position to win the general election.

The second issue Bradley has to face is how does he square where he is now with where he has been in the Senate during his 18 years. By and large, a fairly conventional liberal voting record, but he was not a champion of the left. And there were many issues -- school vouchers, his vote for the '81 Reagan budget cuts, his vote against the '94 Clinton health care plan -- in which he disappointed liberals. So to hold to his broader positioning as a man of principle, an outsider, he has to be careful that he doesn't seem to be rearranging his positions in a kind of situational ethics here for tactical advantage in the presidential race.

SHAW: For the sake of discussion, let's turn on its head one of the contentions of a former president who knew politics very, very well, Richard Milhous Nixon. During the caucuses, during the primaries, you run to the right. But you come back to the center. Cannot Bradley run to the left and come back to the center?

BROWNSTEIN: I think it gets harder to do for any candidate to significantly change their positioning in the primaries

and the general, because

the level of coverage is so intense and the specific commitments you make in

the primary are hard to walk away from in the general.

Good example: Bill

Bradley has criticized the welfare reform bill, criticized the work

requirements under that. If he goes the next step and proposes significant

changes in that as a way of attracting liberal votes in the primary, that is not

something that's going to be easy to walk away from in the general, and it is

certainly something Republicans are going to want to use against him. So I

think that it's harder to do as we have this sort of,

you know, maximum

coverage right from the beginning.

SHAW: Warren Beatty: How might he affect Mr. Bradley, Mr. Gore?

BROWNSTEIN: I don't think a Beatty entrance to the race would be good

for Bradley in several terms: One, obviously, he would split liberal votes, and

Bradley is hoping to mobilize liberal discontent against Gore and Clinton.

But secondly, the Beatty argument would be that Gore and Bradley are two

peas in a pod, that the distinctions that Bradley wants to draw are largely

illusory. He would argue they are both slaves to varying degrees of big

money, they are both centrists who are leading the party in the wrong

direction, and that would obviously get in the way of Bradley's larger

positioning and message.

SHAW: Lastly, a bread-and-butter question: How can Al Gore ignore Bill

Bradley with this huge campaign war chest the man has?

BROWNSTEIN: I think Gore's basic belief is that they want to ignore

Bradley as long as they can, until he moves up in the polls and they feel they

absolutely have to deal with him. Their broader sense is that what makes the

Bradley candidacy viable is the fear that Gore can't beat Bush, so that if they

can focus on Bush, if they can narrow the gap with Bush,

that may be the
best way to deter Bradley.

SHAW: And Bradley, of course, will be busy from here on
out trying to
keep attention on him.

BROWNSTEIN: And really increase his message and focus on
issues this
fall, is what he says, anyway. We'll see.

SHAW: Well, we await his announcement.

Ron Brownstein, "Los Angeles Times," thanks very much.

BROWNSTEIN: Thank you.

Clintons Reverse Roles on Campaign Trail

BERNARD SHAW, CNN ANCHOR: It's doubtful Hillary Rodham
Clinton
would ever repeat her husband's old and controversial
line about getting two
for the price of one, but as she continues her
unofficial Senate campaign, the
first lady seems to be enjoying the benefits of having a
politically-savvy
spouse at her side.

CNN's John King traveled with the Clintons to upstate
New York.
(BEGIN VIDEOTAPE)

JOHN KING, CNN WHITE HOUSE CORRESPONDENT (voice-over):
Role reversal at the New York state fair: Candidate
Clinton canvassed the
crowd for support, while the supportive spouse enjoyed
the exhibits, a cold
iced tea and took note of the irony.

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES: You
know, it's pretty nice to go to a lunch like this when
you're the only one that's
not running for anything.

KING: The first family is in upstate New York for
vacation, but the first lady
couldn't pass up a chance to advance her Senate
campaign. She says the
more she comes in contact with New Yorkers, the more
she's convinced she
understands their concerns.

HILLARY CLINTON, FIRST LADY: There are not enough good

jobs for
the good hard-working people who live here.

KING: The Clinton's were greeted by an enthusiastic
crowd...

HILLARY CLINTON: Thank you, I'll need your help.

KING: ... and this new Republican National Committee TV
ad urging the
president to sign an \$800 billion GOP tax cut.

(BEGIN VIDEO CLIP, RNC AD)

JIM NICHOLSON, RNC CHAIRMAN: Mr. Clinton, we hear you
and the
Mrs. are thinking about moving to New York. If so, we
Republicans can
help. Our tax relief plan would let the average New York
family keep over
10,000 more of the dollars they earn.

(END VIDEO CLIP)

KING: But the president once again called the Republican
tax cut excessive.

PRESIDENT CLINTON: If you have a real big tax cut, you
don't have
money for education, you don't have money to extend the
life of Social
Security and Medicare.

KING: The Clintons came upstate after thanking their
weekend hosts in the
Hamptons, movie producer Steven Spielberg and his wife,
actress Kate
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Now the first family is spending five days at the
lakeside home of developer
Thomas McDonald, the final stop on a summer vacation
sprinkled with
Senate politics.

HILLARY CLINTON: We're going to get to meet a lot of
people, we
hope, and I think he's going to get to play a lot of
golf, and we're going to
get to see more of this beautiful part of New York.

(END VIDEOTAPE)

KING: As the first lady seeks support here in upstate

New York, the
president's priorities this week are rest and
relaxation. But back home in
Washington, aides already busy making plans for next
week, when the
president returns to work and plunges back into battles
with congressional
Republicans over health care, education, tax cuts and
gun control -- Bernie.

SHAW: John, does Mrs. Clinton have a deal with her
husband, whereby
when wants to or feels she has to disagree with his
policies she will do so
publicly?

KING: She has done so on a couple of occasions already.
She has said she
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he signed into
office. She also said that when the president signed
that law and the
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SHAW: John King in New York, thank you.

Clintons Reverse Roles on Campaign Trail; Gore
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BERNARD SHAW, CNN ANCHOR: The Clintons in upstate New
York
eying candy at a fair and finding Senate campaigning
sweet.

Also ahead:

(BEGIN VIDEO CLIP)

GOV. JESSE VENTURA (REF), MINNESOTA: "The St. Paul

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(END VIDEO CLIP)

SHAW: Jesse Ventura slams a Minnesota newspaper: a cheap
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valid point?

ANNOUNCER: From Washington, this is INSIDE POLITICS, with
Bernard Shaw and Judy Woodruff.

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allegations, it's going to be
hard to go too far on the specific questions on raising
issues about that.

But in the broader sense, Al Gore, as has often been
said, as your piece
suggested, is going to want to emphasize his experience
in foreign policy

against virtually any Republican if he's the nominee.
And it's a potential
advantage for him, the fact that he has been on the
national stage. And
anything that the Republicans can raise to question his
competence in that
has got to be an asset for them, very similar to what
Bill Clinton did as a
governor with no foreign policy experience in '92, used
the issue of China
and Bosnia at that time to question the competence of
Bush's foreign policy
experience, and thus try to neutralize some of that
advantage.

SHAW: So tactically, is Steve Forbes on the money by
blistering Gore with
this radio ad? BROWNSTEIN: The inevitability, Bernie, is
that when you're
in office everything that goes well you try to claim
credit for, and everything
that is a problem the other side tries to tar you with.
And I think this will just
continue that.

As you saw, not only Forbes, but Dole and Bush, and
certainly whoever the
nominee is, if Al Gore is the Democratic nominee, is
going to raise this.

SHAW: That's one flank on Mr. Gore's side. What about
the Bradley flank?

BROWNSTEIN: Well, I think, you know, Bill Bradley's
going to be
announcing his candidacy next week, and right now you
can see developing
something that the left, many on the left have been
waiting for through the
entire '90s, which is a basic liberal challenge to
Clintonism, as reflected in
this case or embodied in this case by Al Gore.

Look, Mario Cuomo didn't run in 1992 against Bill
Clinton. Jesse Jackson
didn't challenge him in 1996. But this time it appears
Bill Bradley, although
there are some problems with his positioning, is largely
running to Al Gore's
left and providing the sort of basic choice that many on
the left have been
wanting, asking that party whether Clinton has taken him
too far to the
center.

SHAW: But does Bill Bradley risk marginalizing himself if he veers too far to Al Gore's left?

BROWNSTEIN: He has two problems. First, as you suggest, the problem with running too far to the left in the primary is it can leave you in a very difficult position to win the general election.

The second issue Bradley has to face is how does he square where he is now with where he has been in the Senate during his 18 years. By and large, a fairly conventional liberal voting record, but he was not a champion of the left. And there were many issues -- school vouchers, his vote for the '81 Reagan budget cuts, his vote against the '94 Clinton health care plan -- in which he disappointed liberals. So to hold to his broader positioning as a man of principle, an outsider, he has to be careful that he doesn't seem to be rearranging his positions in a kind of situational ethics here for tactical advantage in the presidential race.

SHAW: For the sake of discussion, let's turn on its head one of the contentions of a former president who knew politics very, very well, Richard Milhous Nixon. During the caucuses, during the primaries, you run to the right. But you come back to the center. Cannot Bradley run to the left and come back to the center?

BROWNSTEIN: I think it gets harder to do for any candidate to significantly change their positioning in the primaries and the general, because the level of coverage is so intense and the specific commitments you make in the primary are hard to walk away from in the general. Good example: Bill Bradley has criticized the welfare reform bill, criticized the work requirements under that. If he goes the next step and proposes significant changes in that as a way of attracting liberal votes in the primary, that is not something that's going to be easy to walk away from in

the general, and it is
certainly something Republicans are going to want to use
against him. So I
think that it's harder to do as we have this sort of,
you know, maximum
coverage right from the beginning.

SHAW: Warren Beatty: How might he affect Mr. Bradley,
Mr. Gore?

BROWNSTEIN: I don't think a Beatty entrance to the race
would be good
for Bradley in several terms: One; obviously, he would
split liberal votes, and
Bradley is hoping to mobilize liberal discontent against
Gore and Clinton.

But secondly, the Beatty argument would be that Gore and
Bradley are two
peas in a pod, that the distinctions that Bradley wants
to draw are largely
illusory. He would argue they are both slaves to varying
degrees of big
money, they are both centrists who are leading the party
in the wrong
direction, and that would obviously get in the way of
Bradley's larger
positioning and message.

SHAW: Lastly, a bread-and-butter question: How can Al
Gore ignore Bill
Bradley with this huge campaign war chest the man has?

BROWNSTEIN: I think Gore's basic belief is that they
want to ignore
Bradley as long as they can, until he moves up in the
polls and they feel they
absolutely have to deal with him. Their broader sense is
that what makes the
Bradley candidacy viable is the fear that Gore can't
beat Bush, so that if they
can focus on Bush, if they can narrow the gap with Bush,
that may be the
best way to deter Bradley.

SHAW: And Bradley, of course, will be busy from here on
out trying to
keep attention on him.

BROWNSTEIN: And really increase his message and focus on
issues this
fall, is what he says, anyway. We'll see.

SHAW: Well, we await his announcement.

Ron Brownstein, "Los Angeles Times," thanks very much.

BROWNSTEIN: Thank you.

SHAW: And still ahead, a subpoena for George W. Bush gets tested in court: Will this governor and presidential hopeful have to take the stand?

Plus, subpoenas for the Texas Rangers as a congressional committee tries to find out what happened here in Waco.

(COMMERCIAL BREAK)

SHAW: Criticism of Attorney General Janet Reno and the Justice Department has increased in recent days following an admission that the FBI used pyrotechnic devices during the siege of the Branch Davidian compound at Waco, Texas.

As Pierre Thomas reports, Congressman Dan Burton is leading yet another investigation into the actions at Waco.

(BEGIN VIDEOTAPE)

PIERRE THOMAS, CNN CORRESPONDENT (voice-over): On Monday, Dan Burton's House Government Reform Committee fired off subpoenas to the Texas Rangers who've been reviewing the FBI's role in the Branch Davidian standoff. And Burton tells CNN he'll send more to the Pentagon and the Justice Department later this week.

Burton is investigating while the FBI is only now acknowledging using pyrotechnic devices in the final assault on the Davidian compound; something it had denied for six years.

REP. DAN BURTON (R-IN), GOVERNMENT REFORM CHAIRMAN: I want to find out if Janet Reno and the Justice Department hierarchy knew about it, and if they did and they kept a lid on it, why did they do that? And if they didn't know about it, why didn't they do a thorough investigation?

THOMAS: The new revelations have left Attorney General Janet Reno and senior FBI officials stunned, although they maintained the FBI did not ignite the fires which left more than 80 dead.

But even Reno's congressional supporters acknowledge the case should be re-examined.

REP. BARNEY FRANK (D-MA), JUDICIARY COMMITTEE: I do think it is something that should be investigated. I must say, nothing I've seen so far suggests that the fundamental conclusion was wrong, that the fire was started by this. On the other hand, there is reason to think that the FBI was less than forthcoming.

THOMAS: Reno's considering her own probe of the final assault, and there's growing bipartisan pressure on her to find someone outside the Justice Department to head her investigation.

REP. LOUISE SLAUGHTER (D), NEW YORK: I would like some outside group to really go over the FBI. I've been pretty disappointed with them in general lately.

THOMAS: Sources tell CNN Reno would like to seek an outsider to head the probe. And she also recognizes the FBI would have a credibility problem investigating itself.

(on-camera): But Justice sources admit finding someone outside could take time they don't have. So as a backup, Reno is also considering naming a U.S. attorney with no previous ties to the case to head the investigation.

Pierre Thomas, CNN, Washington.

(END VIDEOTAPE) SHAW: In Texas today, the state attorney general urged a judge to dismiss a subpoena of Governor George W. Bush's testimony in a lawsuit by the former state Funeral Service Commission director. Eliza Mae (ph) alleged that she was fired from that job for aggressively investigating a funeral home headed by a

long-time Bush
supporter.

State Attorney General John Cornyn argued Bush should
not be forced to
testify because the suit is about politics and
harassment. Bush, who is not a
defendant in the lawsuit, has said he has no personal
knowledge of the case,
and he has called the suit, quote, "frivolous."

Meanwhile, the American Civil Liberties Union said today
it will name Bush
and the Texas Department of Public Safety as defendants
in a lawsuit.

Environmentalists were arrested on four occasions this
spring outside the
governor's mansion while protesting the state's air
pollution policies. The suit
will charge their free speech rights were violated.

Ahead on INSIDE POLITICS: rating the presidential
candidates
communication skills. Find out who is ranked tops by PR
experts.

(COMMERCIAL BREAK)

SHAW: John McCain may not lead the presidential polls,
but look at this:
He tops a new ranking of the candidates' communications
skills and
communications teams. "PRWeek" magazine rates George W.
Bush second
in the communications department, Bill Bradley third. Al
Gore and Steve
Forbes tie for fourth, followed by Elizabeth Dole.

Well, what exactly are the campaigns's pluses and
minuses in the message
department? Let's ask the editor in chief of "PRWeek,"
Adam Leyland. He
joins us from New York.

How did you come about this?

ADAM LEYLAND, EDITOR IN CHIEF, "PRWEEK": Well, we took a
panel of three expert consultants who aren't actually
involved in the
campaigns themselves, right now. We also talked to some
media experts
from the -- from journalists, and we used our own
internal resources to rate
them, as well.

SHAW: OK, pick apart the McCain team for us.

LEYLAND: The McCain team has got a good consistency of message

coming through. McCain himself we liked -- we ranked the candidates in

terms of candidate himself as a communicator, and also in terms of the team.

McCain scored highly as a Viet vet, suggested substance.

Also, the way in

which he's talking -- is also talking in terms of substance -- he's talking about

issues, even if they don't seem to be popular from his own standpoint.

As far as the team was concerned, we also liked their -- we liked their --

their -- the way they were working. Richard Davis is a strong manager. Dan

Shnurr, the -- we liked him. We felt that his experience with Pete Wilson in

California was very strong, and could be a clenching factor if it is to go to the

wire. And we liked the fact that he's not driven by polls. He's going out on

his own, and his team seems to be supporting that.

SHAW: Now, the perceived front-runner in the Republican field, Texas

Governor George W. Bush, is rated second by "PR" magazine. What's going on there?

LEYLAND: Well, there were -- until very recently, actually, he was coming

out the clear winner. And then, in the last few days, certain issues have

emerged, and there are one or two queries. I mean, he's quite clearly the

favorite from the Republican side. I think everybody inside the Beltway

knows that. But in terms of communications, he's dropped a couple of balls,

I believe you say. I don't know what the American phrase is.

But there were two concerns. First of all, his skirting around of certain

issues, and particularly the cocaine one was a -- was a problem we have

perceived. It's gone on too long. We believe that he's been naive in saying

that's all he said in his latest proclamation. He made a

very elusive comment,
and he's appeared to sort of say "That's all I want to
talk about." I think
that's what he was credited with saying.

I think that's naive. The journalists have smelled
blood, and they want him to
come fully clean. And he's skirted about this in a way
that's Clinton --
regarded as "Clintonesque."

SHAW: Well, Adam Leyland, especially interesting, as we
look at the
Democratic field, you rate Bill Bradley over Al Gore.
You list Bradley in
"PRWeek" magazine as third, and Al Gore fourth. That's
interesting.

LEYLAND: Well, we think there's good reason for that. I
mean, if -- let's
talk about Bill Bradley first. He is a sports person,
and he's also an
intellectual. So he's in the a sports jock, so therefore
he's like Jesse Ventura,
only with brains. I think the problem is -- is the...

SHAW: Say that again? He's like Jesse Ventura, but with
brains?

LEYLAND: Yes.

SHAW: OK, pardon the interruption.

LEYLAND: No problem.

But I think the other thing that's -- the downside is
that he's not as much of a
personality, or he's not portraying as much of
personality as Mr. Ventura.
That's the downside. If you look at his team, though,
they're a very
experienced bunch. They're working well as a team. And
this is what we
perceive as a big difference with Al Gore is Al Gore's
team are the all-stars,
the PR all stars. They've got some really experienced
people like Bob Squire
and Carter Eskew -- he's one of the young stars of the
Democrat side.

SHOW: Don't think me rude, but we're fast running out of
time, and I want
to get to Steve Forbes and Elizabeth Dole. You rank
Elizabeth Dole better
communicator than Steve Forbes, but you rank Forbes

as have -- as

having a better team than Elizabeth Dole.

LEYLAND: Yes, that's right. We think that they've done very well at getting

the guy, Muller there, and his team have done very well at working together,

keeping him in -- constantly in the news. And we also thought that their Web

site was excellent. It was sort of continuing the theme from -- in the Clinton

campaign of being constantly available for quotes. We notice that the Web

site is being constantly updated and added to.

The issue with Elizabeth Dole was we felt while she was a strong

communicator, she didn't have a big enough and strong enough team. She

didn't have a media consultant. There were organizational and field concerns

with her campaign, as well -- the fact that it doesn't seem to be fully

developed. She's got some good things to say it appears, but she's not

framing them in the right way.

SHAW: Adam Leyland, editor and chief of "PRWeek" magazine, thanks so

much for joining us.

LEYLAND: Thanks to you.

SHAW: You're quite welcome.

And there is much more ahead here on this edition of INSIDE POLITICS.

Up next:

(BEGIN VIDEO CLIP)

MARIA HINOJOSA, CNN CORRESPONDENT (voice-over): This is the other face of gay America, the conservative,

we-look-just-like-you face

of the members of the Log Cabin Republicans.

(END VIDEO CLIP)

SHAW: Maria Hinojosa on the increasing acceptance of gays in the Grand

Old Party. Plus, the former speaker shares his thoughts on his career, his

marriage and his future. And Alabama Republicans give

Alan Keyes an

A-plus for attendance.

But first now to Valerie Voss in the CNN Weather Center,
with this update
on Hurricane Dennis -- Valerie.

VALERIE VOSS, CNN CORRESPONDENT: Well, Dennis has been
giving a lot of weather forecasters coniction fits. It
appears to be moving
right off to the north and east, but forecast models
disagree on whether it's
going to continue that motion. As you can see, it's
producing some pretty
heavy rains across coastal North Carolina and now into
Virginia.

We have some pictures to show you off Atlantic Beach in
North Carolina.

Not only do you see some pretty disturbed seas, but the
rain has been very
heavy. In some areas, several inches of rain has been
reported, and in fact,
several inches of rain could produce some flooding, and
it looks like there
could be some damage associated with Dennis, as well.

If you take a look at our most recent statistics, it's
still well off the coast, 75
or 80 miles southeast of Cape Hatteras and moving away,
but the forecast
track calls for it to move off to the north and east a
little more slowly, and
then for a couple of days just rotate off the coast.

Some forecast models say it'll move inland toward the
west. Others say it'll
continue to the north and east. And others say it's
going to stay just exactly
where it is. And this is what is giving forecasters
coniction fits.

Hurricane warnings in effect along coastal North
Carolina, but they are being
discontinued from the south. Right now, this warning
stretches from Cape
Lookout up to the Virginia border. And then continuing
on from there, we
have tropical storm warnings in effect on up along the
Virginia Beach and
into sections of Maryland up through Chincoteague,
Virginia.

In this area, tropical storm-forced winds are eminent.

To the south,
hurricane-force winds eminent. Now, in some parts of
Norfolk, I've seen
some wind gusts up to 50 miles an hour. Elizabeth City
in North Carolina still
reporting winds up to 50 miles an hour.

So it's not all over with yet. There are still flood
watches in effect along the
coast of North Carolina, and windy conditions all the
way down, with wind
warning and high wind warnings in effect.

We'll keep you posted. The news will continue after
this.

(COMMERCIAL BREAK)

SHAW: More than 3,000 Republican delegates from Alabama
counties
gathered this past weekend for the state's first
presidential straw poll. Of the
nine GOP candidates, only Alan Keyes and Orrin Hatch
attended, and these
delegates rewarded them for their effort.

Keyes, winning with 29 percent of the vote. Hatch for
second with 27
percent. GOP front-runner George W. Bush was third with
25 percent. The
rest of the field was in single digits, with Gary Bauer
finishing fourth followed
by Elizabeth Dole and Steve Forbes.

Joining us now, presidential candidate, former
ambassador Alan Keyes.
What accounts for your win?

ALAN KEYES (R), PRESIDENTIAL CANDIDATE: Well, I think
it's a
combination of thing. The views I represent, I think,
are very popular with
conservatives in the South. And I also think, of course,
it helped to show
some respect for the grassroots people who spent months
putting together
this straw poll and who took it very seriously. There
were choices that were
made at the county level and things of this kind. It was
an effort on the part
of the folks in Alabama to have an influence on the
process so that their
grassroots people would not be left out. And I thought
it was important to

show respect for that and did.

So I think the combination was important. We have good grassroots strength in Alabama in terms of the message of moral priority that I represent. And I also think, of course, it said something very significant about the "New South," about the fact that a black Republican candidate goes into the heart of the deep South. The notion that just by showing up you win an election I think does a great disservice to the truth in that it would have to be an indication of some enormous and fundamental changes in the heart and condition of America that I don't think many people want to acknowledge.

But I see it all the time that folks now are focused on views. They're focused on, does this person reflect my heart, and a lot of the racial baggage, which unfortunately is still held against people in the South, turns out to be a thing of the past.

SHAW: The Ames, Iowa straw poll, where did you finish?

KEYES: We got 1,100 votes. I think -- I forget where that put me in the field, seventh or something, like that. But of course, that was a bought-and-sold straw poll. In this straw poll, you were having people from the grassroots, chosen by folks from the grassroots, no money, no tickets bought, no things that could be influenced and bought and sold.

So this was not an auction block straw poll that was defined by money. It was an actual reflection of what people feel at the grassroots in Alabama.

SHAW: From Iowa defeat to Alabama victory -- justification for your candidacy?

KEYES: Well, no. The justification for my candidacy is in the issues that I represent, and those issues, which have to do with the fact that we're in the

midst of the greatest moral cries this country has ever seen. It is, in fact, affecting in ways that destroy our institutions, as we have seen with the presidency; that affects what goes on in our schools, as we see with tragedies like Columbine.

I think a lot of Americans are waking up to the fact that we are going to lose our liberty and system of self-government if we don't address the issues like abortion and other issues that are poisoning our moral conscious.

SHAW: Alan Keyes, on that point, abortion, one of your opponents, Arizona Senator John McCain, says he is now for overturning Roe v. Wade. I see you're smiling.

Is Senator McCain hurting the pro-life cause?

KEYES: I -- I really -- I'm smiling because politics these days is for a lot of these guys about telling people what they want to hear. You get in front of one audience and you say you won't overturn it. You get in front of another, you say you will: because the only thing that matters is that you do what your pollsters and your focus group people tell you will win votes.

I think that that is a wrong and corrupting way to approach our politics, but it's the way that everybody else does it. I refuse to do it that way.

I simply go before people, speaking the truth as best I can see it and think it through. And if folks will support me on that basis, fine. If they don't, then I'll lose.

But as I said in Alabama over the weekend, I would rather get elected to nothing than stand for nothing.

SHAW: Are you also in effect saying, in effect saying that Governor Bush, Senator McCain, Elizabeth Dole are gutless on the issue of abortion?

KEYES: I haven't said anything of the kind. I wouldn't say gutless. I think they're just expedient-minded politicians. They're doing whatever they think will get them power. They are not doing what is required by principle, what is required by a conscientious effort to present to the American people the issues that we really need to address if we're to survive in freedom.

That's what I think our politics should be about. For these people, it's just about money and power. And I think folks who support them get exactly what they deserve.

SHAW: There seems to be a preoccupation with the top three in the field, the crowded field of Republican candidates. Lamar Alexander has dropped out. Might you drop out?

KEYES: Well, I'm only preoccupied with trying to present to the folks at the Republican grassroots what I believe reflects their real heart and the kinds of things that were put in the Republican platform last time, which Bob Dole said he hadn't even bothered to read.

I think it's about time we had a Republican presidential candidate who not only reads but believes in the things that the Republican Party says that it represents before the American people.

I think it's time we stopped dealing with these expedient-minded, tell-them-what-they-want-to-hear politicians, and instead start standing before the people and speaking to the issues from your heart and letting folks make up their minds based on what you actually believe.

SHAW: You are respected as a party strategist. If Governor Bush gets your party's presidential nomination, who should be his running mate?

KEYES: Well, I don't speculate on things like that. We haven't had a single...

SHAW: You have thoughts -- you have thoughts about that?

KEYES: We

haven't had a single actual caucus or primary in this country. The fact that people are preempting the vote of our people, trying to act like media folks or moneybags should be deciding the election -- the people of this country should decide who the nominee is going to be. And before -- before they have spoken, I don't see any reason to talk as if I know who's going to win.

SHAW: Who's doing this preempting?

KEYES: Well, I think it's quite clear.

SHAW: Names?

KEYES: No vote has been taken, and yet you just sat here just now talking to me as if George W. Bush was a winner. What has he won?

SHAW: I said if. I said if. But who are these people preempting? Give our viewers some names.

KEYES: Who are they preempting?

SHAW: No. Who are doing the preempting? Who's doing the preempting?

KEYES: I think it's clearly the strategy of the Bush campaign to create an impression that the combination of money and media attention can take the place of actual votes in primaries and caucuses, and therefore, go around the country telling people, well, he's won already, don't bother with anybody else. That is a way of trying to act as if the actual election doesn't matter.

And if the people at the grassroots are willing to be herded around the way, sad to say we will have turned our elections into a media-manipulated, money- manipulated sham. And that will destroy our system of self-government. I think it's very dangerous.

SHAW: Ambassador Alan Keyes, thanks for joining us on

INSIDE

POLITICS.

KEYES: Good to be with you.

SHAW: Good to have you and good to see you in person.

In New York this weekend, the "Log Cabin Republicans" gathered for their annual convention. And as Maria Hinojosa reports, the gay conservatives are finding a more welcoming atmosphere within their party.

(BEGIN VIDEOTAPE)

MARIA HINOJOSA, CNN CORRESPONDENT (voice-over): These days it seems as if it's good politics for conservatives to address the annual convention of gay Republicans.

RUDOLPH GIULIANI (R), MAYOR OF NEW YORK: And keep pushing the Republican Party because you're pushing it in the right direction.

HINOJOSA: A far cry from the 1992 Republican national convention.

(BEGIN VIDEO CLIP)

PAT BUCHANAN (R), PRESIDENTIAL CANDIDATE: Bill Clinton and Al Gore represent the most pro-lesbian and pro-gay ticket in history, and so they do.

AUDIENCE: Boo.

(END VIDEO CLIP)

HINOJOSA: Now, fast forward to the present.

GOV. GEORGE W. BUSH (R-TX), PRESIDENTIAL CANDIDATE: There is a place in the party for a lot of people from all walks of life. And I hope they support my candidacy.

HINOJOSA: Gay Republicans: Some may think that's an oxymoron.

STEVE MAY (R), ARIZONA STATE LEGISLATURE: There are many false stereotypes about gays and lesbians in America, and one of those is that we're all liberal Democrats.

HINOJOSA: This is the other face of gay America: the conservative, we-look-just-like-you face of the members of the Log Cabin Republicans.

RICH TAFEL, LOG CABIN REPUBLICANS: The name comes from Abraham Lincoln and his founding place, the log cabin. And the argument we're making is we should get the party back to that party of Lincoln.

HINOJOSA: Gay Republicans are like most Republicans: supporters of individual rights, the free market, a strong military. This election, the group has one main focus.

TAFEL: Overall, it is much more about we want to be included. And we want someone to stand up to people demonizing our party.

HINOJOSA: Gay political analysts say that is too little to ask for from the Republican Party and a candidate who still supports anti- sodomy laws.

MATT FOREMAN, EMPIRE STATE PRIDE AGENDA: I think in the past they wouldn't take our money and they would insult us to our face. I think going forward they're going to take our money and they're going to keep their insults quiet. But their policies have to change.

HINOJOSA (on camera): According to several polls, gays and lesbians make up about five percent of the national electorate. The Log Cabin Republicans say one out of every three of those voters is a gay Republican. And as more gays and lesbians become an open part of American society, the challenge will be to see how politicians on both side of the aisle try to make those voters theirs.

Maria Hinojosa, CNN, New York.

(END VIDEOTAPE)

SHAW: And still ahead, the Minnesota governor strikes back. Is it revenge or is Jesse Ventura's criticism of a Minnesota newspaper valid?

(COMMERCIAL BREAK)

SHAW: Minnesota Governor Jesse Ventura's recent stint as a pro wrestling referee has sparked a grudge match between the governor and a newspaper.

Ventura made a return to the world of wrestling as a referee in an August 22nd pay-per-view event. When an editorial in "The St. Paul Pioneer Press" criticized the governor's involvement in an event steeped in sex, violence and raw language, the governor responded on his weekly radio show.

(BEGIN VIDEO CLIP)

VENTURA: There you got it. For the first half of the show today, a blistering account here on "Lunch With the Governor" for the hypocrisy of "The St. Paul Pioneer" porn newspaper. The St. Paul Pioneer Press" are a bunch of hypocrites from top to bottom. At the end of Tom Powers's column are no less than five ads for pornography in the "Pioneer Press" newspaper. These are all the ads that are pretty much in the "Pioneer Press" newspaper on pretty much a daily basis.

So are they not in the pornography industry? I'm no longer going to refer to "The pioneer Press" anymore as "The Pioneer Press." I'm going to refer to it as "The Pioneer Porn."

(END VIDEO CLIP)

SHAW: Ventura says he will cancel his office subscription to the newspaper, and he will refuse interview requests from "Pioneer Press" reporters.

Well, joining us now, the editor of "The St. Paul Pioneer Press," Walker Lundy.

How is this feud affecting your paper?

WALKER LUNDY, EDITOR, "ST. PAUL PIONEER PRESS": Well,

it's

made for an interesting couple of days of interviews by various and sundry

TV stations and radio stations and newspapers. I just heard, however -- we

have breaking news on this story -- I heard on the way over to the studio

that his office is now telling the Associated Press that he just meant it all as a

joke, that he's really not going to cancel his subscriptions, and I guess not do the other thins.

So he remains an unpredictable fellow.

SHAW: Well, I'm glad you update our audience on that, but what about his

accusation that you and your colleagues at the paper are a bunch of

hypocrites and that you're marketing, trafficking -- my verbs -- in

pornography? What about those two allegations?

LUNDY: Well, the advertising, as I'm sure most of your viewers know, the

advertising department and the news department at most newspapers are

separate. So this is not a policy I set as the editor, but it's a policy I agree

with. And the policy is that we allow any legal business to advertise.

I think the First Amendment doesn't just belong to the governor and doesn't

just belong to me as the editor of the newspaper, but it also belongs to

people who advertise in our paper. And, of course, they have to meet

certain standards, but I think once you start saying, well, we're not going to

let this industry advertise, then you've got the tobacco industry and then

you've got the gambling industry and then you've got the liquor industry, I

think that's a slippery slope that that a newspaper that supports a First

Amendment isn't very smart to start down.

SHAW: So this is just business?

LUNDY: Yes, for our advertising department, yes.

SHAW: You're a bunch of "hypocrites," unquote, according to the governor

of Minnesota.

LUNDY: That's what he said. He knows a bit more about what goes on in these places than I do, and I take him at his word for what occurs there. It's interesting he's...

SHAW: Can I interrupt -- I'm sorry, go ahead, sorry.

LUNDY: He's been governor for about eight months, and this is the first time he's taken on this issue. And I challenged him on Friday to get a dozen good citizens of Minnesota and said he could even include his wrestling friend Mr. Asp (ph) and have them read a week's worth of "The Pioneer Press," a copy of his autobiography, and buy a copy of his \$29.50 tape of the "Summer Slam," and let the citizens view all three and say what they -- which one they think is pornographic.

SHAW: Wait a minute, Walker Lundy. My reporter's ears just heard something, and I wrote it down. You said, "He knows about what goes on in these places," unquote. What does that mean?

LUNDY: Well, I don't know if you've had an opportunity to read his autobiography, but he went on at great length about the instances in which he visited whorehouses and other places as a young man. So I -- when he tells me pornographic things go on at these places, I assume that he's -- well, he says he's been to places like this as a younger man, so he knows.

SHAW: And you just brought our audience up to date on a late development in this feud. You said that the governor told the Associated Press that in -- in the area of newspaper subscriptions, he was only kidding. He was only joke about canceling.

LUNDY: That's... SHAW: And you also...

LUNDY: That's what I am told by my office, yes.

SHAW: OK, and you also just said in this interview that

you're doing with
INSIDE POLITICS that Governor Ventura is unpredictable.

LUNDY: Yes...

SHAW: How long -- how long will this feud go on, and where is it going?

LUNDY: Well, I don't really consider it a feud. If he -- if he attacks the newspaper and does so either inaccurately or unfairly, I sort of feel like it's my responsibility to respond. But -- but I mean, we haven't done anything, I don't think, in any instance that we've kind of taken the initiative in this. Our columnists have commented on his performance as governor and in this instance his performance as a wrestling referee, but -- and he's a little thin-skinned, and that's really what the issue is here, not so much what advertising we allow and what advertising we don't.

SHAW: Is this macho of a man governor of Minnesota thin-skinned as you just called him?

LUNDY: That's been the performance so far. He really doesn't much like getting criticized.

SHAW: Walker Lundy, the editor of "The St. Paul Pioneer Press," we'll be watching this. Thanks for joining us.

LUNDY: Sure, thank you.

SHAW: Quite welcome.

And up next, Newt Gingrich on politics, his personal life, and the legacy of President Clinton.

(COMMERCIAL BREAK)

SHAW: Monica Lewinsky says she has a new venture which she finds exciting because, quote: "it has nothing to do with the president."

The former White House intern is selling her own line of handbags on the Internet. They range from \$70 to \$130 a piece and they

carry a label which
reads, "Made especially for you by Monica."

In another sign that Lewinsky is moving on, reportedly,
she is renting a new
apartment in New York City in a building where a one-
bedroom apartment
goes for \$4,000 a month.

Since he left the speakership and resigned from
Congress, Newt Gingrich of
Georgia has kept a fairly low profile. But this week, C-
SPAN will air an
in-depth interview with the former speaker of the House
of Representatives
in three one-hour segments on a variety of topics, from
his politic future to
his views on the Clinton presidency.

(BEGIN VIDEOTAPE)

(ON SCREEN, ON BILL CLINTON)

NEWT GINGRICH, FORMER HOUSE SPEAKER: People will look
back at what a tragedy it was that he had so much talent
and did so little
good.

BRIAN LAMB, C-SPAN: What's your favorite thing about
him?

GINGRICH: He's a remarkably genial person.

(ON SCREEN, ON DIVORCE)

GINGRICH: Marianne is a wonderful person and a very
smart person, and
we've had a very long and complex relationship. I think
public life's very
difficult, but I think life's very difficult. I think
people who aren't in public life
find it's difficult too. She's a tremendous person, I
hope she has a wonderful,
wonderful life. I think she was very frustrated by the
press coverage all the
way through. She was very frustrated by the judgment of
the House which
she thought was totally wrong, which the IRS has said
was totally wrong.
She very courageously told me to write a \$300,000
personal check at a time
that was very painful. And I think there is a cumulative
weight of the years
that is debilitating.

(ON SCREEN, ON MEDIA SCRUTINY)

GINGRICH: I think part of it is you've got to decide
that Truman was right
and if you can't stand the heat, you can't stay in the
kitchen. I mean...

LAMB: You get mad?

GINGRICH: Sometimes. I mean, I remember one particularly
disheartening
Fathers' Day when I was going to my younger daughter's
home for lunch and
there was a really vicious cartoon in the Atlanta paper,
and I pulled off the
side of the road and looked at it, and I almost broke
down crying, and I
almost felt like withdrawing. It was in '92. It was just
so painful.

(ON SCREEN, ON BOOK ADVANCE)

GINGRICH: Clearly it was unwise. It was one of the
things that, in
retrospect, I wouldn't do because it gave the Democrats
an excuse to beat
up on me, gave the media an excuse to beat up on me. And
turning down
\$4.5 million did zero good. I mean, there wasn't any
sense of, gee, this is a
gesture of sacrifice. This was a totally legal contract.
It was one of the place
where I had a blind side, I didn't see it in context,
and so, if I had to do it
over again from day one, I would have taken \$1.

I was doing a legal and ethical contract with a national
publisher for a normal
book at a time when no one had ever challenged Al Gore.
I mean, somehow
if you're -- the idea of -- Pat Moynihan published many
books in his career.
No one ever talked about that. It was specifically clear
in the ethics rules that
you could accept a book royalty, you could accept an
advance.

But there were a different set of rules for Newt
Gingrich, and there were
consistently different rules. And I think, in
retrospect, it's because I was the
person who led the charge to take control, I was the
person who stood for

the Contract With America, I was trying to replace the welfare state, and I think, in retrospect, I should have said, you know, there are going to be different standards for me and we had better be 20 feet to the right side of the line rather than only three feet to the right side of the line.

(ON SCREEN, PRESIDENT GINGRICH?)

GINGRICH: I always tell people I'm the same age Ronald Reagan was when he became governor of California. And I just leave it at that.

LAMB: Can you see yourself ever running for president?

GINGRICH: I don't think so. I mean, I'm not going to plan on it. I see myself developing the next generation of ideas. I see myself working on: What does America need to do to be prosperous, safe and free in the 21st century?

(END VIDEOTAPE)

SHAW: That Brian Lamb interview with Newt Gingrich airs on Tuesday, Wednesday, and Thursday at 8:00 p.m. Eastern on C-SPAN.

Well, that's all for this edition of INSIDE POLITICS.

This programming note, please: On CROSSFIRE tonight, president

Clinton's offer of conditional clemency to Puerto Rican prisoners: Was it designed to help his wife politically? That will be the subject of debate at 7:30 p.m. Eastern.

I'm Bernard Shaw in Washington.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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CREATION DATE/TIME: 6-SEP-1999 04:20:24.00

SUBJECT: CNN Late Edition, September 5, 1999

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TEXT:
CNN LATE EDITION
Aired on SEPTEMBER 5, 1999

SPEAKERS: GENE RANDALL, HOST, CNN LATE EDITION
STEVE ROBERTS, CNN COMMENTATOR
TUCKER CARLSON, CNN COMMENTATOR
BRUCE MORTON, CNN CORRESPONDENT
SUSAN PAGE, CNN COMMENTATOR
SAEB EREKAT, CHIEF PALESTINIAN NEGOTIATOR
GILAD SHER, CHIEF ISRAELI NEGOTIATOR
U.S. SENATOR ORRIN HATCH (R-UT), PRESIDENTIAL
CANDIDATE
U.S. REPRESENTATIVE JOHN CONYERS, (D-MI)
U.S. REPRESENTATIVE BOB BARR, (R-GA)
DICK THORNBURGH, FORMER ATTORNEY GENERAL
JOE ANDREW, CO-CHAIRMAN OF THE DEMOCRATIC NATIONAL COMMITTEE
PATRICIA HARRISON, CO-CHAIRMAN OF THE REPUBLICAN
NATIONAL COMMITTEE
MARC RACICOT, MONTANA GOVERNOR

RANDALL: It's noon in Washington; 9:00 a.m. in Los Angeles; 5:00 p.m.
in London; 6:00 p.m. in Jerusalem. Wherever you're watching from around
the world, thanks for joining us for this 90-minute LATE EDITION.

I'm Gene Randall. Wolf Blitzer is off today. We'll get to our guests
shortly, but first we'll check in with CNN correspondents covering the
day's top stories.

We'll begin with the new Israeli-Palestinian land-for-security deal signed last night in Egypt. It is designed to pave the way for fulfillment of the Wye River Accords brokered by the United States a year ago. But moments ago we got the disturbing news of a fatal car bombing in Jerusalem.

CNN's Jerrold Kessel is there with the latest. Jerrold.

JERROLD KESSEL, CNN CORRESPONDENT: Gene, not yet absolutely sure that it was a car bomb. It was certainly an explosion in the northern Israeli town of Tiberias. And the supposition is--of Israeli media, radio and television stations, also the local mayor and also rescue services, saying it was a car bomb. The police not confirming that, but an explosion in the northern Israeli town of Tiberias just about a half-an-hour ago. Killed the two occupants of the car, civilian car, driving into the center of this busy, bustling resort town on the shores of the Lake Tiberias in northern Israel. The two occupants of the car killed; four people on the sidewalks, pedestrians near by.

The car was apparently in motion when the explosion happened. Four people are injured. One of them a young woman in--reported from hospital there in critical condition. The three others likely injured.

This--if it is indeed an attempted terror attack, it's not yet confirmed that, but it would be it would be disturbing news after--less than a day after the signing of that very important document, the revised Wye River Accord.

The implementation for it down in Sharm el-Sheikh late last night between the Israelis and Palestinians under the--or with the other Arab states in the area looking on and under the auspices also of Madeleine Albright, U.S. Secretary of State.

Today, with the--just in the past hour too, Prime Minister Barak, who's been very much considered orchestrating a lot of that negotiations in the new direction of this peace process, the revived Wye River Accord, had gotten a ringing endorsement from his own cabinet for the agreement--21 votes to two. But now the attention focusing on this latest development of what may be a car bomb--certainly an explosion--which has left two people dead--one Israeli and one woman--a young woman in critical condition--and three others injured in the northern town of Tiberias.

Gene?

RANDALL: Thanks, Jerrold. We'll talk more about that explosion in just a moment.

In political news, First Lady Hillary Rodham Clinton is distancing herself from her husband again--this time on a controversial clemency offer made by the president. CNN's Chris Black has the story at the White House. Chris.

CHRIS BLACK, CNN CORRESPONDENT: Gene, as Hillary Rodham Clinton moves closer to a Senate campaign in New York she is moving further away from her husband on public policy issues. Yesterday, the first lady urged the president to withdraw an offer of clemency he made last month to a group of 11 Puerto Rican nationalists who have been in federal prison for almost 19 years.

In her statement, the first lady said when the administration first offered these prisoners clemency I made it very clear that I had no involvement in or prior knowledge of the decision as is entirely appropriate--and that the prisoners should not be released unless they renounce violence.

BLACK: it's been three weeks and their silence speaks volumes. I

believe the offer of clemency should be withdrawn."

The clemency offer is opposed by law enforcement officials and by Mrs. Clinton's likely Republican opponent in New York, New York Mayor Rudolph Giuliani. Earlier today a Republican critic of the Clinton administration said that Mrs. Clinton was responding to political heat.

(BEGIN VIDEO CLIP)

U.S. SENATOR MITCH MCCONNELL (R-KY): Well, she figured it out. The president should never have made that offer in the first place. They took a gamble here and got burned and decided to back up.

(END VIDEO CLIP)

BLACK: But a spokesman for Mrs. Clinton's exploratory campaign said that the first lady had become increasingly concerned as the weeks went on and decided that three weeks was enough, and that the prisoners had to renounce violence. She told her husband yesterday that she was going to publicly oppose him while they were at Camp David.

But supporters of the clemency offer say that it's not the renunciation of violence, because they say the prisoners have renounced violence. They say the problem with the offer is that they cannot associate with one another after their release of prison--a common condition of parole.

Chris Black, CNN, reporting live from the White House.

RANDALL: We now return to the Middle East to learn more about yesterday's Israeli-Palestinian land-for-security deal. In Jerusalem: two men who negotiated the agreement, Chief Palestinian negotiator Saeb Erekat and Chief Israeli negotiator Gilad Sher.

Gentlemen, before we get to that, the explosion in Tiberias today which claimed lives. Do you share a common fear that this is done to upset the peace process, coming as quickly as it does on the heels of yesterday's signing?

Mr. Erekat?

EREKAT: Well, even though we don't know yet the full story, but I would like to reiterate here the Palestinian Authority's firm policy of zero tolerance for terror. If this proves to be a terror attack, we totally condemn it. It will not be tolerated. And we continue with our policy of zero tolerance for terror whether committed by Israelis, Palestinians against Israelis or Palestinians.

RANDALL: Mr. Sher, are you satisfied with those words?

SHER: Well, I'm quite satisfied. I think it is to regret that every time we have a significant move on the peace track we have a terrorist attack before or immediately after this move is taken. But I think that if our Palestinian partners reiterate their assurance and commitment to fight against terrorist acts, this is something that should be well put in mind of both Israelis and Palestinians.

RANDALL: OK, gentlemen, let's talk about the accords which were signed yesterday. The original Wye River agreement went off the rails. What is it that should convince people that this time will be different? Mr. Sher.

SHER: Well, I think that, first of all, we have to say, honestly, that we have re-established the confidence between the parties, the trust between the parties, both on the personal level and on the leadership level.

Moreover, we've set a milestone of a framework agreement on permanent status, which is to be achieved within five months from now and I believe is a very important milestone toward the permanent status, comprehensive agreement that should be concluded by...

RANDALL: Apparently we've lost our audio. Is that right? We've lost

audio? Should we take a break and come back--try to fix it?

We'll be back in just a moment.

(COMMERCIAL BREAK)

RANDALL: Our audio situation is back A-1 we are told, in Jerusalem with Saeb Erekat and Gilad Sher, two key negotiators in the recently signed accord in Sharm el-Sheikh, Egypt.

Mr. Erekat, how would you say the political equation has changed with Ehud Barak as Israeli prime minister?

EREKAT: Well, to be honest I just see difference between a tough negotiations, of we just had, maybe toughest negotiations I have had in the last 3 1/2 years, and compared to non-negotiations in the previous Israeli government. I would maintain to say that we have developed the trust level. These people we are dealing with are very decent. They are determined to make peace. And I hope we can transmit this trust level to streets of both Palestinians and Israelis through the implementation and through the leaders also.

I think what we witnessed in the past five years, Gene, is the appetizers. Now we are at that juncture, we are at the moment of truth. We are about to indulge in the permanent status negotiations and the issues over Jerusalem, settlements, refugees, water, borders. These are the issues that will make all our negotiations of the previous six years look like appetizers.

I think we have no option but to continue pursuit for peace. This is the only way to get a win-win situation. This conflict cannot be played in accordance with a zero-sum game.

RANDALL: Mr. Sher, if the next diplomatic goal for Israel is to reopen talks on the Syrian front, we are led to believe that will be no easy task according to Ms. Albright who went to Damascus yesterday, there is a lot of work to be done. Would Israel at any point be willing to give Syria a guarantee that the Golan Heights will be returned as a basis for those talks?

SHER: Well, you know, the Israeli position is as it always has been. That there is no precondition for opening the negotiations with Syria. Prime Minister Barak has reiterated his and reaffirmed his position and his government's position that he is determined to achieve peace in the region. It includes the peace with the Palestinians. It includes Lebanon and includes Syria as well. But no preconditions for returning to the negotiation table.

RANDALL: Mr. Erekat, is there any Palestinian message to Syria's President Assad about dealing with Israel as a partner. You have used the term, Mr. Arafat used the term yesterday. Is there a message there for the Syrian president about dealing with Israel?

SHER: Well, I think we are seeking a comprehensive peace. I don't think we can obtain a comprehensive peace in the region without Syria and Lebanon. I hope that the Syrians and the Israelis will get back to the table where they left it off about 3 1/2 years ago.

I hope it is very evident that the only equation to make peace is implementation of Security Council Resolution 242, that's land for peace as far as Syria and the Palestinians are concerned. And 425 as far as the Lebanese are concerned. And I hope that we will see Syria and Israel back at the table where they finished off as soon as possible.

We need to see a comprehensive peace in the region because we need to enter the next century in the vehicles of cooperation, peace, prosperity, and not in the vehicles of terror, violence, fait accompli, and all these

issues.

RANDALL: We have just learned by the way from our newsroom that there has been another explosion reported in Haifa, Israel. Is this a sign of things to come Mr. Erekat?

EREKAT: I hope not. I think it's really very unfortunate. We don't have information about this, but I hope that enemies of peace will not resort to such terror activities to sabotage the peace process. I hope that nothing will stop this peace process. This is the answer to anyone who tried to undermine the peace process is that we are determined to continue. Palestinians and Israelis, Arabs everyone in the region have paid so much in absence of peace. It's time for reconciliation. It's time to heal and it's time to move forward. And I hope that these enemies of peace will be stopped.

RANDALL: Mr. Sher, in the past terrorist actions by Palestinians have led to clamp downs in Palestinian movements by the Israeli government. Is that one of the dangers here that we'll see a new cycle of action and reaction?

SHER: Well, I truly hope not. But let me say that, you know, if--if we have violence, terrorist acts, no personal security for our people here no peace process shall prevail over the personal security of the people of Israel. And that is very hard to achieve.

RANDALL: Mr. Sher, Mr. Erekat, thanks very much and we wish you both all the best.

We must take a break. When we come back new evidence rekindles the controversy over Waco. We'll talk to two members of the House judiciary committee, ranking Democrat John Conyers and Republican Bob Barr. And former U.S. Attorney General Dick Thornburgh as LATE EDITION continues.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

RENO: I think that it is important for everyone to look at the truth as it is obtained, to not stop until we get to the bottom of it. And then it is important for all Americans, no matter what their attitude about government, to try to adhere to the law.

(END VIDEO CLIP)

RANDALL: The Attorney General Janet Reno at a news conference on Friday. Welcome back to LATE EDITION. I'm Gene Randall.

The FBI's recent admission it used potentially-incendiary tear-gas canisters against the Branch Davidian compound in 1993 has caused a major uproar that might be called Waco revisited. Loud voices in Congress are calling for hearings and the attorney general has plans for an investigation done outside the FBI.

With us to talk about all this from the House Judiciary Committee, ranking Democrat John Conyers of Michigan, and Republican member Bob Barr of Georgia, and Dick Thornburgh, attorney general during the Bush administration. And I welcome you all.

Let's talk Waco, Mr. Conyers. Given what we have learned six years after the fact, given the new evidence that has turned up, is there something more that needs to be done besides this promised outside investigation by the attorney general?

CONYERS: Well, we need an independent outside investigation. What we need is to determine how critical evidence could have been withheld by the Federal Bureau of Investigation. That is the--even if it this weren't Waco, that would be a very serious problem.

RANDALL: Bob Barr what more needs to be done in your view?

BARR: Well, several very fundamental questions, Gene, have to be answered, that were both not answered during our hearings in 1995, and now we learn deliberately covered up.

For example what was the role of the military, raising very serious questions about whether or not the very bright line that we have always maintained between civilian law enforcement and military involvement therein, by law, was breached and violated as it seems to have been.

Secondly, this raises again questions of the credibility of federal law enforcement ATF, FBI and Department of Justice. The credibility of these agencies is very instrumental in developing public confidence in them. And if they didn't have that, and they are now on the verge of losing it completely, then their effectiveness in all areas of criminal law, Gene, has been effectively compromised.

RANDALL: All right, before we get to Dick Thornburgh, let's listen to piece of FBI tape recording made the day the Branch Davidian standoff ended in 1993.

On the tape there is talk of using those potentially incendiary tear gas devices.

(AUDIO CLIP OF FBI WACO TAPE)

RANDALL: Dick Thornburgh, how could such evidence turn up only six years after the fact in your view?

THORNBURGH: Well, it is very hard to say, Gene. This whole episode has been plagued with misinformation, from the very beginning.

THORNBURGH: You'll recall that at the time the reason for the assault was stated by the attorney general to be that children were being sexually molested within the compound and that the FBI agents on duty there were exhausted. Both of those turned out to have absolutely no basis in fact. And unfortunately, that set the tone for what appears to have been a lot of misunderstanding and misinformation since then.

RANDALL: I'm told you talked to the attorney general last week.

THORNBURGH: I spoke briefly with her, yes.

RANDALL: What did you talk about? Was it about the outside investigation?

THORNBURGH: I suggested some names to her of people who might be appropriate for her to consider.

RANDALL: Without--well, can you give us the names?

THORNBURGH: No. I think that's a matter...

RANDALL: Characterize the people you recommended.

THORNBURGH: Experienced law enforcement people without any political agenda, and I think that's really the job description.

RANDALL: Mr. Conyers, the attorney general will of course deny it, but do you see the kind of professional relationship with the FBI director, Louis Freeh, which is effective at this point?

CONYERS: Well, I've always worried about the FBI director's extracurricular comments about the attorney general's role. For example, you don't need to be on the Judiciary Committee to realize that for him to suggest publicly whether or not she should appoint an independent counsel is appropriate or not.

And I hope Mr. Thornburgh may have considered his own name when he talked over the list with the attorney general.

RANDALL: Bob Barr, sending U.S. Marshals to seize evidence at the FBI building here in Washington is not exactly business as usual. How do you see the professional relationship between Mr. Freeh and Ms. Reno?

BARR: Well, sending U.S. Marshals to seize evidence from right across

the street at the Department of Justice from the FBI is very, very unusual if not completely unprecedented, particularly under these circumstances where you have a very clear degree of tension between the two agencies. This is not good for law enforcement generally, and it's certainly not good for the credibility of federal law enforcement.

And I'm not in this, as Mr. Conyers is, to defend one side or the other. He's defending Janet Reno and trying to shift the blame and make Louis Freeh the fall guy. I'm not involved in that. What we have to do is look at this for the betterment of federal law enforcement generally. You can't have that degree of tension. The Justice Department is clearly, clearly not in control of either the attorney general or the FBI, and some outside official needs to get to the bottom of this.

I have suggested, as I think Steve Forbes, former Attorney General Griffen Bell. And also I would suggest to the attorney general for her consideration making this panel--if she does go this way--primarily composed of local and state officials that have no ax to grind with the federal role.

RANDALL: Mr. Conyers.

CONYERS: Could I just point out, I'm not trying to make Freeh the fall guy. The evidence was in the FBI files, not in the Department of Justice files. And if Director Freeh had immediately advised the attorney general that he was sending over the evidence, she would not have to have sent Marshals.

RANDALL: Mr. Thornburgh.

THORNBURGH: To me it's very regrettable that people, up to and including the president, are now being asked to choose sides.

RANDALL: Which he did yesterday at Camp David.

THORNBURGH: Absolutely.

RANDALL: He expressed support for his attorney general. No such statement for Mr. Freeh.

THORNBURGH: This is unprecedented. I've served in the Department of Justice under five presidents, and I've never seen a situation like this, where there's been this split between the two agencies. The FBI is part of the Department of Justice and under the jurisdiction of the attorney general. And I think it's highly regrettable, no matter who may be at fault, that the appearance is given that there not singing from the sheet music, because that's very important for our law enforcement effort.

RANDALL: Mr. Barr, should an outside investigation of Waco be given some space by a Congress willing to butt out for a while?

BARR: There are really two different areas that need to be looked at here, Gene.

BARR: There's a very, very appropriate role for Congress in all of this. The integrity of Congress is at stake here. And the ability of Congress as an oversight body over the executive branch is clearly at stake.

There is very clear evidence that perjury was committed by federal witnesses that testified in 1995. That is something Congress must get to the bottom of. Congress was given very, very wrong information with regard to the use of the military.

With regard to the use of incendiary devices. With regard to the use of whether or not there was gunfire automatic from government agents into the compound on the day of the final assault. We now know that all of those things were testified to falsely.

So Congress has a particular role here to get the administration

witnesses to 'fess up so that the integrity of future Congressional investigations is not compromised. And we do need an outside fact-finding body to get to the bottom of these substantive matters themselves to restore the credibility of federal law enforcement.

RANDALL: OK, Mr. Conyers, I want to give you a shot at the same question, but first we need to take a break. We'll be back in just one moment.

(COMMERCIAL BREAK)

RANDALL: It is a quiet dreary Sunday at the U.S. capitol, but as Congress returns this week, Republicans are promising to make a lot of noise about the unfolding controversy over Waco.

Welcome back to LATE EDITION. I'm Gene Randall. With me are former Attorney General Dick Thornburgh, Democratic Congressman John Conyers and Republican Congressman, Bob Barr, both from the House Judiciary Committee.

Mr. Conyers, your turn now in the question of when there is an outside investigation, should there be at the same time congressional investigations of Waco?

CONYERS: Well, I'm trying to encourage my friend Bob Barr not to get Congress back into this until the independent investigation is concluded. Remember, Mr. Barr, the independent counsel, the independent investigation has subpoena power. It can give all the court and judicial and congressional assurances for every witness, so we want them to do the job before we determine who told stories and what-not.

RANDALL: Mr. Thornburgh, 30 seconds.

THORNBURGH: Well, let's remember what the different job descriptions are for these bodies. Up to this point it is not clear whether there is any criminal act that is alleged to have been carried out. If that were so then an independent counsel or prosecutor would have to be brought into play. At the same time, Congress does have important oversight responsibilities. Particularly after six years of hearing a story that now appears to be slightly out of focus, the Congress is going to have a very important task in unraveling all this.

RANDALL: Let's take a phone call from Fontana, California. Go ahead.

CALLER: Yes. Hello, Gentlemen. How are you?

I have a quick question, how has this in light of all the information that has been starting to come out on Waco, affected American citizens views of law enforcement both state federal and local, and federal agencies?

And in particular...

RANDALL: Mr. Thornburgh?

THORNBURGH: Well, one thing I can tell you that it isn't having much effect at the working level in law enforcement. Our basic job, through the Department of Justice, has always been done by U.S. Attorneys, working with their local FBI, DEA, secret service and other offices. And they sometimes I'm sure view what goes on in Washington with considerable bemusement. That process goes on, and Bob Barr and I were both former U.S. Attorneys ourselves and know that that process goes on irrespective of what may be the issue du jour in Washington.

RANDALL: Bob Barr how about this crisis of confidence here in Washington, the Justice Department the FBI?

BARR: Well, as General Thornburgh said on day-to-day basis, the work of the U.S. Attorney goes on, the work of your local and state prosecutors goes on. But if this sort of thing is allowed to fester without getting to the bottom of it, without the American people, knowing whether perjury was

committed, whether the law against posse comitatus, the involvement of the military in law enforcement, was violated, it is going to have a very invidious and corrosive effect on the confidence that our people have in the ability of law enforcement at all levels to conduct operations, investigations, and prosecutions with full integrity.

And if you lose that element, then people are not going to cooperate with law enforcement and it is going to have a very negative effect down the road on our ability to conduct sensitive cases.

RANDALL: Mr. Conyers?

CONYERS: Well, in the African-American community, a civil rights have been violated at the federal and local level for quite a while. You know, I'm the author of the church arson burning act the hate crimes statistics the driving while black. We have police misconduct on the rise all over the country. And, I'm glad to know that at the top level everybody is getting along swell. But down there among the citizens, there has been a great, great cry for help and hearings on the subject of racial misconduct in law enforcement.

BARR: If I could ask John, are you concerned now about the civil rights of those men, women, children and babies at Waco that were burned very possibly as a direct result, not necessarily of starting the fire itself, but as a direct result of the government operations, in smashing down the building, firing into the compound, and closing off escape routes. Does that raise in your mind some civil rights questions?

CONYERS: I'm glad you raised that, Bob, because here is the report here is the sentence in the report that you and I signed off on.

BARR: No did not sign off. I had--I had minority views on that John.

CONYERS: Aberrational behavior of David Koresh and other Branch Davidians, the tragedies that occurred in Waco would not have occurred. The ultimate responsibility, for the deaths of the Davidians and four federal law enforcement agents lie with Koresh.

RANDALL: Let's go to Gloucester, New Jersey...

BARR: There are no civil rights at issue there. I'm glad to hear you say that.

RANDALL: Mr. Barr?

BARR: Yes, sir.

RANDALL: Let's go to Gloucester, New Jersey. Go ahead.

Gloucester, New Jersey. Go ahead.

CALLER: Hello. Governor Thornburgh?

THORNBURGH: Yes.

CALLER: Could you tell me, sir, do you think it's appropriate for Representative Burton to call for Janet Reno's resignation prior to a complete investigation?

THORNBURGH: I think that's a matter between Attorney General Reno and the president and whatever action's taken there will be as a result of their determination and not by recommendations by the outside.

RANDALL: Mr. Thornburgh, Mr. Barr, Mr. Conyers, thanks very much. Thanks for being with us.

THORNBURGH: Thank you, Gene.

RANDALL: In a moment, the man certain to be at the center of any Senate investigation of Waco: Judiciary Chairman and Republican Presidential Candidate Orrin Hatch of Utah. Stay with us.

(COMMERCIAL BREAK)

RANDALL: We'll be talking with Orrin Hatch in just a moment, but first a developing story. There have been two explosions today in Israel, this

just a day after signing of a new Palestinian-Israeli agreement in Sharm el-Sheikh, Egypt. CNN's Jerrold Kessel is in Jerusalem for us. Jerrold.

All right, we'll get to Jerrold Kessel later. Let's bring in Senator Orrin Hatch of Utah, chairman of the Senate Judiciary Committee. Mr. Chairman, are you with us?

HATCH: I sure am. How are you, Gene?

RANDALL: Very well, thank you. Do you agree with your fellow Republican Presidential Candidate, Steve Forbes, that Janet Reno should quit?

HATCH: I think former attorney general Thornburgh summed that up. I think that's a matter between the president and Janet Reno. But, to be honest with you, I have to say that the Justice Department is in a shambles. There's a--demoralization over there because they realize they're not doing the job.

They don't comply with the requests of Congress. We're not getting the documents we should get. They invoke phony issues of executive privilege. We've had a series of lack of cooperation that I've never seen in any Justice Department before.

HATCH: So, you know, it's a--I have to say that...

RANDALL: Senator.

HATCH: Yes?

RANDALL: Let me ask you about the letter you sent to the attorney general asking for documents relating to what happened in Waco six years ago. Any response yet from Justice?

HATCH: Not any. It's the usual gibberish that, "Well, we've got to look and see if have any executive privilege rights."

We've held hearings where the attorney general always says, "Well, this is in litigation or this is classified or we can't talk about this." So one time I held a closed hearing in a secure room in the Capitol and hardly any of that would have been classified. You should have seen when we tried to release a transcript, it was almost all redacted. It's unbelievable the lack of candor of this Justice Department and this administration.

And, frankly, they're using--they're using political--they're using political ideas and purposes to form public policy. The FALN thing is a perfect illustration of that.

RANDALL: Senator, if the FBI is the agency which withheld the information for six years from Waco, why is it Janet Reno is taking all this fire from you and others?

HATCH: Well, first of all, I'm not sure the FBI is at fault here. And I don't know who is. We want to get to the bottom of it, that's why we've requested these documents; it will help us to do so.

But just on August 23rd the former prosecutor in the Branch Davidian case in 1994 wrote to Janet Reno and said--and informed her that he thinks she's being--she actually--the people in the Justice Department may have withheld evidence from her. Because he knew back then, and in a five-year-old document they knew, that there had been military canisters used in this matter--and that that had been disclosed by the Hostage Rescue Team of the FBI.

Then we find, in 1996, there's another document that was prepared by the general counsel of the FBI indicating that military canisters had been used.

So if that is true--and I have every reason to believe that it is--then the FBI did inform the Justice Department. And either the attorney general has ignored this evidence or is incompetent, or she is--the evidence has

been withheld by people within the department--for whatever reason. It may just be pure negligence, but we've got to get to the bottom of that.

RANDALL: On the prospect for investigations on the Hill, your Democratic colleague from New York, Charles Schumer, has said he sent you a letter. And he talked about that this morning.

(BEGIN VIDEO CLIP)

U.S. SENATOR CHARLES SCHUMER, (D-NY): I've actually sent a letter today. I've sent a letter to Chairmen Hatch, Burton, and Hyde, saying don't do a congressional investigation yet.

The first job should be to see if this was one fact that the FBI didn't send up the chain--or there are a whole lot of facts and is there a cover-up.

Until we find that out my worry is that congressional investigations will bring up a lot of heat and not much light. Each party will play its preordained role. They'll be lots of fighting; and the conspiracy theorists will be given even more feelings against the facts.

(END VIDEO CLIP)

RANDALL: Are you sitting there forming a mental response to Senator Schumer?

HATCH: Well, I think that, you know, the Congress does have an obligation of oversight, and certainly our Judiciary Committee. And all we're doing now is exercising that by asking for the appropriate documentation.

Now, my gosh, if we don't do that who's going to take care of the people out there? You know, there are millions and millions of people today who believe that the federal government has gotten so big and so unwieldy and so dishonest--and that we can't get to the true facts in anything today--that we've just got to get to the bottom of this and show the American people that there is oversight; that there are expectations of these people in Washington; and we're going to demand it.

Now, true, I think if we have an independent counsel appointed or a special counsel or a special prosecutor appointed in this matter, naturally we'd want to cooperate with whoever that may be.

RANDALL: What kind of choice would satisfy you when it comes to an outside investigator?

HATCH: Well, I think it's got to be somebody of impeccable honesty and somebody who really is not going to allow politics to enter into this in any way, shape or form. Certainly a person of high competence and ability in the field of law.

And somebody who would have the--I think the approval and the backing of the American Congress and the American people. And there are a number of people who could do this and who would be very acceptable both to this administration, the Congress, and the courts and everybody else concerned.

RANDALL: In the meantime, do you see an effective working relationship between Louis Freeh and Janet Reno? It appears she will stay on the job.

HATCH: Well, this business--I talked to both of them this past week, and I have to say that when she sent a marshal over, she called him and said, "Do you mind if we send a marshal over for these materials?"

HATCH: The media blew that out of proportion as though there's a tremendous conflict between the two. Well, Louis Freeh, he convinced me that there is not and she convinced me that there is not.

Frankly, there are differences. When Louis Freeh joined with her own hand-picked prosecutor, Charles LaBella, to say we needed an independent counsel in the campaign finance matter, that was a fairly strong thing.

On the other hand, what would you expect from the head of the FBI? You don't want some milquetoast guy in there who won't stand up and do what's right.

Louis Freeh--I'll tell you, I've seen a lot of FBI directors, and as far as I'm concerned, they've all been good, but he has been the single best one I've seen. He's honest, he's decent, he has a background as a prosecutor, as a judge, as an attorney, and I think is doing a very good job.

Now if the FBI's done something wrong, let's get to the bottom of it. Let's straighten it up and let's make sure that the premier law enforcement organization in this country is doing what is right.

But I can tell you this: It looks to me as though the Justice Department is known for at least five years that there military canisters--in other words, incendiary devices--used that probably had no effect on the fire, according to the information we have. But nevertheless, they knew they were used and they never disclosed it to the public. And if...

RANDALL: Senator...

HATCH: Yes?

RANDALL: Go ahead, you can finish that, please.

HATCH: Well, if Janet Reno is not being well-served there in the Justice Department, people are not giving her the information, and sometimes I think that may be true, because I don't believe that she's a bad person. I think she's an honest person, but certainly that department is not being run like it should.

And I have to say, there's a lot of dictation to that department from this White House which is not known for telling the truth or being straightforward with the American people.

RANDALL: OK, let's shift gears, Senator. President Clinton, as you know, has made a clemency offer to 16 Puerto Rican nationalists who have been in prison for a long time for a string of terror bombings. The first lady says that offer is a mistake. I assume you support the first lady in this.

HATCH: Well, the first lady hasn't quite said that. Frankly, there's every indication she was for it until the heat got so hot that she had to back off.

But I've got to tell you, this is again another illustration of policy purposes being conducted for political reasons. And I've got to tell you, we can't give any inch on terrorism. I can tell you right now, as a member of the Select Committee on Intelligence, that there are at least--and I'm using a very low number compared to the true classified number--there are at least 1,500 known terrorists and/or terrorist organizations in this country.

I will say this: This administration has been holding its own with terrorism. It's done a lousy job on counterintelligence, but it's held its own on terrorism.

But if we send out a mixed message that people who basically have committed sedition and violence and have used weapons and explosives and have robbed banks and have stolen cars that they can just get--to support a group that is dedicated to murder and killing all in the interests of their particular issue, and we send out a mixed message that we're going to just let them go when they haven't even asked to be released from prison, I'll tell you, that's the next message, go all over this world, and will hurt this country from a terrorist standpoint like nothing I can

think of.

RANDALL: Let's talk presidential politics.

HATCH: Sure.

RANDALL: You placed second in a Republican Party straw poll in Alabama last weekend. On the other hand, Alan Keyes placed first, and you and Keyes were the only ones who showed up in the Republican presidential field.

HATCH: Well, that's...

RANDALL: Have you seen--have you seen anything, Senator, to encourage you to this point that you have a realistic chance of getting your party's nomination for president?

HATCH: Well, I'm getting a lot of support from all over the country.

Now when George Bush--when he announced that he had \$36 million on July 1st, that was pretty astounding. So I said, OK.

The reasons I'm running is I'm going to get a million people to give me \$36 so I'm beholden only to the people, not a bunch of fat cats in Washington or in the Republican establishment and who have picked our presidents all these years. And I'm asking the people out there to get behind my people's campaign.

HATCH: But more importantly, you know when George Bush won in Iowa, he only won by 31 percent of the vote. That means 69 percent of the people in Iowa were against him.

RANDALL: By the way Senator, we're told now that George W. Bush's campaign treasury may be up to \$50 million.

HATCH: Oh, I think it may be even getting close to \$60 million. It's almost obscene. But keep in mind his polls--he's dropped in the polls in New Hampshire from 47 percent to 40 percent. Down in Alabama.

Yes, he did not appear but he had polled the area. They had called the delegates. They had sent letters as far as I know. They did everything in their power to make sure he was going to win and it just so happened he lost.

I had dozens of people come up afterwards to me and say look we were for George Bush before we heard you. Now we're for you.

And I have to say this was Alan Keyes' home state. He had been an interim university president and I think he was expected to win but...

RANDALL: OK, we've got...

HATCH: ... the one thing was Orrin Hatch beat George Bush, a southern governor in a southern state when almost everybody has discounted this race.

Look, this is a marathon. It's not a sprint.

RANDALL: Senator...

HATCH: I'm a good marathon runner and I'll sprint in the end.

RANDALL: And I don't doubt that.

After the Iowa straw poll, when Lamar Alexander, the former governor of Tennessee bowed out of the race, he said there was a powerful force in this country moving toward the nomination of George W. Bush as your party's nominee. Does he have a point?

HATCH: Well, if money is what counts, then there's a powerful force, but I don't think the money is the only thing that's going to count.

I really believe that if a million people will give me \$36.00 that I will beat George Bush and I will go on and beat either Al Gore or Bill Bradley. I've done it in the Senate. I will do it in reality.

The fact of the matter is that money shouldn't be what really counts. It ought to be ideas, it ought to be experience...

RANDALL: OK, we've got to go.

HATCH: OK. I understand.

RANDALL: But how many \$36.00 checks do you have so far?

HATCH: Well, they're starting to come in and I might add from a lot of Democrats as well who are saying you're saying the things we want to hear. You're the only person that's for the people and by gosh we're going to join your people's camping and be one of your million.

So, I hope people...

RANDALL: Senator Hatch...

HATCH: out there will think about that.

RANDALL: Senator Hatch, thanks very much.

HATCH: You bet.

RANDALL: When we come back, gearing up for a political season. We will talk to Republican party co-chair Pat Harrison, and Democratic Party national chair Joe Andrew next, as LATE EDITION continues.

(COMMERCIAL BREAK)

RANDALL: President Clinton and the first lady have wrapped up their combination vacation/campaign swing as Hillary Rodham Clinton positions herself to run for the U.S. Senate in New York. It'll be a focal point of the campaign season ahead. Congress also returns this week. Look for politics there too.

Welcome back to LATE EDITION. I'm Gene Randall. Joining me to talk about Campaign 2000 here in Washington, Joe Andrew, national chairman of the Democratic National Committee. And in Colorado Springs, Pat Harrison the co-chair of the Republican National Committee.

And I welcome you both.

HARRISON: Good morning.

RANDALL: Let's get right to the first potential flash point, when Congress gets back, the Republican Party's \$792 billion tax cut bill.

Ms. Harrison, your members went home trying to drum up support for this measure, and they got some help from the party. Here was an ad that ran in New York.

(BEGIN VIDEO CLIP)

JIM NICHOLSON, CHAIRMAN, REPUBLICAN NATIONAL COMMITTEE?: We hear you and the missus are thinking about moving to New York. If so, we Republicans offer help. Our tax relief plan will let the average New York family keep over ten thousand more of the dollars they earn. This is \$10,000. This money belongs to working families, not Washington bureaucrats.

(END VIDEO CLIP)

RANDALL: Pat Harrison, have you any sign of a ground swell of support in the country that would convince President Clinton he should not veto this measure?

HARRISON: Absolutely, Gene. In fact, it's very appropriate we're here on Labor Day weekend, because the American people deserve a big pat on the back. The hardest working people, they are paying more right now in taxes than food, shelter and clothing combined. Two-thirds of them are saying, "We want tax relief. We like the Republican plan, pay down the debt, strengthen Social Security, but put the money, this modest tax refund, in our pockets and not in the pockets of those bureaucrats in Washington."

The ad that you just ran, we are getting so much response, because we're actually showing what a family, an average family in New York--where I come from--how they would benefit with \$10,000.

Now I know Joe's party is saying, \$10,000, that's not very much,

because they're used to spending all of our money, billions and trillions...

RANDALL: All right, let's hear from Mr. Andrew, let's hear from Mr. Andrew. Do you see the same support for this tax cut measure in the country?

ANDREW: No, absolutely not. What Americans care a lot more about is making sure that we can pay down this debt, keep interest rates low, make sure the economy that has done so well over the past seven years continues.

You know, we're all used to seeing Republicans carrying around big attache cases full of cash that's become part of the image that people have of the Republican Party, and that's why this ad isn't working.

These people get it. What they care about is making sure that the economy stays strong.

RANDALL: As you both know, a lot of people in this country, as you can imagine, are convinced that both parties are a lot more interested in creating a campaign issue than arriving at tax reform. Now, do they have a point or not, Mr. Andrew?

ANDREW: Well, there's no question that's what Republicans are doing by pushing a tax cut. It's kind of the oldest kind of politics. You know, we'll give you something for nothing here. And Americans know it just isn't how it works. What they've seen here is tough decisions made by people that have kept the economy going strong. That's what my family and my young kids care about. That's what my parents care about and my grandparents care about.

RANDALL: Ms. Harrison?

HARRISON: The fact is that the Democrats go into a tailspin every time it's time to trust the American people. We get it. We're not buying that rhetoric anymore from the Democrats. We want the money in our own pockets so we can spend it and save it, take care of our families, trust community, trust the grass roots, not Washington, D.C., to spend, spend, spend.

I think the president is eventually going to see the light, look at the polls and go along with this very, very prudent, modest, positive tax cut.

RANDALL: Let's talk presidential politics being waged in your respective parties.

Ms. Harrison, I know you have to remain neutral as a party official, but do you see anything that could stop George W. Bush's march to the nomination at this point? We're told he may have raised \$50 million to this point.

HARRISON: Yes. And you know something, what is happening here--and let me just make the point that our candidates combined have raised more than Al Gore or Bill Bradley. And what it represents is a momentum on the part of the American people to say, "Enough already, we want really a leader in the White House. We want a Republican president."

Right now, George Bush, as you said, is out in front. But basically a lot of our Republican candidates are beating Al Gore and Bill Bradley in a generic ballot.

So what we're seeing is a real momentum for change, for integrity, and this is what's going to happen in 2000. Joe knows it too.

RANDALL: Mr. Andrew, Bill Bradley will formerly announce his candidacy this week. Now, I know that you too have to remain neutral. But would you at least admit that the vice president is suffering a plight suffered by other vice presidents, trying to escape from beneath the shadow of the a

president he has so loyally served?

ANDREW: No. You know, I think what this shows, Gene, is that we've got two candidates on the Democratic side running for president who have more than 25 year's experience each and wrestling with tough issues that really affect real American families.

ANDREW: All that money that Pat's been talking about that's being raised on the other side just demonstrates we need campaign finance reform. That's all it shows. Republicans are going to have a lot of money. Democrats will continue to talk about and fight for the issues that the American public care about. That's what Bill Bradley is doing when he announces. That's what Vice President Gore has been doing.

RANDALL: Do you expect a very competitive race here--Bradley and Gore?

ANDREW: Oh, I think you're going to see two people who are eloquent spokes-people about the issues that Americans really care about. So, what will be competitive will be a good solid discussion about issues that people care about opposed to simply a lot of you know discussion about how much money is raised on the other side.

RANDALL: Ms. Harrison, do you suppose we will hearing more from George W. Bush about issues as time goes on?

HARRISON: Absolutely. In fact just this weekend the number one issue apart from tax cuts is education. I mean the Democrats have failed miserably running elementary schools for 65 years standing in that school house door, blocking kids from getting out and going to charter schools. And George W. Bush just this week has talked about we need accountability. We really need to give kids--and most of them are minority kids--a real chance for a first class, grade A American education. That's what's going to happen. That's the issue that's going to trump the Democrats.

RANDALL: And, Mr. Andrew, do you expect to hear a unified message from the Gore campaign, and do you expect that we will hear from issues from Bill Bradley finally?

ANDREW: Well, we haven't heard about much issues at all from George W. Bush. You know I have a six-year-old that just started public school...

RANDALL: But will Democrats begin talking issues?

ANDREW: Of course we will. We've been talking issues. That won't start. I mean obviously Al Gore and Bill Bradley have been talking issues for 25 years while George W. Bush was out doing something else.

So they're going to continue not only to talk about it--not just rhetoric--but the reality of what we've accomplished over the past seven years.

RANDALL: Mr. Andrew, Ms. Harrison, take a breath. We will take a brake. Be back in just one moment.

For international viewers, World News is next. In North America, another 30 minutes of LATE EDITION including your phone calls for the two party chairs. Then our roundtable and the Last Word, all just ahead.

(COMMERCIAL BREAK)

RANDALL: The Washington Monument in a cast.

Welcome back. More with the chairs of the two major parties.

But first, Brian Nelson in Atlanta with a look at the hour's top stories. Brian.

(NEWSBREAK)

RANDALL: We continue now with Republican Party co-chair Patricia Harrison in Colorado Springs, and here in Washington, Democratic Party National Chair Joe Andrew.

Let me ask each of you to take 30 seconds to talk about this budding

Senate race in New York. Does either one of you expect a kinder, gentler campaign if it's Rudy Giuliani against the first lady? Ms. Harrison?

HARRISON: Well, let me tell you, I'm a former New Yorker. Actually I'm not quite certain there is such a thing as a former New Yorker. And what we have just seen--the American people are getting whiplash trying to really figure out what Mrs. Clinton means when she says, "I didn't know what my husband was doing."

I mean, they just spent a month at Martha's Vineyard, and if we are to believe her, they cut up grapefruit together in the morning and they talk about policy. And this never came up.

It is just another case of the president trying to help his wife obtain a Senate seat in a state that she is not connected to, hasn't even bought a loaf of bread in. And by the way, Gene, I think I'd like to know from Joe, what is this deal with the house they're getting, where their fund raiser is giving them an interest-only loan? Boy, I wish the rest of us could get that.

Anyway, Mrs. Clinton...

RANDALL: Ms. Harrison...

HARRISON: Yes?

RANDALL: Hold on a second. It was a very liberal interpretation, excuse the word, in 30 seconds' timing.

HARRISON: Oh, I'm sorry.

RANDALL: Mr. Andrew, what kind of...

ANDREW: I'm...

RANDALL: ... race do you expect in New York, and is there an answer to Ms. Harrison's question?

ANDREW: There's no question that the political silly season has begun here. Without a single shred of evidence, you just heard one of the leaders of a major political party make an absolute false accusation without any bit of evidence, that the first lady had any knowledge at all what in--what was going on here as well.

HARRISON: Oh, please! Please, Joe!

ANDREW: And--well, please back--Come on, look, if you're going to lie on national television, at least you ought to be called on it occasionally.

HARRISON: Oh, Joe! We are--we've been lied to so much.

ANDREW: And the fact of the matter is, is that I think we're going to (INAUDIBLE)...

HARRISON: Cut it out.

ANDREW: ... is, we're going to have to--and we're going to have this kind of wild accusations made over and over again.

RANDALL: Well, I guess this gives us some hint of what the race in New York will be like.

Let's take a call from Syracuse, New York. Go ahead. Syracuse?

CALLER: Yes. My question is for Mr. Andrew. Mr. Andrew, I plan on marrying soon. Could you please rationalize for me why under the Democratic plan, my future spouse and I will have to pay \$1,400 more in taxes just for getting married?

ANDREW: Well, look, Democrats don't support in general the difference there in the tax cuts. What we try to focus on here is making sure this economy can strong--strong as it's possibly been. You know, there are people like you who are getting married. Myself, I'm celebrating my 10th wedding anniversary this week.

And the fact of the matter is, we're all a lot better off because

interest rates are low, the economy is strong, the stock market is up, all because of a 1993 budget reconciliation act, where the vice president cast the deciding vote.

Those are the kinds of things we all need to care about that making working families all over America better off, that's worth fighting for.

RANDALL: Congratulations, congratulations on your anniversary.

ANDREW: Thank you.

RANDALL: Ms. Harrison, you were Colorado Springs this weekend for a conservative Republican Party retreat. The keynote speaker on Friday was the former House speaker Newt Gingrich. Now, this summer, when asked about the possibility of a future political run, Gingrich clearly left the door open. Now, do you think, given the revelations about his personal life, including an apparent long-running affair with a young woman, a staff member in Congress, that that door is still open?

HARRISON: Well, first let me say I am here at this conservative retreat, but the people who are here, in addition to Republicans, are Reagan Democrats and independents, people truly fed up with this Democrat administration. In terms of Newt...

RANDALL: OK, how about the Gingrich question?

HARRISON: In terms of Newt Gingrich, from what I heard, he's--him say, he is in the private sector, he's working on a book, a think tank. And I don't see him running in the future. And I take him at his word. That's what he said.

RANDALL: But if he made that decision, on C-SPAN this summer he said to his interviewer, "You must remember, when Ronald Reagan was about to run for governor of California, he was about my age." Now, the question is, if Newt Gingrich ever made the decision to try a run for elective office, would it work, given what we have learned lately?

HARRISON: You know something, Gene, that's so speculative. He is a visionary. You're going to see him speaking, you're going to see him writing. I have no idea what his political plans are or how successful they would be.

RANDALL: Mr. Andrew?

ANDREW: Well, I think George W. Bush has made it safe for Newt Gingrich to run again. I mean, the fact of the matter is, is, he's supporting all the principles of the Contract With America, fighting for this GOP Congress that's supporting those ideas. You just heard Pat call a visionary. Seems to me Republicans would welcome him back in.

RANDALL: We have got to go. Thanks, Mr. Andrew...

ANDREW: Thank you.

RANDALL: ... and Ms. Harrison.

HARRISON: Thank you.

RANDALL: When we come back, more on the Waco controversy, the battle for the Democratic nomination, and the first family finds a home. And we'll go 'round the table with Roberts, Page, and Carlson, as LATE EDITION continues.

(COMMERCIAL BREAK)

RANDALL: Time to go round the table. With the size of this table, that should not be difficult. Joining me, Susan Page, White House bureau chief for "USA Today," Steve Roberts, contributing editor for "U.S. News and World Report," and Tucker Carlson, with a blank blue card in front of him, political writer for "The Weekly Standard." Truth in advertising, folks.

Are we getting into a season, Steve, of Waco politics? If so, are there

clear winners and losers?

ROBERTS: I think that the Republicans on the Hill certainly will try to make something of this. You saw that with Bob Barr, you saw it with Orrin Hatch, both of them trying to raise the issue.

And fair enough, you know, the FBI has screwed up, and the Justice Department has not told the truth. We don't know the origin of all of this. It's not proven yet to be a coverup.

But I do think we're going to hear a lot about it. And I think that it's important that there be an independent investigation, because the conspiracy theories just will not go away until you have an independent investigation.

RANDALL: Susan?

PAGE: I think that's right. And if you look at winners and losers, it's very hard to find winners on this one. I mean, the degree to which people in government think that government has a role to play, and a relationship with the voters who elect them, that gets corroded here too.

I mean, I think there's a very broad-scale impact of this that affects things that have nothing at all to do with the Justice Department.

RANDALL: A few winners, but no shortage of losers, is that right, Tucker?

CARLSON: Sure, there are a lot of losers. I'd actually argue that there's a winner here. I mean, to the extent that there still are old-fashioned liberals out there, and I think there are some, people who are upset about the idea that American government, the federal government, and to some extent the military, would go and kill a bunch of people, people like that are natural Bradley voters, I think, the Democratic left.

And this reflects poorly on the Clinton administration, therefore it reflects poorly on Al Gore, therefore, in some way, I think it helps Bill Bradley.

RANDALL: And what possible fallout for Al Gore, Steve?

ROBERTS: Well, the--it's part of a much broader picture. If there is a sense of this being a successful administration that you want to keep in office, it's going to help Gore. But there are these little things that keep coming up. You know, Gore's going to run on the economy, he's going to run on a sense of goodwill and keep the thing going.

Joe Andrew was talking about this over and over again, keep the economy going. Well, if you're going to run on the record, you got to run on the bad side of the record too. And I think there are--these things like this add to the sense of Clinton fatigue, I think.

PAGE: And, you know, Gore has a tough week coming up. Bill Bradley is formally announcing his candidacy this week. There's a new New Hampshire poll that shows that basically a dead heat in New Hampshire between Gore and Bradley. That's bad news for Gore, who...

RANDALL: But there's good news for Gore that you have learned.

PAGE: Well, I understand that Senator Tom Harkin will endorse--formally endorse Vice President Gore's presidential ambitions tomorrow in Iowa. That's important for Gore, for two reasons. Good news in Iowa, the place--the state that has the first contest.

Also, I think helpful with Gore in terms of solidifying his support on the Democratic left, which is an area that Bill Bradley's been mining pretty effectively.

RANDALL: Tucker?

CARLSON: He has been mining it effectively. I'm not exactly sure how. If you listen to Bill Bradley, he's not much more liberal than Al Gore is.

He makes a point of going to venues that are intrinsically more liberal. I mean, he'll go to more abortion clinics and gay rights organization headquarters, et cetera. But he's actually no screaming leftie when you listen to what he says.

But there are enough liberals, as I said, I think, still left. Many of them are dissatisfied with Gore, and so they naturally gravitate toward Bradley.

ROBERTS: You know, there is a dis--there's a clear dissatisfaction in the--among the Republican right with George Bush's centrism, and there's been a lot of criticism. We had Senator Bob Smith of New Hampshire leave the Republican Party in protest. You have Pat Buchanan saying Bush is selling out to centrism.

There's a more active criticism from the extreme of the Republican Party toward Bush, who is trying to run in the middle.

But there's a problem in the Republican--in the Democratic Party too. It's not as pronounced. But the Democratic left is uneasy with the centrism of a Gore, it's been uneasy with the centrism of a Clinton in some ways.

RANDALL: We've got about a minute. If it is true that George W. Bush has raised \$50 million to this point, what does that say, Susan?

PAGE: Well, it says he's a really successful fund raiser. It says he'll have a lot of money. This is bad news for the other Republican contenders.

It raises some questions for Gore too. Gore, who's accepting matching funds and federal funding, will have less flexibility if he ends up being the nominee against George W. Bush. And that could create problems in that period after the nominees are chosen next spring, before the conventions are held next fall.

RANDALL: Tucker?

CARLSON: It means--and I'm not the first one to point this out--at a certain point Bush becomes too big to fail. He becomes like Citibank. I mean, there's no--if he goes bankrupt, it would have a terrible effect on the entire Republican Party. Too many people are--have invested too much in him, so I think he becomes the automatic nominee at a certain point.

RANDALL: We must take a break. When we come back, the long national nightmare is over, the Clintons have found a house. Stay with us.

(COMMERCIAL BREAK)

(BEGIN VIDEO CLIP)

HILLARY RODHAM CLINTON: I'm just proud that as of today, Bill Clinton and I are the newest homeowners in the state of New York. And we're very, very happy.

(END VIDEO CLIP)

RANDALL: I always worried if my offer would be accepted.

The Clintons have found a house to buy in Chappaqua, New York, not far from where I grew up in far less opulent surroundings.

The point, of course, is the first lady's expected Senate bid in New York as she continues working through her degrees of separation with her husband on the issues.

Latest example, the president offered clemency to 16 Puerto Rican nationalists in prison for a series of bombings. Three weeks after the offer was made, the first lady says, It's a bad idea. Let's listen to Senator Phil Gramm of Texas about this.

(BEGIN VIDEO CLIP)

U.S. SENATOR PHIL GRAMM (R-TX): ... is that this was an effort by the relationships and by the first lady to manipulate politics in New York. I

think it blew up in their face, and I think the first lady's trying to distance herself from it.

(END VIDEO CLIP)

RANDALL: Harsh?

ROBERTS: Yes, it is harsh. I mean, there's no evidence that this was done originally to cultivate the Puerto Rican vote. And in fact, it didn't work that well, because a lot of Puerto Ricans who weren't in favor of this.

But it is--there's a fascinating moment here. You know, George Bush is moving from being a local politician, a state politician, to a national politician, and he's had to readjust a lot of his views, on concealed weapons, a very good example. Plays well in Texas, doesn't play well nationally.

Mrs. Clinton, almost for the first time on a history, is a politician who made her reputation as a national politician and now has to become a local politician. We've never seen this happen before. And she's taking positions that are New York-centric, on dairy price supports and money for teaching hospitals.

And it's a very different worldview than her husband, and we're going to see more of these kinds of conflicts, I think.

RANDALL: Is she open to criticism, since it was three weeks after the fact when she said it wasn't a good idea? Or does she have a good explanation, saying, Well, there's been no statement of regret by those involved?

PAGE: Well, it gives her the opening to say, "Three weeks of silence has spoken volumes," which is what her statement yesterday. It is very--it's peculiar not only because of the transition to being a local politician, but also because we've never had a first lady run for office before. And we now see every decision that President Clinton makes, or almost every decision, through the possible prism of the impact on Hillary Gore's (ph) Senate race.

We also see the positions she takes in the Senate race for their impact on the president. Will she have influence with the president on questions like releasing Jonathan Pollard, for example? There are some Jewish activists in New York which would like her to--who would like to see her weigh in on that.

It's very complicated, and I think it's going to be a fascinating year.

RANDALL: And there's a double-edged situation here, isn't there, Tucker?

CARLSON: Well, sure. I mean, and of course it's purely political. I mean, after three weeks she discovers, you know, news flash here, that people in prison for violence are violent and haven't renounced violence.

I mean, this is--one does have sympathy--I do, anyway--for the president here, though, because you have his vice president coming out a couple months ago and saying, Bill Clinton, I've heard the name, not quite familiar with him. And now his wife is putting as much distance between herself and the president as she can.

You get the sense that at the end, there'll just be, you know, John Podesta and Clinton left standing alone. And it's sad.

ROBERTS: Part of the problem Mrs. Clinton faces is that her currency for so long has been, I have influence with the president. You know, she's talked so much about, We talk all the time, and people have--her stature has come from her closeness. Now she's trying to say, I'm independent, I didn't know about it.

There's a contradiction here. To be influential and to be independent, not the same thing.

RANDALL: Fifteen seconds each. I tried to get an answer to this earlier from the party chairs, was unsuccessful. Do we expect a kinder, gentler race in New York, Giuliani, Clinton, Tucker?

CARLSON: Boy, I hope not. I mean, kind and gentle doesn't make for entertaining news, and it won't involve...

RANDALL: Outside that parochial view, Susan Page, what do you expect?

PAGE: I can't--I think it'll be a very tough race. I think it'll be competitive. I think both of them are skilled, outspoken, well-spoken people. I think it'll be a fight.

RANDALL: Steve?

ROBERTS: And I think it's going to be nasty, and I think, because the stakes are so high, the coverage is going to be so intense, and I think it's going to be a great show, and I think it's going to be pretty nasty.

RANDALL: Steve and Tucker and Susan, thanks very much.

When we come back, we'll tell you what's on the cover of this week's newsmagazines in the United States, plus a look at two opposites who may be attracted to the Reform Party. Stay with us.

(BEGIN VIDEO CLIP)

WILLIAM SCHNEIDER, CNN NEWS CORRESPONDENT (voice-over): Beatty and Buchanan had the same complaint, two parties led by establishment figures, competing for the center.

(END VIDEO CLIP)

RANDALL: Bill Schneider has our Last Word.

(COMMERCIAL BREAK)

RANDALL: Bruce Morton is off this week, so we welcome Bill Schneider with this week's Last Word on what could be a very divisive battle in the Reform Party. Bill is at the CNN Center in Atlanta. Bill?

(BEGIN VIDEOTAPE)

SCHNEIDER: Gene, they say politics makes strange bedfellows. But this is ridiculous. Warren Beatty and Pat Buchanan may compete for the same party's presidential nomination. Have two figures ever been such polar opposites?

(voice-over): Beatty and Buchanan are at the opposite extremes of the culture war that's roiled American politics since the 1960s. Beatty's the complete '60s guy, the whole new left, counterculture, antiwar, free-love thing. He even won an Oscar for a movie that paid tribute to the radical left.

And talk about your liberal guilt!

WARREN BEATTY: You know, all the people I've known in all these years I've been in politics, I can't tell you how much I admire their willingness to go into public service, and how much it's contrasted to my selfish pursuits of show business.

SCHNEIDER: Then there's Buchanan, the Nixon-Reagan pensioner (ph), the old culture warrior of the right, fighting to wipe out everything Beatty stands for. He's the original angry white man.

PAT BUCHANAN: Mount up, everybody, and ride to the sound of the guns!

SCHNEIDER: Now both of them are thinking about running for the Reform Party's presidential nomination next year. That would be quite a wrestling match, one with a \$12 million purse--that's the federal election subsidy the winner would be eligible for. And you-know-who would be the referee.

Do Beatty and Buchanan have anything in common politically? Yes. They're both antiestablishment. Remember Senator Bullworth?

(VIDEO CLIP OF "BULLWORTH")

SCHNEIDER: And listen to Buchanan.

BUCHANAN: This country, Wolf, needs a choice. We did not get it in '92 and '96 because we ran establishment Republican candidates who, by the end of the campaign, no one could tell who stood where between Mr. Clinton and the Republicans.

(on camera): Beatty and Buchanan have the same complaint--two parties, led by establishment figures, competing for the center. And you know what, Gene? They're exactly right.

(END VIDEOTAPE)

RANDALL: Thank you, Bill.

Time now for a look at the covers of this week's major U.S. newsmagazines.

As children all over the country head back to school, "U.S. News and World Report" has, "How Kids Learn." "Time" magazine also looks at learning and intelligence, with "The IQ Gene?" in the cover. And for "Newsweek," it is, "Why Men Should Get a Break," excerpts from a new book by feminist Susan Faludi (ph).

And that's your LATE EDITION for Sunday, September 5.

Wolf Blitzer will be back for LATE EDITION PRIMETIME Tuesday at 8:00 p.m. Eastern. Guests will include former Republican congressman Bob Livingston.

And tune in next Sunday at noon Eastern for the last word in Sunday talk.

I'm Gene Randall in Washington. Thanks for being with us. Have a great week.

END

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CNN Crossfire

Aired September 6, 1999 - 7:30 p.m. ET

What Party Deserves the Union Label?

BILL PRESS, CO-HOST: Tonight, looking for the union
label -- on this

Labor Day, candidates are appealing for the support of
labor unions. Who
deserves it more? Democrats or Republicans?

ANNOUNCER: From Washington, CROSSFIRE. On the left, Bill
Press;

on the right, Mary Matalin. In the CROSSFIRE,
Congressman Tom Davis
of Virginia, chairman of the National Republican
Congressional Committee,
and Richard Trumka, secretary treasurer of the AFL-CIO.

PRESS: Good evening. Welcome to CROSSFIRE.

It's Labor Day, when anybody with any sense is at the
beach, and
everybody else is out campaigning, Democrat and
Republican. GOP
front-runner George W. Bush rode in Labor Day parade in

South Carolina.

Gary Bauer, Steve Forbes and Dan Quayle all worked the same labor crowd up in New Hampshire. And Vice President Al Gore was grand marshal for the big Labor Day parade in Des Moines, Iowa, all of which is a sure sign that labor's going to be a big player in the 2000 elections, and is, in fact, already gearing up.

The AFL-CIO reportedly plans to spend up to \$46 million in 2000, supporting candidates, mostly Democrats. In 1998, only 27 Republican members of Congress received labor support. Is that fair? A lot of union members vote Republican, but are union bosses willing to support more Republicans? Or are unions, as some charge, just political subdivisions of the Democratic National Committee? Weighty questions for tonight's guests as we examine labor and politics, 2000. Mary.

MARY MATALIN, CO-HOST: Well, happy Labor Day.

And we'd much rather be with you than at the beach, Mr. Trumka. Now, I am a member in good standing of the vast right-wing conspiracy. I am also...

RICHARD TRUMKA, SECRETARY TREASURER, AFL-CIO: That's good. I'm glad to finally meet you, by the way.

MATALIN: Well, and happy to be there, and also proud card-carrying member of the American Steelworkers, AFTRA, SAG, I belong to three different unions, and that is not that weird. Thirty-one percent of union members -- union households identify themselves as conservative.

Somewhere between 40 percent and even higher vote for Republicans.

Why, Mr. Trumka, then, in past elections, does 99 percent of union money go to support Democrats? TRUMKA: Well, first of all, only 20 percent of our members are really where you said they were. And we actually looked at that program, and at one point about two years ago, about 40 percent of our members actually voted where we thought they

shouldn't be. I'm not
going to name that political party.

MATALIN: That's almost half of your party voting
against...

TRUMKA: But it drove our current program, because what
we found out is
they were voting for people who were not going to
Congress and voting in
their interests. So our new program is designed to
issue- educate them, and
give them a real informed choice so they can make a
decision on Election
Day on who goes to support him and who doesn't.

MATALIN: Of all the issues that all American families
are concerned about,
particularly union households are interested in and do
support tax cuts.
Seventy percent of union members supported the across
the board 10
percent tax cut, which is no more, yet you oppose it.
They also obviously
must support policies that promote job creation, not the
kind of policies
Democrat support. Those are the two biggest issues for
union families.

TRUMKA: Well, first of all, they don't support tax cuts
when it's going to
destroy Social Security, Medicare and other groups. And
they tell us,
whenever they talk to us, we wish that that Congress up
there would spend
a little less time bickering with each other and more
time figure out ways to
keep jobs here, to keep -- develop good trade policies
that help us with
manufacturing. They also don't think it's a very fair
tax cut when 70 percent
of it goes to the top 10 percent. That's not a blue
collar friendly tax plan.
That's a country club tax plan.

PRESS: Congressman Davis, welcome to the show, by the
way.

REP. THOMAS DAVIS (R-VA), CHAIRMAN, NATIONAL
REPUBLICAN CONGRESSIONAL COMMITTEE: The tax plan is
totally misrepresented. You have been reading that
AFL-CIO material.
That's not what's in the tax...

TRUMKA: I helped develop that, Tom.

DAVIS: Listen, we're ending the marriage penalty in this. We have some -- some of your pension plans are better protected, and we don't touch the Social Security trust fund. It is protected in a lock-box.

TRUMKA: Over 70 percent of the tax cut that you talked about goes to the top 10 percent.

DAVIS: That's because they pay 70 percent of taxes, today.

TRUMKA: That's not a worker friendly plan.

DAVIS: But that's because they pay 70 percent of the taxes today. We're giving it back to the people.

TRUMKA: They don't.

PRESS: Let's start back -- let's start back at the top. I've got to say, I'm embarrassed I only belong to two labor unions, but I'm proud to belong to two, and I wish I belonged to three.

TRUMKA: So am I, Bill. We'll change that after tonight.

PRESS: But Congressman, look, there are all of these complaints, and you just heard from Mary, that labor's too partisan. You know, I know labor well. I've worked with them a long time. I find them very pragmatic. Their methodology is this: Here are our issues. You support us on our issues, we support you. You oppose us on our issues, we oppose you. What's wrong with that?

DAVIS: Because some of their issues don't have anything to do with working people. Last time they -- let me just say -- they rated the impeachment of the president as a labor issue. They rated, also, in their voting, the census. Now tell me what the census has to do...

(CROSSTALK)

TRUMKA: You should be happy, because it helped your voting record.

DAVIS: How this -- it's about the only one I was right on.

TRUMKA: It is, though...

DAVIS: But on the -- on the census issue, they side with the Democratic leadership on that. How is that working person's issues? They're a wholly owned subsidiary of the Democratic Party.

(CROSSTALK)

PRESS: Yes, and I'm sure you can. Don't you think, just as it's up to the business community to define what's good for business, it's up to the Sierra Club to define what's good for the environment, for example...

DAVIS: It's up to the voluntary organizations.

PRESS: ... it's up to labor, not to the Republican Congressional leader, to decide what's good for labor, correct?

DAVIS: But you have to understand that labor, in many cases, people are forced to join unions as a condition of their job. If you're a member of the Sierra Club, it's a voluntary action. If you invest in corporation, it's a voluntary action. Labor's different, and they take those dollars, and then the leaders, at that point, have their own agenda. So it's not really grass roots.

PRESS: That's not the issue. The issue is that labor says, here are our issues. Here are the ones we believe in. That's certainly their right.

DAVIS: Certainly. PRESS: And so my question then, isn't it easy -- it seems to be the route is easy. If you want more Republicans to get more labor support in the year 2000, then the easy way to do it is to vote yes on those labor issues right? Bingo.

DAVIS: When the labor issues are the census, when it's impeachment, when they rate issues that have nothing to do with working people, I think you have to...

PRESS: If the census, then -- you keep coming back to that -- of the census is going to -- is going to amount to, as labor believes, in the under counting of millions and millions of minority members and working men and women in this country, why isn't that an important issue for working men and women?

DAVIS: It doesn't do that. But -- it's a zero-sum gain. It doesn't under count labor members at all. What it does is it may under count people in Democratic reapportionment area, where you have Mayor Daley's brother putting up cyberpeople, which is what the current proposal is, it helps the Democrats. That's the problem.

TRUMKA: Tom, we're not talking about it helping work -- I mean, union people or not. We care about working people, and whether working people get a true representation. And if it excludes people of color, if it excludes people that are here, then it's a bad issue for working Americans

DAVIS: Well, nobody's for excluding anybody, but what they're trying to do here...

TRUMKA: ... see the issue...

DAVIS: But what you're trying...

(AUDIO GAP)

TRUMKA: ... outspends us 11 to one, Tom. That's a lot...

DAVIS: Corporate America -- corporate America gives to both parties.

Labor is 99 percent Democrat. That's -- I mean. that's a huge difference.

PRESS: I want to come back -- I want to come back to those fact figures. Congressman, in 1994, when Republicans took control of

the -- of the

House, Grover Norquist, close adviser to then House Speaker Newt

Gingrich, quoted as saying about labor -- quote -- "We're going to crush

labor as a political entity and ultimately break the unions." And when Grover

Norquist spoke, people knew he was speaking for Newt Gingrich. Is that still the Republican agenda?

DAVIS: He wasn't speaking for me, and he wasn't speaking for the vast

majority of Republicans or Democrats. I think unions have an appropriate place and presence in American politics.

TRUMKA: It's important. DAVIS: We're not out to crush anybody.

Richard and I have talked about that. So I don't think he was speaking for that. And if you look at the votes, they can't deliver on it.

PRESS: But most recently, when this 46 million story came out of Miami, I

think is where it came out of -- that story -- the wire story, was taped to the chairs of Republicans members on the House floor, with a little note signed by Congressman Tom Davis. And that note said: "In case you missed it,

Republican members, 46 million reasons to stick together. Our opponents aren't sitting still, and we can't either."

It sounds like you're declaring war on labor.

DAVIS: Not at all, but we are letting them know that there are huge assets

out there that are taken from working men and women's dues that are being

used or for political purposes, most of which are going to be going to defeat

these members. And they need to wake up to that fact. And that's good politics.

TRUMKA: Tom, let me go back to the money for a second and Grover

Norquist. Paycheck deception you guys put up in 32 states, California and

32 other states, as Grover Norquist said, to crush us politically and to break

unions. Now that is a plank in the Republican Party.
It's tough for us to go to
our members and say we want to give money to the
Republican Party when
you have a national right to work law and you have
paycheck deception as a
plank in your national party.

If you really want working people to gather around and
support you -- and
it's fortunate to this effect -- and I do want to add
this part -- it's fortunate
that many members in the Republican Party did not
subscribe to that notion
of breaking unions. I mean, I have a lot of friends in
the Republican Party,
and -- and they were sort of outraged by that. So it's
tough for to us say we
want to do this. And they say, but they're trying to
crush us and silence our
voice in the political arena.

DAVIS: Yes, you have a lot of planks and party platforms
both ways, and it
has nothing to do with the congressional agendas. And I
think that's very,
very clear.

TRUMKA: So are you saying party planks are useless?

DAVIS: Party planks are talking things for delegates,
but they have never
been the launching -- linchpin for administrations.

TRUMKA: The Contract...

DAVIS: All I'm saying...

TRUMKA: The Contract on America was. Newt's program was.

DAVIS: Well, yes...

MATALIN: The Contract on America. DAVIS: ... because
members signed
that. But that's not a party platform by unelected --
they're elected delegates
but not by congressmen and senators.

PRESS: At the risk of a compliment here, I've been
impressed with your
stewardship so far of the Republican Congressional
Campaign Committee in
that you have talked about reaching out to other
constituents, not taking

anybody for granted either way and trying to get more Republicans elected.

DAVIS: Sure.

PRESS: And I think that means a more open attitude toward labor, as I've heard you express. My question is do you really think you can turn the Republican Party around in that attitude toward labor?

DAVIS: I think in our attitude toward a lot of different groups we're turning it around at this point. And we're finding that our message of individual empowerment versus government centralization, all the decisions coming out of Washington, resonates with labor members, it resonates with non-union members, it represents a philosophy I think that most Americans subscribe to, minorities, everyone else.

TRUMKA: We would die and go to heaven when we can get a majority of Democrats and Republicans both supporting our issues.

PRESS: Fat city, right?

TRUMKA: Oh, man. It would be a labor day of all labor days.

MATALIN: Well, boys, we're all just working stiffs here.

And when we come back, we'll ask Richard Trumka if the presidential candidates are going to win his support in 2000?

Stay with us on CROSSFIRE.

(COMMERCIAL BREAK)

MATALIN: Welcome back to CROSSFIRE.

We're celebrating Labor Day, the kickoff to campaign 2000 with a labor and political leader, secretary treasurer of the AFL-CIO, Richard Trumka, and chairman of the Republican Congressional Committee, Congressman Tom Davis of Virginia -- Bill.

PRESS: Congressman Davis, every election time, the labor lobbyists that I

know are always looking for Republicans they can support because they don't want the media to slam them for being all hundred percent or 99

percent Democratic. So here's a congressman from Virginia who comes

along and says I'd like your support. My name is Congressman Tom Davis.

We pull out this little paper, lifetime voting record for the AFL-CIO, Tom

Davis, 19 percent. Why should labor support you? DAVIS: Well, actually, I

raised a lot of labor money last time from individual unions, some of them

unaffiliated with the AFL-CIO leadership, federal employee groups in

particular. They've been very supportive as I've been supportive of them.

And they have looked that, AFL-CIO leadership.

But let's go to how those ratings are done. They're rating issues from

impeachment to the census that have nothing to do with working people, I

think, in the minds of most Americans. The census issue, just to get back to

it a minute, was a party-line vote with a couple exceptions on each side.

Party-line votes over how you -- it's a strictly political deal, and the

AFL-CIO, instead of sitting it out sided with their parent company, the

Democratic Campaign Committee.

TRUMKA: Well, I think that shows exactly how pragmatic we are. He's

right. We do have a couple of unions that support him.

DAVIS: I have about 15.

TRUMKA: Tom supports them so they support him. But we represent all of

the unions, and when the vote was taken they said 19 percent doesn't quite make it.

PRESS: But you mentioned -- you keep coming back to the census issue,

and Rich mentioned the paycheck protection, or paycheck -- you called it the deception issue...

TRUMKA: Deception, yes.

PRESS: ... which I think that was the most important issue for labor unions last year because it really got to their ability to participate in the political process. As Rich mentioned, in 32 states, including California, that was put on there, a direct attack, an attempt to kill the unions. Wasn't that a mistake on the part of Republicans, looking at what happened in 1998?

DAVIS: Well, you didn't get the result that happened. It certainly energized a part of the Democratic base in California.

PRESS: Right.

DAVIS: Although they put it on in a primary, which is a little bit different scenario. It got them an agenda up, and in retrospect you can look at it and say maybe it wasn't done correctly. I don't think it's gone, I think we're going to see more of it. And it doesn't stop unions from participating...

TRUMKA: Yes it does.

DAVIS: ... they can still give PAC contributions -- you can give PAC contributions from your members the way corporations do. But what happened in California...

TRUMKA: You want to do -- you want to do -- you want to do real campaign reform? Do McCain-Feingold. That's real. We support that.

DAVIS: Because it leaves labor alone and it hits the Republican voter base.

TRUMKA: No, it doesn't. It gets us with all the corporations.

DAVIS: It gets rid of all soft money...

TRUMKA: It takes soft money off the table. Let's get rid of all soft money.

DAVIS: But it doesn't -- your voter registration activities, the people you're putting on the street, it doesn't touch them. And that's where you're most

effective.

TRUMKA: Those are constitutional rights, Tom. You don't want us to stop trying register people. That's good for democracy.

DAVIS: The bottom line is...

TRUMKA: The more people that participate, the better democracy is.

DAVIS: With union dues. With union dues, and that's what you're doing.

TRUMKA: You give me some money and I'll represent...

MATALIN: Which are compulsory. I -- you know...

DAVIS: Which go basically just for Democrats when you look at it, or 99 percent for Democrats. And that's the deal.

TRUMKA: And here's, once again...

DAVIS: And it doesn't -- it isn't even disclosed on any campaign form.

TRUMKA: And here's again what we use the money for...

DAVIS: No wonder you want campaign finance reform.

TRUMKA: None of it...

DAVIS: You're left alone.

TRUMKA: None of it...

DAVIS: Corporate America -- I'm sorry.

TRUMKA: None of it goes to a party, and none of the money that we're going to spend goes to a candidate. The money that we're going to spend that you talked about will go to register voters, to educate them on the issues and mobilize them to get them out on Election Day, so that they participate in the democratic process.

PRESS: God bless America.

TRUMKA: What's wrong with that? PRESS: That's it.

DAVIS: And the education -- the education is in sync on

the -- from the
census to impeachment on down to the Democratic agenda.

TRUMKA: No, it isn't. You can work with us...

MATALIN: All right -- all right, Mr. Trumka...

TRUMKA: ... and we're glad you did it so we can get some
good issues.

MATALIN: ... to square this circle, then, if you're --
it is issues that drive
you and mobilized your people, not party affiliation,
why, if there is any labor
litmus issues, it is NAFTA and GATT? The two
presidential -- Democratic
presidential contenders both oppose -- I mean both
support NAFTA and
free trade, which you oppose. But how likely is it that
you're going to
endorse Pat Buchanan, who's the only candidate, I
believe, in the race,
who's with you on NAFTA? You're going to endorse Gore or
Bradley.

DAVIS: And fast-track...

TRUMKA: First of all, let me tell you how we get to that
endorsement, first.
But you're right. Pat is a protectionist. What we would
like to see is fair
trade, not free trade.

And remember, you're right. That was passed, and Bill
Bradley and Al Gore
are wrong on that issue and so are every one of the
Republican candidates.
And we're working hard to change that.

Here's how we're going to endorse people this year. We
have asked every
one of our affiliates to go back to their membership, do
polls, surveys, have
meetings, and talk about who you want to endorse. And
when that process
comes in, their presidents will allow us to know whom
they want to support.

Probably it will be Al Gore or Bill Bradley. Now, of
those two, I would say
it would be Al Gore of the two. However, it is because
the rank and file told
us that.

MATALIN: So you're saying that if a rank-and-file -- if a local union came back and said, we're for Pat Buchanan, you would let the local...

TRUMKA: No. There -- it'll be a two-thirds vote.

MATALIN: A majority thing.

TRUMKA: No, a two-thirds vote. It'll be a supermajority. If two-thirds of the people said endorse Pat Buchanan, Pat's our candidate, and I'd be out there on the campaign trail endorsing him and supporting...

MATALIN: Well, this -- this would be a millennial election.

DAVIS: Our polling shows George W. beats Al Gore among union members nationwide right now head-to-head. So...

TRUMKA: Just as soon as we let them now that George is for national right to work law, that George is for paycheck deception...

DAVIS: ... which they don't care about.

TRUMKA: They do care about. They know that it lowers wages, because in every right to work state you've got lower wages than in the non-right to work states. It -- just as soon as they find out that he tried to raid the teachers pension fund to give a tax cut to the break (ph), let them decide. Our job is to give them the facts and let them decide anyway they want to.

DAVIS: The reality -- we're in the information economy, and the old paradigm where labor was representing the working man really has no -- very little applicability in that. And I think we have to understand that the wage base now in a lot of right-to-work states, not because of unions or not unions, but...

(CROSSTALK)

TRUMKA: Well, if you're in a union...

DAVIS: ... information economy.

TRUMKA: ... you earn 32 percent more than nonunion worker. That's fact.

If you're a woman and you're a union member, you earn 39 percent more. If

you're an African-American, you get 45 percent more. And if you're a

Latino, you get 54 percent more if you join the union.

DAVIS: Not in Northern Virginia.

MATALIN: And there are fewer union jobs because of this -- these costs that aren't commensurate with market forces.

TRUMKA: Well, then why aren't there fewer CEO jobs, Mary? They're getting 10.6 million a year. They're off-the-charts everywhere. Why aren't there fewer of those?

MATALIN: Because they're creating jobs. They are creating thousands of jobs.

TRUMKA: Well, wait a second. You can't have it both ways. If they're creating jobs...

PRESS: Almost out of time. You guys keep talking about 2000 as if it's just

Bush and Gore, forgetting that there's this big elephant that may be jump in

here -- in fact, former elephant named Pat Buchanan.

Maybe former

elephant named Pat Buchanan, may jump in here as a Reform Party candidate.

If he does -- I mean, I saw all of those Teamster trucks out there in Ames,

Iowa. I've seen Pat's labor support. I've heard his message.

If he's on the ticket as a Reform Party candidate, doesn't he pull the

blue-collar labor votes that George Bush might get from the Republican

Party into the Reform Party?

DAVIS: He pulls a lot of them, and he pulls a lot of Democratic votes too.

He has a very interesting coalition. I think he helps us

at the coalition level --

and I've said this before -- by being on the ballot, but he hurts our presidential candidate. And he pulls from a very eclectic group.

PRESS: All right. We've got -- we'll see what's going to happen. Gentlemen, thanks for coming in on this holiday.

DAVIS: Thank you.

TRUMKA: Thank you.

PRESS: Tom Davis, it's good to have you here, Congressman Davis.

TRUMKA: Happy Labor Day.

(CROSSTALK)

PRESS: ... Trumka, great to see you again.

Mary Matalin and I will wrap it up with closing comments.

(COMMERCIAL BREAK)

PRESS: You know, Mary, if you look at Peter King up in New York, you look at Al D'Amato, even Pete Wilson in California, as conservative as he is, got labor support. The support is out there, but unions practice the No. 1 rule in politics. Right? You scratch my back and I'll scratch yours. And that's the way it goes, and there's nothing wrong with it.

MATALIN: You know what? I am pro-union. I am totally pro- union. But I'm also pro-progress. I am. You can't stop globalization anymore than you can stop computers or all the technology that they used to say was going to lose union jobs. Unions should be on the side of the workers for policies that create jobs...

PRESS: They are. They are.

MATALIN: Those are free-enterprise, market-force, market-driven jobs.

PRESS: Well, global trade, you and I agree, and we both

disagree with the

unions. But when it comes to minimum wage, when it comes
to livable wage,
when it comes to striker replacement, to paycheck
protection, the
Republicans are against it.

MATALIN: They'll lose jobs.

PRESS: No, it's not. It's pro-labor. From the left, on
labor, I'm Bill Press.

Good-night for CROSSFIRE.

END

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CBS FACE THE NATION
Aired on October 3, 1999

SCHIEFFER: Today on FACE THE NATION, we're at the public market in Portland, Maine for an exclusive interview with the vice president. It's been an extraordinary week for Al Gore's presidential campaign. After a series of setbacks, the vice president ordered a shakeup in his campaign staff, declared himself an underdog and said he was moving his entire Washington campaign headquarters to Nashville, Tennessee. What is this all about? We'll ask him on FACE THE NATION.

ANNOUNCER: FACE THE NATION with CBS NEWS Chief Washington Correspondent Bob Schieffer. And now, from Portland, Maine, Bob Schieffer.

SCHIEFFER: Good morning, again. Well, Fall is coming to New England. The crops are in as you can see, and the vice president is here with us in Portland, Maine. We're here because he's here campaigning, and that's what brings us to the public market in Portland. Mr. Vice President, thank you for joining us.

GORE: Glad to be here, Bob.

SCHIEFFER: I see you're out of the blue suit, you're out of the tie. Is this a new Al Gore?

GORE: Well there are not many people in suits and ties here at the public market in Portland, Maine. And I'm taking the campaign and my candidacy right to the grassroots and talking with people about how we can create the kind of future that people want to see for their families, and I'm learning a lot. I'm enjoying it, and I'm hearing a lot about the need for better public schools and expanded access to health care. And I think

people are really interested in how we can keep our economy strong and growing.

They like the fact that we've created 20 million new jobs in America, but they want to make sure that we continue to make progress because a lot of people have been left behind including some in this state.

SCHIEFFER: Mr. Vice President, let me start with just a little bit of unpleasant news because it's in all the papers this morning. A report that State Department investigators have compiled a report that says while your campaign chairman Tony Coelho was heading a U.S. trade exhibit in Portugal last year, there were some unusual practices. The list things like misused airline tickets. Gave a niece a federal job. Received a questionable loan, urged the government to make questionable payments to several contractors and that some of the records about all of this were destroyed. Do you know anything about this report?

GORE: I know Tony Coelho, and he's doing a great job as my campaign chair and he'll continue doing a great job as my campaign manager.

SCHIEFFER: You have full confidence in him?

GORE: Tony Coelho is doing a terrific job. He's my close friend, and he's going to continue doing a great job. He's, frankly, making it possible for me to be out here in the public market, out here talking with people at the grassroots, and people that I talked to are not interested in inside-based ball, political...

SCHIEFFER: So in other words, he has your full confidence he's going to stay on? You don't have a problem.

GORE: He is staying.

SCHIEFFER: You don't think he has done anything wrong?

GORE: He is staying. I haven't seen this report but I know him, and he is going to continue doing the terrific job he's been doing as my campaign chair.

SCHIEFFER: Let's talk about what happened this week, because it was an extraordinary week by any standard. You called a news conference that you're shutting down your entire Washington campaign headquarters, moving it to Nashville, Tennessee. Why?

GORE: Well, the campaign's entered a new phase. It's a close, hard fought race and frankly, I welcome that. I think that we can elevate this campaign, not only by taking it directly to the grassroots, but also by having a series of debates. I announced three things: I'm moving the campaign, lock, stock and barrel to Tennessee, away from K Street to Main Street so to speak.

Secondly, I'm going to change the way I campaign, and instead of having these events that are planned out, just have open meetings and talk to people directly about the choices we face, and then I challenged Bill Bradley to a series of debates.

I'd like to have debates every two weeks and have them on different issues each time. Education, head care, etcetera. And I'm sorry that he has turned down my debate challenge. I wish that he would accept and I hope that, you know, I hope that we can, together, create a different kind of campaign. Not rhetorically, but in reality to really lift up the way we present issues to the American people.

SCHIEFFER: Let me ask you this, if I should invite you to be on this broadcast to debate Bill Bradley, if I stood back, let the two of you ask questions of each other and just served as a moderator, would you come on the broadcast?

GORE: I've accepted a number of invitations, and I'd like to do it

every two weeks.

SCHIEFFER: Would you do that?

GORE: Sure, I'd like to--I accepted one that Larry King offered last week, and some of the other networks have offered them. But here's the point: for quite a long time, at least since 1963, we've seen people turning away from our representative democracy. Here we are the nation that has created this magnificent devotion to democracy and self-government, and yet in our own country people are turned off by campaigns and negative ads. And we have a chance to have a different approach that will bring people toward our democracy. I think that the year 2000 is going to start a whole new era and we need to define the choices.

SCHIEFFER: Let's talk about this idea of a debate. What are the differences between you and Bill Bradley?

GORE: Well, first of all, I respect Bill Bradley. He's a friend, former colleague, and I think he is a good person. But there have been two defining moments in the Democratic party over the last 20 years. One was when Reaganomics was adopted and when President Reagan asked that Congress to vote up or down on the sweeping cuts and programs to fight child poverty, to try to get health care to people, to improve schools. Bill Bradley voted for Reaganomics. He voted for all those budget cuts. I did not. I've been a part of the effort to try to bring our country out of that time.

And the second defining moment was when Newt Gingrich took over the U.S. Congress and then they tried to enact the contract for America so called. And at that moment, I tried to help rally the troops, the forces of what I regard as progress, and Senator Bradley choose that moment to say that he was going to leave the public arena, said it was broken and said that he might even run as an independent which would have elected Bob Dole and would have given the Republicans control of both the Congress and the executive branch.

Now I think those, at those two defining moments, there were clear differences, but the other differences are ones that shouldn't be brought out in the form of grenades being tossed back and forth. That's the way campaigns have always been run. Why not have debates and I call upon him directly in this interview to accept my challenge, to have a series of debates, high-toned, let's pick out a different issue each time, notify people in advance so that school children, if they want to study up on health care or education that week, let's really roll up our sleeves and get into the stuff of democracy.

SCHIEFFER: Let me just ask you this. You say that the campaign is entering a new phase.

GORE: Yes.

SCHIEFFER: And clearly the persona you're presenting today, what you're saying about Bill Bradley, makes me believe that is so. But this could not be something you planned. Things were not going well for your campaign. What is it that has made Bill Bradley so appealing?

GORE: Well, I think that once it became a two-person race, it was inevitable that if my opponent crossed the threshold of credibility and competence, which he did, then it would narrow and tighten and become a hard fought close contest. It has now reach that stage. And honestly, I welcome that, I really do. I think that it's a healthy development. I think that the challenge now is for both of us to make of this something that helps our country and elevates our democracy.

And I'll tell you something else, Bob, with the Republican front runner raising all this cash out there, all these big bucks, the one thing that we have going for us as Democrats is the issues. They always have more money on the Republican side. We generally have the people agreeing with us about the issues. I think the best way for us to ensure a Democratic victory in the Fall of 2000 is to have an all out discussion of these issues and try to draw the public toward our party, toward that discussion.

SCHIEFFER: What do you think you have done wrong? After all, you raised a lot of money, you're the sitting vice president. How did the campaign get to where it is right now?

GORE: Well, I think we've done a lot of things right. I'm--I've learned a lot.

GORE: I've enjoyed the campaign dialogue. And you know, what are campaigns for? They're for the constant renewal of our democracy; they're for giving people a choice; they're also about transformation. And I'll tell you, starting about a month ago, I began to hear the music of this campaign year, and connect with the American people in a new way. And what they want to hear about is not the horse race or the tactics or anything like that.

What they want to hear about is how we can make their lives better. How we can bring about revolutionary improvements in our public schools, get health care to every child, continue growing the economy, rekindle the spirit of America--those are not just phrases. People yearn for that. They want to see a process of transformation of the kind that our founders intended to take place in presidential elections.

SCHIEFFER: OK, we'll talk about those things. Let's let's take a break. We'll talk about those things, about George Bush and some of the other issues in this campaign when we come back in just a moment.

(COMMERCIAL BREAK)

SCHIEFFER: We're back at the public market in Portland, Maine with Vice President Gore.

Mr. Gore, this week George Bush, the Republican front-runner, separated himself from the Republican Congress. He said of their budgets plans, I hope they don't try to balance the budget on the backs of the poor, any response?

GORE: Well, in the Republican Party today, I think it's obvious the right hand doesn't know what the far right hand is doing. I've been using that line for a little humor, but I think that it really kind of played out in reality this week.

But what's interesting is that he still endorses this huge risky tax scheme that would completely blow the surplus, put us right back into deficits, and that's what's driving all of these irresponsible slashing cuts for the working poor that he's now differed with them on one little detail.

If he really wants to try to break with them, he ought to endorse our health care Patients' Bill of Rights. He ought to endorse an increase in the minimum wage for the working poor. And he ought to come out against this huge risky tax scheme that would devastate Social Security and Medicare.

SCHIEFFER: Speaking of Republicans, Bill Bradley says that he can attract independents and Republicans, and he says, that's what it's going to take to win the presidency next time out. Do you think he's right about that?

Gore: I think that's what campaigns are for. And in every campaign I've run, I have been able to attract people who are independents and independently thinking Republicans along with Democrats. But I think that the campaign is a contest, not only of people and candidacies, but of ideas and agendas, and I think...

Schieffer: Is he more liberal than you are? Bill Bradley?

Gore: I think the old labels are kind of shop worn. As I mentioned, he voted for Reaganomics and I did not. There are plenty of other examples, but I think those old ideological labels are less meaningful than they once were.

Schieffer: One other politician I want to ask you about, Governor Ventura of Minnesota. He said this week that organized religion is a sham. He called for legalizing prostitution, I think, and made some other controversial statements.

In light of that, do you think he is still a serious factor or will be a serious factor in the coming campaign?

Gore: You know, I didn't read that interview, so I can't really comment on it.

Schieffer: The one in Playboy?

Gore: That's correct, ...

Schieffer: Gave the interview.

Gore: Did you read it?

Schieffer: Yes, it's part of my research.

Gore: You bought it for that article, didn't you?

(LAUGHTER)

Schieffer: Yes.

Gore: Well, any way, I think that he's an entertaining guy. I've met him, I guess a couple of times, and I understand his appeal. And I think that his appeal has been so different and unconventional that I wouldn't want to venture a judgment like the one you invited me to make because his appeal has been unconventional all along. So, seems like an interesting fellow. I disagreed with his views, especially the one's that you quoted there.

Schieffer: Let's take about your friend Bill Clinton. A lot of people remember that Saturday afternoon. I remember it very well when the House voted to impeach the president. You went to the White House lawn and said, this president will be remembered as one of the greatest presidents in history. Do you still believe that?

Gore: You know, look at the economic record, Bob. We've gone from the biggest deficits to the biggest surpluses. We've gone from a triple dip recession to tripling the stock market. Instead of quadrupling the debt, we've seen the creation of 20 million new jobs.

Schieffer: So you still stand by the statement.

Gore: Let me set the context for you from that afternoon. The Republican Senate was about to try to remove him from office for an offense which, while terrible, was in the judgment of the American people not one that justified removal from office.

We were in the midst of political combat and I think that fighting back to try to prevent a political injustice from occurring justifies drawing the line in the sand and saying, hold on here. Look at the great achievements that we have.

Schieffer: That's an interesting statement, and I want to go over this now. So as we come into the coming campaign, do you want people to believe that you were simply making a political defense that this was not

something that was coming from the heart, that he was a great president and shouldn't be taken literally?

GORE: I think that he is, no, I think that he is. And I think that in the context of that political combat, it's especially important to point to these achievements.

Look at what happened during the Reagan-Bush years and contrast it with what has happened after six and a half years of the Clinton-Gore administration.

SCHIEFFER: Do you believe...

GORE: It's one of the biggest economic turn arounds in the history of the United States.

SCHIEFFER: Do you believe there is such a thing as "Clinton fatigue," in other words, that one of the things that maybe harming your campaign is people are simply tired of the Clinton's and they see you as part of that administration?

GORE: Well, I'm counting on Clinton fatigue. I think people are tired of the questions about that because they want to turn the page and look to the future.

And what I hear people talking about is what's coming up next. What is the plan for keeping our prosperity going? How can we bring change that works for working families? How can we expand access to health care to every child during the next president's term? How can we bring about truly revolutionary improvements in our schools in an information age when it's more important than ever?

SCHIEFFER: Do you believe, though, that perhaps the president's behavior may have sort of degraded the office, in a sense that he may have lowered the bar, to the point that that's the reason a lot of the professional celebrities are saying, well, maybe I ought to run for president.

GORE: I thought that, I mean, if you look back, that's happened previously. As I've said in the past, I do think that he damaged the office, but I think that he's recovered from that. And I think that the American people put that in a broader perspective.

But you know, this election in the year 2000 is not about Bill Clinton. It's not about the past. It's about the future, and one of the reasons why I welcome the new shape of this campaign and the chance to have vigorous debates and a discussion of the ideas and elevate our democracy, is that I think that frankly gives me an even better chance to define my candidacy in terms of what I'm saying to the American people as a candidate for president, not as someone who is vice president and defined in those terms. I think that making that transition...

SCHIEFFER: So, how are you different from the president?

GORE: We have completely, we're different people as any two people are different. And more importantly, in the year 2001, we're going to face completely new challenges that demand completely new solutions. And that's what I've been talking about during this campaign.

SCHIEFFER: I want to ask you just a personal question when Senator Moynihan, one of your colleagues in the Senate, certainly one of the most respected people in the Democratic Party, endorsed Senator Bradley and they asked him why he wasn't endorsing you and he said, there's nothing wrong with Mr. Gore, he is just unelectable. Did that hurt?

GORE: Listen, I respect him. He's earned the respect that he is granted. Obviously, I disagree with that assessment, and that assessment is not one for any individual to make. It's for the voters to make and

anybody who tries to take this choice away from the voters, is going to be in for a sharp surprise, because the American people are starting to listen carefully to what's going on in this campaign. Because they care about our democracy. They care about our future, and they don't want any pundits or would be prophets or professional politicians saying, here's what's going to happen. You don't need to even participate.

The American people are going to take this campaign back for themselves, and they're going to make the decision about who's best to lead this country in the future.

SCHIEFFER: I was very touched when you made a speech at the Democratic convention when you talked about your sister dying of lung cancer and you said you intended to pour your heart into stopping people from smoking, words to that affect.

And then this year, you hired as your top media adviser, a man who was the chief strategist for the tobacco companies and designed their campaigned ad, the purpose of which was to kill the anti-smoking legislation. Why did do you that?

Gore: He severed all connections with that firm and he's moving to Nashville, and you know, again this is inside baseball.

SCHIEFFER: If I may interrupt, Mr. Vice President, as a matter of fact, I understand that he didn't sever all connections until last week when The New York Times asked him if he was still connected with it, that he had been making commercials that could be used to try to dissuade the government from filing suit against the tobacco companies.

GORE: No, that was long in the past. And he severed any connection with those clients immediately when I hired him. And now he's severed the last connection with the company. But see, this is all inside baseball.

SCHIEFFER: Well, not really. I mean, that's not really because does that mean that you might put someone from the tobacco industry in your cabinet?

GORE: No, no, it doesn't. And, you know, people who are professionals in helping you with accounting or helping you with some other professional tasks--what clients they had in the past--I mean, people don't care about that. People care about, what is the agenda? What are the issues? What are your opinions?

SCHIEFFER: Sure.

GORE: How are we going to make this a better country and bring change that works for working families?

SCHIEFFER: And there we stop. Thank you very much, Mr. Vice President...

GORE: You're welcome.

SCHIEFFER: ... for being with us. We'll be back with a final word in just a second.

(COMMERCIAL BREAK)

SCHIEFFER: Finally, this may have been a week where Washington set a new mark for telling it like it isn't. It all began when the president called reporters into the Rose Garden to brag a little.

(BEGIN VIDEO CLIP)

CLINTON: We received more good news that our strategy is working.

SCHIEFFER: The government, the president went onto say, is finally taking in more than it spends. There will be a surplus this year of \$115 billion. That sent Republicans running to the mikes to trumpet their version of the good news.

U.S. SENATOR PETE DOMENICI (R-NM) (?): When the American people gave us

control of Congress, we had deficits as far as the eye could see. We held spending in check and the nation now enjoys prosperity and surpluses for as far as the eye can see.

(END VIDEO CLIP)

SCHIEFFER: Well, not quite, because both sides glossed over a small detail. The government is not running a surplus. It's actually swimming in red ink and ran up a \$9 billion deficit this year. The only surplus is the money piling up in the Social Security Trust Fund.

The only way that politicians in either party can claim that government is operating in the black is by dipping into that money in the Social Security Trust Fund. Just a little something to remember the next time you hear one of them promise they'll only use Social Security money for Social Security.

That's our broadcast from Portland, Maine. We'll be back in Washington next week with another edition of FACE THE NATION.

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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TEXT:
FOX SPECIAL REPORT WITH BRIT HUME
October 20, 1999

BRIT HUME, HOST, SPECIAL REPORT: Welcome to
Washington. I'm Brit Hume.

Last week Elizabeth Dole announced that next month
she would officially announce her candidacy for president. Now she's
announced that she won't be making that announcement or any others about
running for president. She dropped out. Carl Cameron has the story.

(BEGIN VIDEOTAPE)

CARL CAMERON, FOX NEWS (voice-over): Elizabeth Dole,
the only woman in the 2000 presidential race, said to continue would be
futile because she could not raise enough money to compete with two
specific opponents.

ELIZABETH DOLE (R), PRESIDENTIAL CANDIDATE: Steve
Forbes has unlimited resources. Governor Bush has raised over \$60 million
and has about \$40 million on hand. These rivals would enjoy a 75-or
80-to-1 cash advantage.

CAMERON: She admitted she could not attract enough
new voters even among women to compensate for lack of funds. She thanked

her husband, Bob, who appeared emotional at times. He had disagreed with Mrs. Dole's other advisers, who'd been urging her to drop out for two months, saying that an early exit might make her a more appealing running mate for George Bush. Dole, the candidate, criticized Bush and professed no interest in being anyone's number two. Now out of the race, no harsh words for Bush and no ruling out vice president.

DOLE: Well, I've really not considered the vice presidency, so I have no comments on that. I've been focused on running to win. So we'll leave it right there!

CAMERON: Dole actually polled her departure and determined, aides say, that her supporters will likely go to Bush. The frontrunner did not rule out a future political pairing, either, in a cordial reaction to Dole's exit.

GEORGE W. BUSH (R), TEXAS GOVERNOR, PRESIDENTIAL CANDIDATE: She is a trailblazer. She is an inspiration for a lot of women. She has made a mark in the political process.

CAMERON: Bush now has two main Republican opponents. Dole's withdrawal leaves Arizona Senator John McCain alone as Bush's mainstream, establishment GOP challenger. McCain has made campaign finance reform a central part of his candidacy and used Dole's departure to allude to it.

U.S. SENATOR JOHN MCCAIN (R-AZ), PRESIDENTIAL CANDIDATE: I am very sorry because I believe that she made history by being the first woman candidate for president of the United States. She's a fine person, and I'm sorry that she had to drop out because of money rather than because of votes.

CAMERON: Millionaire publisher Steve Forbes has the personal fortune to compete with Bush over the long haul, but most poll indicate that few consider him presidential material. As Dole bowed out, he re-staked his claim to the Republican right.

STEVE FORBES (R), PRESIDENTIAL CANDIDATE: But I think it now comes to three principal candidates, the frontrunner from Texas, Senator McCain and myself. I am the conservative alternative, and that's just where I want to be.

(END VIDEOTAPE)

CAMERON: There are, of course, other candidates also staking some degree of claim to the conservative mantle in this race: Gary Bauer, Orrin Hatch and Pat Buchanan, Alan Keyes. Pat Buchanan expected to leave the party come Monday to run as a Reform Party candidate. Orrin Hatch, Alan Keyes not really placing in the polls, and Gary Bauer trying to make a fourth-place effort at this point.

Brit?

HUME: So Carl, what about the Bush camp's attitude about a possible Elizabeth Dole vice presidential place?

CAMERON: Well, the first thing, of course, the candidate has said is it's too premature to really be talking about who would be his running mate. However, his advisers, strategist types behind the scenes, say it's an interesting possibility. However, they are concerned about what would come with the package, referring to Robert J. Dole. They are not too interested in a co-vice presidency, a reference, oblique perhaps, to the co-presidency that Hillary Clinton and Bill Clinton suggested they would be as a two-fer back when Bill Clinton was running for president in 1992. So co-vice president in Robert J. Dole they're not interested in, though at this point, they're deferring and

saying, "Look, we'll deal with the nomination when the time comes."

HUME: Yeah, they probably don't like that bumper strip that says...

CAMERON: "Bush-Dole."

HUME: ... "Bush-Dole." It sounds like, you know, some earlier ticket.

CAMERON: That's right.

HUME: All right, Carl. Thanks a lot.

On Thursday at a Baptist church in Brooklyn, Democratic presidential candidate Bill Bradley will make a major speech on the issue of poverty and children. Meanwhile, at a Methodist church here in Washington, Vice President Gore gave a speech that was proof, if any were needed, that his campaign watches everything Bradley does or is about to do. Here's our senior White House correspondent, Jim Angle.

(BEGIN VIDEOTAPE)

JIM ANGLE, FOX NEWS (voice-over): Al Gore, beating Bill Bradley to the issue of child poverty by one day, talked about what he calls "the next generation of Welfare reform."

ALBERT GORE (D), VICE PRESIDENT, PRESIDENTIAL CANDIDATE: There are too many absent fathers in our society today. There are too many mothers who are struggling because their partners are not helping them as they should.

ANGLE: In fact, only one out of four parents ordered to pay child support actually does so. Gore's solution: Force the states to force deadbeat parents, mostly dads, to pay up. And if they don't have a job, they'd be forced to get one.

GORE: If they are able to go to work, they must go to work. We require this of mothers now. Am I right? Why not require it of fathers?

ANGLE: Though Gore would provide no money for such efforts, he would encourage the states to help deadbeat dads get jobs or even job training, otherwise some would never be able to pay.

GORE: Yes, there are lots of deadbeat dads. There are also dead-broke dads.

ANGLE: He would also have fathers sign personal responsibility contracts, an idea championed in the 1994 Republican "Contract with America." And under a Gore presidency, the government would even try to shame credit card companies into cracking down on deadbeat dads.

GORE: ... that if somebody owes child support, they should not be able to get a new credit card or a new line of credit.

ANGLE: And for good measure, the vice president proposed some related moves to help families in poverty: an expansion of the earned income tax credit for the poor and an end to the marriage penalty in income taxes.

(END VIDEOTAPE)

Child support advocates welcomed the vice president's plan, though one called them "patchwork proposals and not very bold." "Exactly right," said aides to Senator Bill Bradley, who said most of Gore's ideas have already been announced or are already in practice. The Bradley camp faxed out a list of at least six child support enforcement efforts that Bradley pursued when he was in the Senate. Several of them became national policy, some of which Gore aides now point to as administration successes.

Brit?

HUME: So Jim, what was this all about? I mean, was this just a quickie plan to get on the record, what?

ANGLE: Well, it was--it was a patchwork effort, and a lot of things sort of tacked onto it. It did not have--did not have the qualities that Mr. Gore usually puts into these. There were a lot of bolder efforts in Congress that they looked at and could have embraced, one including having the IRS have a national enforcement policy. They did not go with that. The thinking was the IRS has got more than it can handle already.

Brit?

HUME: OK, Jim. Thanks very much.

Up next: Congress and the White House vow to work together on a budget plan, but no one is compromising on anything yet. Stay tuned.

(18:09)

(COMMERCIAL BREAK)

HUME: The annual struggle over taxes and spending is now raging in Washington. Private estimates are that the two sides are only about \$10 billion apart, but the Republican Congress has sworn neither to touch Social Security revenues or raise taxes, which means there's not enough money to pay for either the additional spending the Republicans want or the new spending the president wants, so there will have to be a compromise. The fighting now is for leverage over the terms. Here's correspondent Brian Williams--Wilson. Excuse me.

(BEGIN VIDEOTAPE)

BRIAN WILSON, FOX NEWS (voice-over): With the stroke of many pens, the president signed the sixth of thirteen spending bills into law. This one pays for the Veterans Administration and the Department of Housing and Urban Development. No fight over this one. But a short time later, the Republican-led House squeaked out a Commerce, State and Justice spending bill sure to be vetoed by the president in its current form.

Meanwhile, bitter exchanges on Capitol Hill over taxes and Social Security.

U.S. REPRESENTATIVE TOM DELAY (R-TX), HOUSE MAJORITY WHIP: Mr. President, no means no. When the Republicans say we're not going to touch the Social Security surplus, we mean it. When we say that we're not going to raise taxes, we mean it.

U.S. REPRESENTATIVE DICK GEPHARDT (D-MO), HOUSE MINORITY LEADER: If we insist on rolling out phony bills filled with gimmicks and waist-deep into Social Security, we won't be--we will be here at Thanksgiving and maybe even Christmas.

WILSON: Doesn't really sound like it, but all sides actually emerged from a Monday night budget bull session at the White House professing some optimism that a deal can be struck, though no one thinks it will be easy.

U.S. REPRESENTATIVE J.C. WATTS (R-OK): ... because we know how egos and personalities get involved in this process and...

WILSON: Yes, and other hurdles remain. The White House is still talking about some increases in the tobacco tax, but the president admits he has come to one realization.

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES: I was well aware that they were not going to raise the tobacco tax 55 cents, as I had originally proposed.

WILSON: And the president said he made a promise to Republicans.

CLINTON: ... but that if I asked for extra money over and above what they had appropriated, I would make a commitment that we would pay for it.

WILSON: There was also this firm statement from the Republican speaker of the house, Dennis Hastert. "The Republican budget plan is not spending and will not spend one dime of the Social Security surplus."

(on camera): And late in the day, White House budget director Jack Lew was seen making the rounds up on Capitol Hill, a sure sign that while the budget battle continues, at least talks which could lead to a ceasefire are under way.

In Washington, Brian Wilson, FOX NEWS.

(END VIDEOTAPE)

HUME: Just a month after President Clinton gave clemency to 11 Puerto Rican terrorists, a report from Attorney General Reno says the group they were aligned with poses a threat in part because the prisoners were released. The report was made public during a hearing on Capitol Hill in which senators tried to get Reno's deputies to explain why they allowed the president to let the terrorists go. David Shuster has more.

(BEGIN VIDEOTAPE)

DAVID SHUSTER, FOX NEWS (voice-over): Declaring that the grant of clemency by President Clinton was bizarre and disturbing, members of the Senate Judiciary Committee pointed to a report on counterterrorism from Attorney General Janet Reno. Last month she wrote, "Puerto Rican terrorist groups such as the FALN represent an ongoing threat. Factors which increase the present threat," said Reno, "including the impending release from prison of members of these groups jailed for prior violence."

Deputy Attorney General Eric Holder and pardon attorney Roger Adams were scolded for allowing the clemency decision to go forward.

U.S. SENATOR JEFF SESSIONS (R-AL): What you should have done, what Mr. Holder should have done and the attorney general should have done is said "No, Mr. President. This is not just."

SHUSTER: When the 11 Puerto Rican terrorists were freed, documents revealed that the FBI, police departments and other law enforcement agencies had all urged President Clinton not to let this happen. But now it appears the Justice Department was also against it. By mistake, a letter covered by executive privilege was turned over to the committee saying the Justice Department recommended a denial of clemency in 1996. Republican Orrin Hatch of Utah wanted to know about 1999. The witnesses repeatedly refused to answer.

U.S. SENATOR ORRIN HATCH (R-UT), PRESIDENTIAL CANDIDATE: You're not even willing to say whether or not you sent a recommendation without even saying what it was. Yes or no!

ROGER ADAMS, JUSTICE DEPARTMENT ATTORNEY: I'm--I have...

HATCH: The American people entitled to that.

ADAMS: No, Senator, I'm sorry. Mr. Chairman, I'm sorry. I have to respect the president's assertion of privilege, and I'm not allowed to discuss that.

HATCH: Why--why can't this White House just be open and just tell the truth? I mean, my gosh, this isn't something that's that tough.

SHUSTER: Holder did admit the administration made a mistake in not consulting the victims of the FALN attacks.

ERIC HOLDER, DEPUTY ATTORNEY GENERAL: I think, in this particular case and generally, we could have done a better job.

U.S. SENATOR JOHN KYL (R-AZ): I don't think we should leave pregnant out there the notion that maybe somebody was contacted. All of the suggestion is that there was no contact.

SHUSTER (on camera): Republicans are convinced that the Justice Department is helping the White House conduct damage control, something that seems to annoy senators even more than the president's decision to grant clemency in the first place.

In Washington, David Shuster, FOX NEWS.

(END VIDEOTAPE)

HUME: Up next, we'll talk to political analyst Michael Barone about what's going on in the presidential race.

(18:16)

HUME: She stressed her experience and appeal to women, but those factors were apparently not enough to sustain a campaign. Elizabeth Dole says farewell to a brief but historic run for the presidency, ending her hope to become the nation's first female commander-in-chief. The Republican 2000 presidential field narrowed from 12 to 7 in just a matter of months, and here to talk about what Elizabeth Dole's latest move means for the remaining GOP candidates is Michael Barone, writer for "U.S. News & World Report" and co-author of "The Almanac of American Politics."

Welcome back.

MICHAEL BARONE, "ALMANAC OF AMERICAN POLITICS": Nice to be with you again, Brit.

HUME: So what happened to her? Why didn't she ever get going?

BARONE: Well, I think what we've seen in the Republican primaries so far is that what's been decisive is the money primary. I mean, we basically had this quest for money. And the lion's share has gone to George W. Bush. I mean--and this is not just a matter, Brit, of a few K Street lobbyists sitting in the back rooms or the old-time party lobbyist guys. Over 120,000 people across the country have contributed money to Bush. And I think...

HUME: Average contribution is something like, what, \$300-some dollars?

BARONE: Yeah, I mean, it's--you know, he's obviously been getting a lot of \$1,000 contributions. He's also been getting smaller contributions. Some of the other candidates have raised some money here or there, but it's absolutely dwarfed.

And I think what's happening is that the Republican voters, as represented by their proxies, the money people, and the polls nationally for president are about the same as the money chase has been, heavily for Bush--they've said, "Look, we want somebody else in there. We dislike Bill Clinton."

Voters always look for the opposite of the qualities of the president that's in there now, and obviously, what this president

lacks is honesty and basic character. And they say, "We think George W. Bush has it not because we've been sitting around in Austin and watching him really closely, but because we know the family." They're picking a person for the same reasons that Indian families pick a bride for their son, because they know the family that this girl comes from, even if they don't know her personally. And I think that has counted with voters. It has counted with fund-raisers.

And then when they see him in the polls leading Al Gore and leading Bill Bradley, that just fortifies their determination. So I don't think Elizabeth Dole got much of a look-see...

HUME: Really?

BARONE: ... from the Republican primary voters.

There wasn't...

HUME: Well, but...

BARONE: There wasn't that much interest in the other candidates.

HUME: But--but setting Forbes aside for a moment...

BARONE: Yeah.

HUME: ... because he's self-fueled, so to speak...

BARONE: Yeah.

HUME: ... McCain has been able to manage to occupy a larger share of the ground gradually. I mean, he--you know, it's not clear how far he can go. He seems to have gotten attention. He seems to have attracted some interest in the issues that he's arguing about.

BARONE: Yeah. And he's also attracted some interest in his character. We know something about John McCain's character because of that episode in the war, because when he was held as prisoner of war, because it's been in Bob Timburg's (ph) book and now again in John McCain's book himself, which has been selling a lot of copies, because he's gotten the kind of sympathetic and fair coverage from the media about those incidents that Republicans don't usually get from most media.

HUME: Well, Elizabeth Dole, though, has been--for a while--I mean, the novelty factor with her seemed for a long time never to wear off. She got a lot of favorable coverage. There was even some buzz after the Iowa caucuses, perhaps coming from her camp, perhaps not, that something was going on there. But it seems that she didn't click with any message. Is that an unfair judgment?

BARONE: I think it's a little bit unfair. She was talking about the issues. Her pollster makes the point that she was the first Republican presidential candidate to speak out against the Comprehensive Test Ban Treaty, which the Republicans ended up killing in the Senate. She certainly had a litany of issues. You didn't get a sense, necessarily, of depth of issues. It was not clear--she talked about defense issues, for example, but it's not clear that she was as conversed--deeply conversant with them as Dan Quayle, former vice president, who's also left the race...

HUME: Right.

BARONE: ... because he didn't raise enough money. You know, it was more--you know, it was something of a laundry list. She certainly seems to be a capable person, in many ways, but...

HUME: Well, now, let's talk a moment about what shape this leaves the race in. I mean, the--the immediate thought is, well, it just solidifies the frontrunner's status as the leader and makes it harder for anybody else. There's another school of thought, I think, is

that the real gainer here may be McCain because it begins to look more and more like--you know, setting Forbes aside for the moment--that he's the real alternative to Bush. Does that make sense to you?

BARONE: That does make sense to me. I mean, John McCain has got a life story that's interesting. He's set himself apart from the pack on a couple of issues which may appeal to primary voters, though they don't appeal to Republican politicians. He's showed sort of--a certain amount of personal qualities.

And also, he's a little better shape on the money machine. He's chairman of the Senate Commerce Committee. It is--when the chairman of the Senate Commerce Committee says he's going to run for president, there's a certain amount of money that's going to come into the till, regardless of his position on any issues, regardless of his chances in the contest. Now, John McCain, I don't think, wants--says--doesn't want that kind of money, but it's honest, legal political contributions, and that's certainly helped him raise money.

HUME: Do you think that Elizabeth Dole becomes in any sense a possible choice for vice president...

BARONE: Yeah, I...

HUME: ... for George W. Bush?

BARONE: I think she is a possible choice for vice president for George W. Bush. I mean, if you're thinking, for example--if you're thinking between her and McCain, for example--McCain is from Arizona, usually a hopelessly Republican state, you know, and you've got, you know, two white males on the ticket. If this ticket--if the Republicans next summer are running rather weakly with women and they're not running as far ahead of Al Gore, they're running behind, or Bill Bradley, as they are currently, they might just start to think about Elizabeth Dole. She's a person with a respectable resume. She makes a good public appearance. She has not been a laughable candidate in this race, and she is a person who--the way she left the race was in a dignified manner, I think.

HUME: Yeah, and she was--she--you notice that she didn't rule out the vice presidency.

BARONE: Yeah.

HUME: She earlier had indicated--of course, candidates must--that's not what she was interested in. But she also didn't say an unkind word at all about the--I mean, she talked about the money disadvantage, but she didn't really do it in a bitter way.

BARONE: I think she's an entirely possible candidate for vice president with George W. Bush or with John McCain or Steve Forbes, for that matter.

HUME: Well, what about--but do you think the bumper strip factor is a factor, the one that said--would have to say "Bush-Dole"?

BARONE: "Bush-Dole"? Well, the fact is, we've got--you know, we've had Bush-Dole before. We've had Dole-Bush. We've had one of these families on the ticket all that time. It would seem a little tedious, but if I were them, I'd put their pictures on. We haven't had somebody that looks like Elizabeth Dole on any national ticket since--at least since Geraldine Ferraro in 1984.

HUME: Yeah, I suspect what we'd see is George W. and Liddy on the...

BARONE: Yes.

HUME: Well, does it poll, though? I mean, does it--I mean, does it--does it--would it be--would it make a difference in the general election if she's there?

BARONE: I think vice presidents usually only make a marginal difference, and I don't think it would make a big difference.

HUME: Would it--well, would--would any--would any--would she...

BARONE: It might get a little difference...

HUME: What about--about the issue of abortion, then? How does that play into this?

BARONE: Well, it might make a little difference of coverage from the news media. I mean, an awful lot of the news media are dominated and run by the feminist left, who patrol all the newsrooms. They are going to be--have at least mixed feelings about a woman on the Republican ticket. On the one hand, Elizabeth Dole has always been against abortion. Her husband was always against abortion...

HUME: Right.

BARONE: ... in the Congress. So they're not going to--the feminists are not going to like that. But on the other hand, this is a woman who has some entitlement to be taken seriously and who could easily end up to be, if she's nominated, vice president of the United States. So I think there would be some mixed feelings, and that would work moderately in the ticket's favor.

HUME: And might affect the choice on the other side, wouldn't you think?

BARONE: Well, it would. I mean, the problem--I--the problem right now for women candidates, I think, is not that the American people are not ready for them. I think American voters are quite ready to give women equal consideration or even a little bit of an advantage because of the novelty of a woman's candidacy at the national level. The problem is that there just aren't that many women in either party that have the credentials, that have the sets of issues, the positions which would qualify them for a likely presidential or vice presidential nomination.

HUME: Michael Barone, a pleasure to have you.

BARONE: Nice to be here.

HUME: Hope you'll be back soon.

BARONE: Thank you.

HUME: We got to take a brief break here to do the latest news headlines, but when we come back, we're going to take a look at how the largest, fastest-growing minority in America may shape the year 2000 elections and beyond. Stay tuned.

(18:27)

(COMMERCIAL BREAK)

HUME: Political candidates used to just brush up on their Spanish to appeal to Hispanic voters, who are the fastest-growing segment of the minority population. But this segment of voters is not just growing, it's growing increasingly sophisticated. FOX NEWS correspondent Mike Emanuel has more in this Latino 2000 report.

(BEGIN VIDEOTAPE)

MIKE EMANUEL, FOX NEWS (voice-over): Hispanic voters are expected to be a political force in the race for the White House in 2000 like never before. Winning their vote is the hottest new trend in

American politics.

DR. BOB STEIN, RICE UNIVERSITY: If they're close races, the Hispanic vote and the proportion of vote that goes traditionally Democratic could make all the difference.

EMANUEL: Latinos are expected to be the largest minority group in America by 2005, and most live in key election states, states that represent 206 electoral votes, 76 percent of what any candidate needs to win the White House. Texas Governor George W. Bush has an obvious advantage in the Lone Star State--he won nearly half the Hispanic vote in his reelection last year--and in Florida, where his brother is the popular governor. But Republicans have their work cut out for them in California. Anti-immigration laws there turned many Latinos away from the GOP.

STEIN: Hispanic voters felt greatly betrayed by the Republican Party, felt the Republican Party had become, if not in the whole country, definitely in 1994 in California, xenophobic.

EMANUEL: Speaking Spanish, as Governor Bush and Vice President Gore are doing on the campaign trail, may go over well with Hispanic audiences, but many Latinos say it takes more than that.

XAVIER BECERRA (D), CALIFORNIA REPRESENTATIVE: At the end of the day, it's what you do. If you do the right thing, you're able to dissolve that suspicion.

EMANUEL (on camera): There's a theory that candidates must speak to people in their vernacular, but Latinos don't come from just one country. Here in Texas and in California, most are from Mexican heritage. In Florida, many are from Cuban background. In New York, there are many Puerto Ricans.

LIONEL SOSA, BUSH MEDIA CONSULTANT: It's a very, very diverse culture, but with very similar values, values that come from Catholicism, values that are very conservative, values that have to do with family, with hard work, with a free-enterprise spirit.

EMANUEL (voice-over): Lionel Sosa's a nationally known advertising consultant.

SOSA: (INAUDIBLE) you talk to the head with issues and you talk to the heart and soul with values.

EMANUEL: Sosa is part of the Bush media team, tailoring a message designed at winning Hispanic support.

SOSA: Make sure that nobody gets left behind, to make sure that the opportunity is there for everyone, and make sure that the American dream is there for everyone.

EMANUEL: While California Latinos may traditionally vote Democratic and many Texas and Florida Hispanics may now lean Republican, most insiders say it's too early to predict 2000.

BECERRA: The Latino vote is fertile ground for any party, for any politician. You just have to make sure you don't step in the wrong spots.

EMANUEL: In Dallas, Mike Emanuel, FOX NEWS.
(END VIDEOTAPE)

HUME: Republicans are trying to make history next month in the state of Virginia by taking over the state legislature. Virginia is one of only a handful of states with off-year elections this November, and both national parties are pumping big bucks into the state in hopes that Virginia will lead the way to victory for them in 2000. FOX NEWS correspondent Julie Kirtz reports.

(BEGIN VIDEOTAPE)

JULIE KIRTZ, FOX NEWS (voice-over): Virginia's popular Republican governor, Jim Gilmore, can smell victory as he campaigns across the state for GOP legislative candidates.

JIM GILMORE (R), VIRGINIA GOVERNOR: I'm pretty excited about the prospects for us in Virginia. I just hope it works out right.

KIRTZ: Republicans need just one more seat to win control in both houses for the first time in 100 years in the Old Dominion, and that would give the Republican Party the right to brag and the appearance of momentum going into next year's national elections.

GILMORE: That's a great step forward for the people of Virginia and for the country because it shows that the Republican Party continues to emerge in the South.

KIRTZ (on camera): That's why the national party is donating hundreds of thousands of dollars to Virginia's state races. If the Republicans win big in Virginia, they plan to immediately re-draw congressional districts to benefit their congressional candidates next year.

(voice-over): The chairman of a committee to elect more Republicans to the U.S. Congress is Representative Tom Davis, who happens to be from Virginia.

U.S. REPRESENTATIVE TOM DAVIS (R-VA): It will show, I think, the Republicans are alive at the grass roots if we can win this.

KIRTZ: The Virginia Democratic Party concedes nothing, but acknowledges it's being outspent 2 to 1 by Republicans.

KENNETH PLUM, VIRGINIA DEMOCRATIC PARTY CHAIR: That's an outlandish amount of money. Certainly, the elections are important, but they're elections that shouldn't be bought.

SCOTT KLEIN (R), VIRGINIA STATE REPRESENTATIVE CANDIDATE (campaign commercial): I'm running for delegate with a plan.

KIRTZ: One of the closest and most expensive battles for house delegate is a face-off between Republican Scott Klein and Democrat Kris Amundson.

KRIS AMUNDSON (D), VIRGINIA STATE REPRESENTATIVE CANDIDATE: This is the 51st seat, and this is the seat I think that determines how the House of Delegates goes. Both parties desperately want it, and as usual, the Republicans have a lot more money to spend.

KIRTZ: Democrats say outside money pouring into Virginia is distorting local and state races. But Governor Gilmore insists it's his party's commitment to lower taxes combined with an energized campaign organization that give the GOP new clout with voters. Both parties expect to shatter state spending records in this November election.

In Washington, Julie Kirtz, FOX NEWS.

(END VIDEOTAPE)

HUME: Still to come: The U.S. Catholic bishops are urging their flock to get involved in politics. Plus Donald Trump in his own words. Stay tuned.

(18:37)

(COMMERCIAL BREAK)

HUME: U.S. Catholic bishops are launching a campaign to increase their political influence. The nation's 61 million Catholics will receive election guides urging them to get involved in the political.

arena. The church says that the guide, entitled "Faithful Citizenship: Civic Responsibility for a New Millennium," will promote issues and values, not specific candidates. Amy Kellogg reports.

(BEGIN VIDEOTAPE)

AMY KELLOGG, FOX NEWS (voice-over): They are the biggest religious group in the country and, some would even argue, the most important swing voting bloc. They are Catholics, and their leadership is sending them a message: Get out and vote in 2000.

JOHN CARR, U.S. CATHOLIC CONFERENCE: There has been a tradition of participation, but I think a lot of Catholics have been infected with the same virus as others and are disenchanting, and in some cases choosing not to participate.

KELLOGG: The U.S. bishops will soon distribute this pamphlet, asking Catholics to vote and to vote from the heart, to evaluate candidates on "whether they enhance or diminish human life and dignity and human rights and how they advance the common good." They want Catholics to vote for candidates who will help the poor, the hungry and the right-to-life movement.

They aren't endorsing individuals, per se, but to those Catholics who can't find a candidate who embraces all their values, there's this option.

CARR: One of the things we want people to do is get involved--they ought to run. If you don't find someone who speaks for you, get involved and think about running yourself.

U.S. REPRESENTATIVE BILLY TAUZIN (R-LA): If you look at the last presidential election, when only 49 percent of Americans even bothered to vote in the election of the most important office in our land and probably the world, let's hope somebody is out there encouraging their members to take citizenship, you know, seriously.

KELLOGG: Catholic Representative Billy Tauzin also had this to say when asked if the bishops risk blurring the line between church and state.

TAUZIN: For heaven's sakes, all my life I've been going to churches in elections, I mean, in campaigning. The churches are always--the churches welcome political candidates to come and visit and mingle with their faithful, and there's nothing new here.

KELLOGG (on camera): We asked the organization Americans United for Separation of Church and State what they think of all this. They say they don't have a problem with it, as long as the church isn't endorsing any specific candidates. And though they say they don't believe the church should play a role in politics, they say that it's hard to argue against any effort to get out the vote.

In Washington, Amy Kellogg, FOX NEWS.

(END VIDEOTAPE)

HUME: Real estate tycoon and possible Reform Party candidate Donald Trump gave a wide-ranging interview to FOX NEWS's Neil Cavuto. Trump obviously was not muzzled by his handlers, as he described himself as controversial and talked frankly about his views on many things, including politicians and taxes.

(BEGIN VIDEO CLIP)

DONALD TRUMP, POTENTIAL PRESIDENTIAL CANDIDATE: I deal with politicians all day long. My whole life is politicians.

NEIL CAVUTO, FOX NEWS: What do you think of politicians...

TRUMP: Well, I...

CAVUTO: ... as a breed?

TRUMP: You know, I hate to be--I hate to generalize, but generally speaking, I find some to be outstanding. I find some to be disastrous.

I've run a campaign with spending no money, and as you know, it's been obviously very effective. Something's been effective because things are through the roof, I mean, in terms of coverage, in terms of results, in terms of polling, in terms of everything else. And I guess they say Gore spent \$22 million. Well, I spent exactly to \$22 million less than that.

We are paying too high a tax, and I believe in tax reductions, and very substantial tax reductions.

CAVUTO: "Substantial" being what?

TRUMP: I think in line with what the Republican maximum was.

CAVUTO: Ten percent across the board?

TRUMP: Which looks--which looks like they're not going to get, in all fairness, but in line with that. As an example, if you have a trade deficits that are so huge in this country--I mean, they're so unbelievable in this country, with Japan and so many other nations, Korea, Germany--you look at these deficits--if we just straightened out our trade deficit, you could cut the hell out of taxes.

CAVUTO: But we're not going to get them.

TRUMP: We're not going to get what?

CAVUTO: You don't think we're going to get those tax cuts, do you.

TRUMP: I don't think we're going to get them with the traditional candidates, no. I think you'd get them with me.

(END VIDEO CLIP)

HUME: Don't go anywhere, folks. Our panel of pundits is coming up next.

(18:44)

HUME: A little wisdom now from Bill Sammon, White House correspondent of the "Washington Times," Mort Kondracke, executive editor of "Roll Call," and from the White House, Mara Liasson, White House correspondent of National Public Radio.

Let's touch at least on the withdrawal of Elizabeth Dole from the race. I'm not sure what's left to say about it. It appears to have been a case of where she never got any traction, couldn't raise enough money, and it didn't work.

MORT KONDRACKE, "ROLL CALL": Right.

HUME: But is it--or was it that she herself was personally weak, in your judgment, Mort?

KONDRACKE: Well, I don't think she was all that great a candidate. I mean, her press spokesman quit because--Ari Fleischer (ph)--because he couldn't get her to do anything. She wouldn't go out on any limbs at all. Everything had to be tightly controlled, and she--and she never really made much of a dent in the race. I mean, she was--she had an advantage in that she was, you know, the first woman Republican candidate ever, and so on. But she--she couldn't do it. I mean, the money is partly a reflection of lack of support.

HUME: Yeah, but...

MARA LIASSON, NATIONAL PUBLIC RADIO: And you know, what's interesting...

HUME: Go ahead, Mara.

LIASSON: ... is she could never shake the idea that she was running for vice president. Not only were there so many voters who thought that that was her proper place, but also she ran the kind of campaign that gave political insiders and money people the impression that that's what she was aiming for, not the top spot.

But I think the most interesting thing about the fall-out from her withdrawal is what it's going to do to John McCain. I mean, he's made a decision not to compete in Iowa. I think--I've talked to some McCain people who say they might have to reconsider that. They don't want to cede the field completely to Bush. They feel it's getting to be a two-man race between McCain and Bush, and we might see him get back in.

BILL SAMMON, "WASHINGTON TIMES": She was simply not a compelling candidate, a sufficiently compelling candidate. She, you know, said all the right things and seemed very nice, but she just didn't electrify people, and that's why she's out of it.

(CROSSTALK)

HUME: I mean, is she out of it? I mean, Michael Barone was suggesting in here that she really might be positioned, as Mara suggested, for vice president.

KONDRACK: I think the only circumstances under which I could see that is if the Democrats were on the verge of nominating a woman and the race was close. Then maybe George Bush might feel, you know, some advantage in doing that. But I just don't see it.

You know, the thing is that I think that--as I understand it, Linda Duvall (ph), who's Elizabeth Dole's pollster, thinks that most of the votes--Elizabeth Dole's votes are going to go to Bush. And I think she's probably right because Bush is trying to market himself as a "compassionate conservative" candidate capable of appealing to suburban women voters. And I'm not sure that McCain is--McCain's got this independent streak, but there's nothing very soft and fuzzy about--about the McCain message.

SAMMON: You know what's amazing about this is that you have this second-place and third-place people dropping out. You had Quayle drop out when he was running second in some of these polls. You have Dole drop out. And you have some of these third or fourth and fifth-tier people that are getting 2 percent and 3 percent keep chugging along. I don't understand that.

HUME: Oh, I think it's the...

LIASSON: Yeah, but those people...

HUME: They're--those are running guerrilla campaigns, really.

LIASSON: Yeah, and they run low-to-the-ground, cheap campaigns, and it doesn't really matter if they're not going up in the polls or raising a lot of money. But for Elizabeth Dole, for Lamar Alexander, it really meant something, for Dan Quayle.

HUME: All right, let's--let's move on for a moment to something else here. We had Tom Daschle, the Senate Democratic leader, came out in his morning conference with reporters today. And in the aftermath of the rejection of the Missouri judge, Ronnie White, a black man, for a judgeship--by the Senate--and the refusal to consider so far the nomination of Carol Moseley-Braun, the former senator from

Illinois--Democrat, also black--for an ambassadorship, we had this statement from Tom Daschle.

(BEGIN VIDEO CLIP)

U.S. SENATOR TOM DASCHLE (D-SD), SENATE MINORITY LEADER: The array of anti-minority sentiment expressed almost each week now by Republicans is--is historic. I have never seen a party become this defiant when it comes to protecting minority rights in my time in public life. Carol Moseley-Braun is just the latest victim of increasing sentiment expressed by an increasing number of Republican senators that I think is very dangerous for this country and very, very harmful to the--to the progress we've made on minority rights over many decades.

(END VIDEO CLIP)

HUME: Now, there's a response to that that was issued by Senator Trent Lott, the majority leader's, spokesman, John Swortaki (ph), who said, quote, ``We've confirmed three judges in the last 10 days. They've been approved based on the content of their character and not on the color of their skin." He went on to argue that he said it was dangerous when race is placed above someone's record. He said, quote, ``There's a term for that: racial profiling. I thought we were trying to get away from that. Playing politic with race doesn't help heal any wounds. It only reopens them."

So what about Daschle saying that? Mort? That's pretty strong medicine.

KONDRACK: Yeah. It sounds to me as though this is trying to energize the base a year ahead of the election, where--you remember--it was either '96 or '98, I can't remember, but the Democrats were playing on church burning and trying to link Republicans somehow to black church burning in the South, you know, in order to--in order to get the base energized. I--you know, I think the Ronnie White judgeship rejection was wrong. And Stuart Taylor, the legal affairs columnist, has made a very sound case that that--that that was a bad decision. But it was based on politics, not race. I mean, it was based on, you know, the Missouri Senate race, not only White's race.

(CROSSTALK)

HUME: You know, they had--they could--they said they didn't know the guy was black, which may well be true.

KONDRACK: Right. So--and the Carol Moseley-Braun thing is not based on race, either. I mean, this is based on a feud...

LIASSON: Right.

KONDRACK: ... between Carol Moseley-Braun and Jesse Helms.

LIASSON: Yeah, which--which might have--have some kind of--you know, it might have had something to do with some kind of a racial issue because it was about the Confederate flag. But what I found very surprising about Daschle's comments is this is where the White House refused to go. Either earlier this week or last week, I asked Joe Lockhart point-blank, ``Look, when Ronnie White was defeated, you guys marshaled evidence to prove your point that the Senate seems to take longer to confirm minority or female candidates. Will you say the same on ambassadors?" And he said ``No, absolutely not."

I also think it's going to be hard for Daschle to make that point when you've got George W. Bush, who very soon will be the personification of the Republican Party, appearing almost every day with black and Hispanic children and going into inner-city neighborhoods. I

mean, I think it's going to be...

HUME: But that's--he's talking about...

LIASSON: ... a tough case to make.

HUME: Of course, he's just talking about the Senate, though.

SAMMON: But that's exactly the point. Mara, you've hit on it. This is trying to counter the whole "compassionate conservatism" image. The Democrats are very alarmed at Bush straddling the center, putting that smile button on the conservative face and saying, you know, "We're kinder, gentler. We're meeting with minorities, Hispanics" and all this kind of thing. This is a direct result of that, trying to demonize the Republican Party, and it's all about the election next year. Mort is absolutely right.

HUME: We should note that--that Daschle went on to say, quote--regarding Moseley-Braun, "We have to go back to almost 1835 to find the time when a senator was rejected for an ambassadorship by the U.S. Senate." That was Martin Van Buren. And he went on to say that that was, you know, an historic and--and--but I think it's reasonable to note, Mort, that there was a more recent rejection of a former senator for a more prominent post.

KONDRACKE: John Tower, secretary of defense. Right.

HUME: Who was then--had retired as senator and had been chairman of the Senate Armed Services Committee. That was...

KONDRACKE: If I'm not mistaken, it was a Republican Senate that rejected him, wasn't it?

HUME: Well, it was, with--but there's no doubt who led the charge.

KONDRACKE: Sam Nunn.

HUME: It was Sam Nunn...

KONDRACKE: Right.

HUME: ... the Democratic senator from Georgia.

KONDRACKE: Right.

SAMMON: It's astonishing that they're playing the race card more than a year out on this election. I mean, I think that has to be a commentary on the state of affairs of how frightened they are of George Bush. It's got to be. For them to be circling the wagons and--you know, it's funny, this thing about Ronnie White kind of trickled out. It wasn't like an immediate denunciation. They sort of floated some trial balloons. "Maybe it was racism." Now you see it sort of being stepped up almost, you know, incrementally, which is very interesting.

HUME: Well, it's also a little unusual for the rejection of a judge at that level to--to get this much publicity. He's a federal district judge. I mean, there are--there are hundreds and hundreds of them.

SAMMON: Of course.

HUME: Some get--some get in--they don't get all--they don't often get rejected on a Senate floor vote. They usually get pulled.

KONDRACKE: Right. Well--well, what happened was, is that John Ashcroft, the senator from Missouri, is running for reelection against Mel Carnahan (ph), who's the governor, on the basis of capital punishment. And that was the issue involved here.

HUME: All right, capital punishment. Mort, thanks very much. Thanks to Bill. Thanks to Mara. That's all the time for the

panel, but stay tuned for one congressman's plan to get funding from the president.

(18:56)

(COMMERCIAL BREAK)

HUME: Finally, foreign aid is a perennial whipping boy in the House of Representatives. It may be important, but it's unpopular with the public, and House members love to complain about it. And when they do, they sometimes say the darnedest things. Listen to Alabama Republican Sonny Callahan during debate on the House floor.

(BEGIN VIDEO CLIP)

U.S. REPRESENTATIVE SONNY CALLAHAN (R-AL): When the bill was passed and we sent it to the president for his signature, that every time somebody walks in the White House with a turban on his head, that the president gets a glass of wine, gives it to the king or whoever he's talking to, that they stand there in the Oval Office or wherever they stand in the White House, and they clink those glasses together, and lo and behold, the president said, "Let me give you a little bit of money." And then the president calls up here and says, "Sonny, this is an obligation of the United States of America."

I think I'm going to call the president, and I'm going to go down to the White House one day this week. But before I go, I'm going to buy me one of those turbans. And I'm going to walk in the Oval Office with that turban on my head, and I'm going to suggest to the president that we each get a glass of wine.

And let's have a toast. So maybe I'll try that strategy of going to the White House with a turban on my head.

(END VIDEO CLIP)

HUME: We'll have our cameras watching.

And that's SPECIAL REPORT for this time. Please come again next time, and in the meantime, stay tuned for news, fair and balanced as always.

END