June 3, 1997

copies for: Elena Kagan
Paul Weinstein
Tom Freedman
Jonathan Prince

Bruce,

This is an outline for a HUD report that we would release at the Conference of Mayors this month. Hopefully the President's speech would reinforce the report and vice versa. I'll follow up with Jonathan if that's okay.

Thanks
Andrew

Office of the Secretary
U.S. Department of Housing and Urban Development

DRAFT OUTLINE

STATE OF THE CITIES REPORT

I. INTRODUCTION: In January 1997, the President asked a simple question, "How are the nation's cities doing?" (Optional)

II. 1970-1990 -- Decades of Decline

From 1970 until 1990, the nation's cities became poorer and many became smaller. The rate of poverty increased, the rate of crime increased, education rates fell and the quality of life declined. During the 1980's, employment in suburbs increased at twice the rate of central cities. Only 11 of the 30 largest cities in 1970 had more people in 1990 than in 1970. Overall suburbs grew four times faster than central cities. In addition, the rate of violent crimes doubled from 1970 to 1990. Federal Government had done little to help. The urban future was dim.

III. 1990's -- Cities Doing Better

Overall, cities in the '90's are rebounding. After the 1990-91 recession, the economic resurgence has helped revitalize cities. The United States is now in the sixth year of a remarkable economic expansion. Over 12 million new jobs have been created since January 1993. For the first quarter of 1997, the economy grew at an exceptional annualized rate of 5.8 percent, and unemployment dropped below five percent for the first time in 24 years.

Generally, city officials are quite optimistic about their ability to maintain current levels of service without raising additional revenues. However, there are problems.

A. Bigger does not mean better. While cities overall are doing well, the results are mixed among different cities in different regions of the country. A notable exception to the resurgence are larger cities: only half of the ten largest cities have more employed residents today than in 1990.

B. Progress is relative. Cities have not progressed at the same rate as suburbs. Since 1970, the number of employed city residents has risen at a rate only half as rapid as the United States as a whole and barely one-third of the rise for suburbanites. Central city population grew by almost 2 million between 1990 and 1994. But, while the U.S. as a whole has gained 12 million jobs since 1990, suburbs have gained the lion's share.

C. Workforce/skills mismatch. To aggravate the urban employment situation, there is a mismatch between the urban workforce and the jobs that are being created in cities. Of the new service jobs being created, cities are creating less than 20% and suburbs more than 80%. At the same time suburban communities are creating more of the low-skilled jobs, they house more high-skilled workers.

D. Concentration of Poverty. While the rate of poverty is down, the concentration of poverty in central cities is up. Today, 45 percent of the nation's poor live in cities, up from 38 percent in 1970. At the same time, the central city poverty rate increased from 14 percent in 1970 to 21 percent in 1995.

IV. Challenges Ahead

The failure of cities, to keep pace with the rest of America, the jobs/skills mismatch, the plight of larger cities, the concentration of poverty is then compounded by the challenges of welfare reform and immigration.

A. Welfare reform. Welfare reform will require jobs for the millions moving off AFDC. It is expected that we will need 3 million jobs for people coming off welfare in cities. These jobs are needed over the next 2 to 3 years. However, over the past 3 years -- even with the strong economy -- we only created employment for 2 million people in central cities. This challenge will highlight the fact that more jobs are being created in the suburbs while more poor are living in the cities. This problem is exacerbated by the fact that the low-skilled jobs are located in the suburbs and the high-skilled jobs in the cities. The larger cities--which are not doing as well to begin with--will face the greatest challenges.

B. Immigration. The 1980's saw the highest rate of immigration since the early 1900's, exceeding nine million immigrants. However, the increase in immigration over the next decade is forecasted to exceed even that mark. The vast majority of new immigrants settle in the nation's "gateways": cities such as Boston, New York, Miami, Chicago, Los Angeles and San Francisco. Immigration brings special challenges and opportunities. It brings new energy, talent and resources. It also challenges educational systems, i.e., the Los Angeles school system now hosts 75 different languages. The urban economies will also need the new jobs to employ these workers--on top of the new welfare workers.

V. Our Agenda

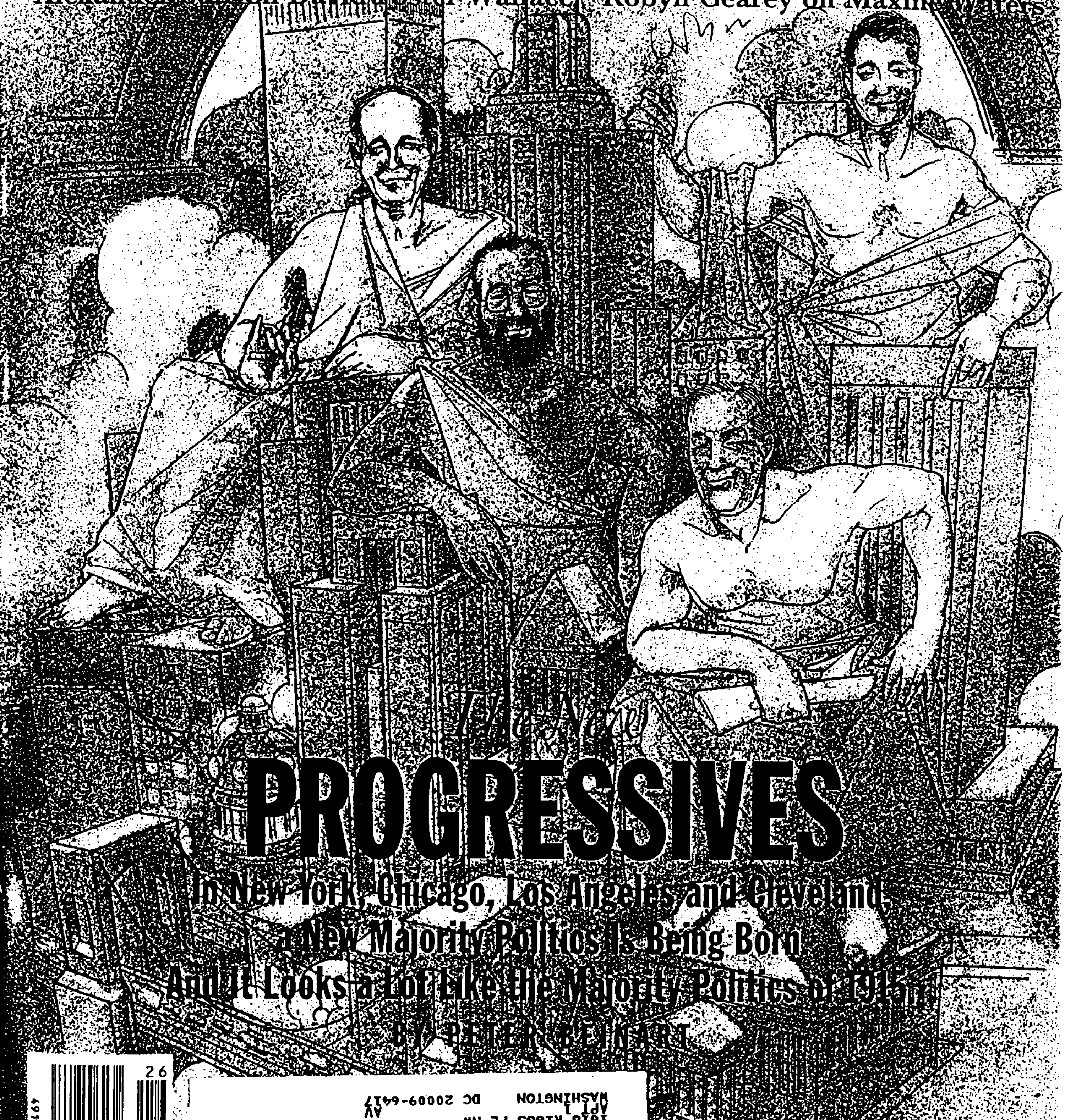
The Clinton Administration anticipates these challenges and has crafted a comprehensive agenda to address them. By principle, we have moved away from top-down Federal programs which dictated local action and bred dependency--to bottom-up empowerment initiatives which foster independence. The specifics include a second round of empowerment zones, welfare to work, EITC, homeownership, Brownfields, Pell and Hope scholarships, and first and foremost, a balanced budget to keep the economy strong.

nature of cities tied to suburbs

1997 $2.95

THE NEW REPUBLIC

Alexander Star on David Foster Wallace • Robyn Gearey on Maxine Waters



The New

PROGRESSIVES

In New York, Chicago, Los Angeles and Cleveland, a New Majority Politics Is Being Born And It Looks a Lot Like the Majority Politics of 1915

BY PETER BEINART

The new breed of Progressive mayors.

THE PRIDE OF THE CITIES

By Peter Beinart

Michael White, the mayor of Cleveland, is a Democrat, an African American and the son of a union activist. And he is at war with his party. First, he backed an end to forced busing. Then, he supported Republican Governor George Voinovich's radical school choice law, which offers students vouchers at parochial as well as private schools. Then, he made city workers compete against private firms for garbage collection, road maintenance and other contracts, prompting union officials to walk out of a speech he gave at the Democratic National Convention. Now, he's allied with the governor again, backing a bill by two Republican state legislators to grant him control over Cleveland's destitute school system and the authority to get "rid of any people who aren't directly tied to the direct education of children." Arrayed against him: the teachers' union, the NAACP and just about every elected Democrat in the city of Cleveland.

For a big-city mayor to be so at odds with his party would seem peculiar. Except that it's happening everywhere. Mike White got the idea to take over the schools from Richard Daley, the Democratic mayor of Chicago, who battled the municipal unions and his own party's nominee for governor, and two years ago won the right to introduce radical reforms into the management of Chicago's public schools. And White learned about the introduction of competition into city services in part from a study trip he and his staff took to Indianapolis, where Republican Mayor Steven Goldsmith has reduced city bureaucracy so radically that he's angered both patronage-minded GOP officials and the traditionally pro-Republican police unions. Goldsmith is also viewed as a "kindred spirit" by Mayor John Norquist of Milwaukee, a Democrat who, for the sin of supporting Republican Governor Tommy Thompson's welfare and school choice reforms, has made himself persona non grata with his city's public employee unions, the NAACP and the Democratic speaker of the state House of Representatives.

It goes on. Los Angeles Mayor Richard Riordan, whose support for affirmative action, gay rights and Senator Dianne Feinstein has led GOP Californians to dub him a RINO (Republican in Name Only), journeyed to Indianapolis during his first week in office and cited Goldsmith in his inaugural address. And Rudolph Giuliani, the Mario Cuomo-endorsing, illegal immigrant-defending, New York Republican who recently admitted that ideologically he is a "moderate Democrat," has met with Goldsmith on four separate occasions. Giuliani and Riordan also received pre-inauguration seminars from Philadelphia Mayor Ed Rendell, a Democrat, who, like Mike White, forced city employees to compete for contracts with outside firms, outraging municipal unions and most of his party.

Something interesting is happening here. Over the past five years or so, a half dozen Democratic and Republican mayors have come together in what an aide to one calls "an informal network." They speak to each other regularly, they cite each other without prompting, they copy each other's initiatives. In almost every case, they represent a radical break with their predecessors in office, and that break is largely about managing city government efficiently in the public interest rather than using it as a mechanism for arbitrating competing group interests. The new mayors are hugely popular: Mike White, Richard Daley, Steven Goldsmith, John Norquist, Richard Riordan and Ed Rendell have all been re-elected by wide margins, and Rudy Giuliani will almost certainly follow suit this fall. But they are outsiders in their own parties, viewed with suspicion and even contempt by the parties' most powerful constituencies. To explain their success and their iconoclasm, the press often dubs them pragmatists. But that misses the point. They have an ideology: that cities can dramatically alleviate seemingly endemic urban afflictions without a massive redistribution of wealth, that the way to achieve this is by using competition to make city services radically more efficient, and that cities must tolerate diverse identities without celebrating them to the detriment of a shared sense of public interest. These ideas have a coherence and a history. They just don't have a party, yet.

The history is progressivism. At the turn of the last century, America's cities were a scandal. The squalor, pathology and cultural transformation to which mass immigration had given rise shocked and terrified the native-born middle class. And, as outraged as they were by the immigrants themselves, respectable people were even more hostile to the municipal regimes the immigrants spawned. As Andrew White, the president of Cornell, wrote in the journal *Forum* in 1890, "the city governments of the United States are the worst in Christendom."

The political machines that men like White despised had been created to bridge the material and cultural distance separating the immigrants from native society. In cities that offered newcomers few formal services, and in which the private sector often remained closed, the immigrant-driven city machines supplied housing, fuel, charity and—most importantly—jobs. Under machine leadership, America's cities built roads, sewers, streetlights and railcars at a furious pace, usually with little attention to the projects' cost-effectiveness, creating as many jobs as possible and distributing them to appease different constituencies. As Kenneth Fox notes in *Better City Government*, his history of that era, America's big cities in 1880 spent more than twice as much per capita as did the federal government. And the machines appealed to the immigrants symbolically as well as materially, installing ward leaders and aldermen who looked and talked like them, and defending their traditions against a disapproving native middle class that wanted to close down the immigrants' saloons and their dance halls—and bust their corrupt, powerful machines.

DRAWING BY VINT LAWRENCE FOR THE NEW REPUBLIC

This disapproval found expression in the reform movement that set itself against machines such as Tammany in New York. The reformers' ideology was summed up by then-U.S. Civil Service Commissioner Theodore Roosevelt, in a speech to the First Annual Conference for Good City Government, held in Philadelphia in 1894: "There are two gospels I always want to preach to reformers.... The first is the gospel of morality; the next is the gospel of efficiency." At the time Roosevelt spoke, his gospels were anathema to the immigrants who made up the electoral majorities in most cities. The gospel of efficiency meant introducing business and scientific principles into city administration to expunge the corruption and waste of machine politics. But what looked like corruption and waste to middle-class reformers looked to many impoverished immigrants like jobs. The gospel of morality attacked the machines for catering to various "special interests" rather than requiring a standard of upright conduct based on one "public interest." But immigrants suspected, correctly, that "the public interest" hid a good deal of nativism and racism. Many of the reformers sought to resurrect a version of city life that had existed before the massive immigration from Eastern and Southern Europe. They advocated closing the borders, called for social legislation—such as prohibition laws—aimed at punishing the immigrants, and even suggested stripping the newcomers of their right to vote. Here, again, is President White of Cornell: "The work of a city being the creation and control of the city property, it should logically be managed as a piece of property by those who have created it, who have a title to it, or a real substantial part in it ... [and not by] a crowd of illiterate peasants, freshly raked in from the Irish bogs, or Bohemian mines, or Italian robber nests." The freshly raked voters of New York, Chicago and Boston stuck with the machines.

But, with the new century, reformers found ways to peel off enough immigrant voters to win. Some immigrant groups—especially Jews and Italians who felt partially shut out of Irish-dominated machines—began to recognize that although the machines provided services, they did not provide them particularly well. Meanwhile, the more enlightened reformers were learning to break with their movement's backward-looking elements, and they abandoned those initiatives designed to punish immigrants for their cultural differences. As political scientist Kenneth Finegold details in his book, *Experts and Politicians*, John Purroy Mitchel won the mayoralty of New York in 1913 by dominating among native-borns and dislodging chunks of the German, Italian and Jewish vote from the machines. He made these inroads partly by distancing himself from nativist crackdowns on Sunday drinking in immigrant neighborhoods.

The new reformist mayors made efficiency their obsession. Mitchel appointed as city chamberlain (chief policy adviser) Henry Bruère, head of the recently formed New York Bureau of Municipal Research. At the bureau, Bruère developed a 1,300-question survey designed to formalize and evaluate the performance of city employees and the delivery of city services. Aided by a young assistant, Robert Moses, Bruère tried to employ efficiency experts to grade the work of city employees on a numerical scale.

The same story played out in cities across the country. In 1909, a Municipal Efficiency Commission was formed in Chicago; Los Angeles set up an Efficiency Commission in 1913; in 1916, a Bureau of Governmental Research was born in Detroit. Run by middle-class reformers enamored of the scientific management principles of Frederick Winslow Taylor, and funded by businessmen who saw greater government efficiency as a way to improve urban conditions and thus prevent class upheaval, the efficiency commissions played key roles, either formal or informal, in setting policy for a new breed of mayors. And, in city after city, those mayors instituted the same reforms. Ernest Griffith shows in *A History of American City Government* how reformist mayors in Los Angeles, Detroit, Bridgeport, Schenectady and New York established centralizing purchasing boards to reduce mismanagement and corruption, with Schenectady reporting a 30 percent reduction in costs as a result. San Francisco, aided by the city's newly created Bureau of Governmental Research, instituted, for the first time, a detailed budget in accordance with business accounting principles; Philadelphia tried to end one company's monopoly on garbage pickup by asking different firms to compete for the contract. Between 1910 and 1912, Milwaukee's in-house Bureau of Efficiency and Economy rationalized municipal accounting, inventoried all city property and cut the cost of street paving from $2.40 to $1.35 per square yard.

Mike White has cut the cost of street paving in Cleveland from $6.53 per square yard to $4.69. He's done it by forcing his city's road repair unit to compete with private companies. Kenmore Construction Company bid $4.80 for the contract, but the city repair department beat them. It did so by changing work rules that had forced city employees to convene at a central garage every morning instead of going straight to their work site, by trimming repair teams from four workers to three and by a host of other reforms. The city is saving more than $1 million a year.

In 1896, industrialist John H. Patterson summed up the progressive era management reforms by explaining that "a city is a great business enterprise whose stockholders are the people." In 1997, Mayor Steve Goldsmith explains his reforms in Indianapolis this way: "We've explicitly applied a series of principles you're more likely to find in business school than in public affairs schools." Upon coming into office, Goldsmith, who sometimes calls himself Indianapolis's CEO, hired a national accounting firm to survey all the city's functions and find out how much it spent to do each of its thousands of different tasks. "What government does," Goldsmith says, "is that it tells you how much it spends and takes in overall. It doesn't tell you how much it costs to do any specific activity, for instance, to fill a pothole." Armed with this information, he solicited bids from private firms to see which tasks they could perform more cost-effectively. Private companies got the contracts for maintaining the city golf course. But city agencies reformed work rules and won the bidding for garbage collection and for maintenance of Indianapolis's fleet of cars and trucks. The city agencies signed contracts that tied pay to quantitative measurements of service delivery. The fleet repair team agreed to forgo the automatic raises they had enjoyed in their previous contract in return for the right to keep 20 percent of however much they saved the city by coming in below their bid. Goldsmith recounts with delight a story about a couple of mechanics who retired. A group of workers approached the supervisor and said that, if duties were restructured, the garage could do the same work without replacing them—thus reducing the city's costs while increasing the employees' salaries.

At the turn of the century, city governments often took aim at monopolistic private corporations and utilities. Now, the focus is more often on monopolistic government agencies. Today's reformers insist that the point is not whether services are provided by the private sector or the public sector, but that principles of efficiency govern the competition between the two. And, once again, the efficiency craze is repeating itself in city after city. In Philadelphia, Ed Rendell requires each municipal agency to set detailed monthly goals for how much it will spend, how much it will take in and how well it will deliver services. Every quarter, these reports are reviewed by a compliance committee, led by the mayor's chief of staff, which discusses with the agency heads how successful they've been in meeting the agreed upon measurements. Such detailed reviews led the city to contract out maintenance of city parks to a private firm, which cuts the grass in summer every two weeks (up from every seven) at no additional cost. The reviews also alerted city officials to information that previous yearly budgets missed—like the fact that the city was devoting the same number of employees and equipment to sewage treatment all year long, even though sewage tonnage is highest in the spring.

In Los Angeles, Richard Riordan, who went to visit Rendell before taking office and then tried to lure away his chief of staff, calls himself "an ideologue on efficiency." Riordan requires the head of every city department to establish quantifiable goals for the year, and "strategic priorities" for the next three to five, and ties employee pay to achievement. A former businessman, the mayor also distributes a concise budget patterned after company reports every year.

In Chicago, Richard Daley wrested control of the city's schools from a disastrous school committee two years ago and appointed a five-member board led by a president, a chief executive officer and a chief financial officer; Daley gave the new board enormous power to, in the board president's words, "operate more efficiently like the corporate world." The board, which has in two years eliminated a $1.3 billion projected deficit, found in its detailed accounting review that almost every Chicago school employed a full-time fireman to keep its coal fire boilers safe—although no school has used a coal fire boiler since the 1950s. The city is using some of the saved money to fund rigorous summer school sessions, which underperforming eighth graders must attend in order to move on to high school.

Behind these stories of administrative triumph lies a second great shift in America's urban politics, one that is proving highly unsettling to both political parties. In important ways, American cities today resemble American cities at the turn of the century. They are almost universally considered blights, places that many middle-class Americans regard as dangerous and foreign. And today, as then, there is a deep hostility toward the politicians who run cities. Think of the way middle-class Washingtonians view Marion Barry, or the way residents of the Detroit suburbs viewed Coleman Young.

Much of this hostility, it goes without saying, is racial and cultural. As at the turn of the century, there are now large elements of the white middle class that find the demographic changes in urban America threatening. Through the 1960s, 1970s and 1980s, they watched with contempt as black politics and black culture grew increasingly powerful within American urban life, and in the 1990s they have mustered almost as much animosity toward immigrants—Latinos, particularly. A powerful wing of the Republican Party now actively idealizes life in America before blacks and non-white immigrants enjoyed any public presence. This unhappiness over three decades of cultural change extends to a hostility toward the increased visibility of gays and lesbians and the political agitation of women, and a despair at the decline of organized religion. And all these transformations have been felt most powerfully in big cities.

But it is also true that middle-class antipathy stems today, as it did at the turn of the century, from the fact that America's city governments have, in the past few decades, been poorly run. And this reality has nothing to do with race. In fact, the black mayors who assumed power in the 1970s and 1980s picked up the bad governing habits of the white mayors they replaced. In the 1950s and 1960s, white ethnic mayors expanded the size and scope of city government—without much attention to whether city agencies were performing cost-effectively—because federal and state governments gave them the money to do so and because they didn't yet realize that increasing taxes and regulation would force businesses and homeowners out of the cities, devastating their tax bases. As in the late nineteenth century, there were political reasons to do so—a larger city government meant more jobs, and distributing jobs to different ethnic constituencies was the basis of a successful political coalition. Between 1962 and 1972 alone, spending in America's twenty-eight biggest cities rose 198 percent. When black and white liberal mayors took over in the 1970s and 1980s, the rhetoric changed but city government kept expanding. Federal and state aid rose even higher—increasing 370 percent between 1965 and 1974—and the New Left community activists who gained power in some of the new administrations were even more convinced that economic development would come through government spending, and even more willing to tax the private sector to pursue those ends. Furthermore, by the 1970s, municipal employee unions—firemen, police, custodians and especially teachers—had grown into powerful political forces in most big cities, and with great success they not only kept city government expanding but blocked efforts at introducing accountability into the delivery of services.

The civil rights generation mayors opened up city government to blacks and other minorities who historically had not benefited from city patronage. But this victory for racial justice made management reform even more difficult. The liberal, largely black mayors could not deny their needy supporters the same fruits of office that white ethnics had enjoyed for years. Blacks enjoyed even less presence in the private sector than white ethnics, so for blacks public-sector jobs became an important—perhaps the most important—path to the middle class. Speaking of Richard J. Daley's radical attack on Chicago's bloated school bureaucracy over the past two years, Donald Haider, professor of public management at Northwestern University and a former city budget director who ran against Harold Washington in 1987, says, "it would have been very difficult for Mayor Washington to do what Daley has done. [The view was] 'it's our turn to get those jobs.'... The Chicago Board of Education had become one of the largest employers in Chicago. Its leadership had turned minority, and more than half of its employees were not teachers. Privatization was seen as a civil rights issue back then."

To understand why the civil rights mayors eventually fell, it is crucial to recognize that their administrations were in fundamental ways conservative. Men like David Dinkins, Tom Bradley and Harold Washington made city government ethnically and racially inclusive. They aligned themselves, unlike some of their predecessors, with the liberal wing of the Democratic Party on social issues, and they also called for massive federal initiatives for urban economic development. But such calls were not only largely symbolic—since the mayors did not have the power to push through large federal programs—they were in a way fatalistic. In both psychological and material ways, the dream of a second national war on poverty probably kept mayors from demanding more of their own city agencies. Rudy Giuliani's enormously successful policing reform, for instance, would have been unthinkable to a mayor who believed the only real way to address crime was a national effort to reduce poverty. And even more directly, mayors often budgeted for levels of federal and state aid they knew they had little chance of receiving, partly because they did not want to absolve Washington of its responsibilities and partly because doing so offered a way to evade tough fiscal choices. So while calling for dramatic change nationally, the civil rights mayors preserved the status quo at home—appeasing the municipal employee unions with generous contracts, using city jobs to cement their coalitions and leaving education, that most intractable and politically dangerous of urban problems, to elected school boards. As Raymond Horton, head of the business watchdog group the Citizens Budget Commission, told *Newsday* in the waning months of the Dinkins administration, "In New York, the political process has been captured by groups that have a vested interest in resisting change."

But in city after city over the past few years, the coalitions that elected the civil rights mayors have fallen apart, paving the way for the reformers. This has happened for three reasons. First, the money ran out. By the early 1990s, corporate and middle-class flight had decimated the tax bases in many urban areas, which meant that, even with high local taxes, city governments were finding it increasingly difficult to fund large, coalition-maintaining city payrolls. Meanwhile, the federal aid that had flowed from the 1950s through the 1970s declined substantially: between 1981 and 1993, annual assistance from the federal government dropped from $44.2 billion to $23.4 billion. Days after Bill Clinton took office, cash-starved mayors handed him a bill for $27 billion more a year to fund a blizzard of programs, explaining, in the words of J. Thomas Cochran, executive director of the United States Conference of Mayors, that "All we need is money." But the money did not come. And the civil rights mayors, like their immigrant-fueled machine predecessors, were unable to reform city management to cope with the new fiscal realities. In 1986, Chicago's Financial Research and Advisory Committee informed Mayor Harold Washington that the city's budget deficit would hit between $350 and $500 million by 1992 and suggested bringing competition into the delivery of city services to reduce costs. But Washington ignored the advice. Personnel costs in the city's police, fire, public works, road maintenance and garbage collection departments rose at more than four times the rate of inflation, and, by the time Richard Daley took office in 1989, the Advisory Committee was projecting a deficit of $827 million by 1995.

Ted Hershberg, director of the Center for Greater Philadelphia at the University of Pennsylvania, describes a similar pattern during Wilson Goode's final years in office: "Every year they would cook the books. They would estimate growth rates that they knew wouldn't materialize. They would keep carrying dollars over until the string ran out." It ran out in 1992. By that year, Goode's last in office, Philadelphia was roughly $250 million in debt, a figure that represented 10 percent of the city budget. Wall Street had downgraded Philadelphia's bonds to junk. The city was weeks from bankruptcy, and, when officials went to negotiate a bailout, financiers offered them an annual interest rate of 27 percent. Candidate Ed Rendell, who talked incessantly about using competition to reduce the city's costs (and who once in office refused to budget for unrealistically high levels of federal aid), won the race to succeed Goode because voters realized that only radical change could forestall fiscal ruin.

The second reason the civil rights coalitions fell apart is they failed to do what they had promised most loudly: to successfully arbitrate the new identity divisions that cities faced. David Dinkins's supporters didn't claim he would bring an efficiency revolution to city hall; they touted his sensitivity to New York's different constituencies, and his skill at brokering their competing concerns. Similarly, Joel Kotkin, a fellow at Pepperdine University's Institute for Public Policy, argues that "whites [in Los Angeles] elected a black mayor subconsciously at least to protect against another Watts." But, as Jim Sleeper argued in these pages four years ago (see "The End of the Rainbow," November 1, 1993), the identity pandering of Dinkins and others like him, combined with their passivity in the face of economic contraction, actually exacerbated racial and ethnic conflict. The riots in Crown Heights and South Central L.A. were devastating to the Dinkins and Bradley coalitions because they revealed that neither mayor's administration could respond effectively to any crisis, racial or otherwise. And that realization paved the way for Giuliani and Riordan to win by running as good managers rather than as racial healers.

The third reason the reformists took over was that, like the progressives at the turn of the century, they retained their middle-class base while distancing themselves from its racist, nativist and backward-looking elements. Republicans Giuliani and Riordan have strongly disassociated themselves from their party's attacks on immigrants, with Giuliani even going out of his way to call illegal immigrants "some of the hardest-working and most productive people in this city." One result has been that Giuliani, Riordan and conservative Democrat Richard Daley have each lured large numbers of Latino voters away from the political alliance with blacks that undergirded the elections of David Dinkins, Tom Bradley and Harold Washington. Riordan's success has been particularly striking. In winning re-election this spring, he garnered 60 percent of the Latino vote—this at a time when the California Republican Party's anti-immigrant rhetoric is driving droves of Latinos into the Democratic Party.

More difficult to gauge has been the impact of Giuliani's and Riordan's repudiation of the Republican Party's agenda on social issues like abortion, gay rights and school prayer. But it has certainly played a role in their success with Jews, the one white ethnic group represented in the Dinkins and Bradley coalitions, and one whose liberalism is increasingly defined less by support for tax-and-spend economic policy and more by a fear of the moral agenda of the Christian right. Riordan won a stunning 71 percent of the traditionally Democratic Jewish vote in Los Angeles, and Giuliani's Jewish support is so strong that he will almost certainly take the group this fall—even against Jewish Democrat Ruth Messinger. Riordan and Giuliani have also gained support among middle- and upper-middle-class gays and feminists sympathetic to their economic and anticrime initiatives and willing to overlook their party labels because they have resolutely disavowed the GOP's stance on abortion and gay rights. Riordan, who marched in a gay pride rally soon after assuming office and appointed a prominent gay lawyer, Michael Keeley, as his chief of staff, won an impressive 41 percent of the gay and lesbian vote in his re-election bid this year.

But, although the reformers are tolerant of, and at ease with, their cities' different constituencies, their relationship to identity politics still differs substantially from that of their predecessors. While men like Bradley and Dinkins stressed their sensitivity to the distinct interests of various groups, talking at length of their connections to different communities, Riordan, Giuliani and the other reformers conspicuously reject the language of group interest. Underlying the reformers' almost breezy lack of interest in identity politics is a deep confidence that they can bypass divisive issues of race and ethnicity by simply making city government more effective: voters of every color want the garbage picked up and the streets made safe. It is their faith that such a thing as a public interest—as opposed to shifting coalitions of discrete group interests—exists in America's big cities that links today's reformers to those at the turn of the century and represents perhaps the crux of the dramatic shift in America's urban politics over the last decade.

For instance, Giuliani's redirection of New York's policing toward "quality of life" offenses required a strong belief that residents of every neighborhood share essentially the same hostility toward squeegee men, toward aggressive panhandling, toward public drunkenness, toward vandalism and toward disorderly conduct in general. As George Kelling, originator with James Q. Wilson of the "broken windows" policing model that Giuliani has carried out, puts it, he's "taken on the idea that one person's disorderly behavior is another person's lifestyle." The difference between Giuliani's and Dinkins's anticrime policies is not that Giuliani hired more cops: Dinkins hired 7,000 new police in his final years in office. What Dinkins would not do, according to celebrated former New York police chief William Bratton, was to reorient policing around a universal standard of nonviolent deviancy. "Dinkins," Bratton argues, "did not trust the police, particularly in minority neighborhoods, to deal with the quality of life issues." Similarly, Daley and Rendell have argued strenuously against efforts to cast their competition initiatives in racial and ethnic terms. After Chicago Alderman Robert Shaw called Daley's reforms "less than fair to one ethnic group, primarily African Americans," the mayor fumed to *Governing* magazine, "Minorities are taxpayers. They pay taxes in Chicago. You go out to a homeowner—who is black, Hispanic, female or Asian—they pay taxes. They're not concerned about their tax bill when I send it to them? I think they're very concerned about their tax bill." When critics charged that Mike White's competition initiative, Cleveland Competes, was anti-labor and anti-black, he responded: "Cleveland Competes is blind. It's probably blinder than Old Lady Justice because we don't care who wins [the contracts]. What we want is the best price."

The reformers have their faults. Critics say that, compared to the efforts of Norquist and Goldsmith, Riordan's and Giuliani's efficiency reforms have been timid. They note that it is still too early to tell whether White's and Daley's education initiatives will broadly raise achievement, or whether Philadelphia will ever really thrive again economically. They worry that new anticrime strategies are contributing to growing harassment of innocent African American youths. And there is truth in these cautionary reminders.

But considering that many believed five years ago that urban pathologies were structural and endemic—essentially beyond government's reach—the reformers' accomplishments are extraordinary. Giuliani has reduced crime in New York to a degree unimaginable when he took office four years ago. Riordan has presided over an impressive economic recovery in Los Angeles, with close to 50,000 new jobs created in the city in 1995 and 1996. Daley has taken control of Chicago's schools, cut 1,700 administrative positions, drastically reduced the cost of school maintenance by forcing seventeen different school employee unions to compete with private firms, eliminated a projected deficit of $1.3 billion and initiated a remedial summer school program that is showing some signs of success among Chicago's worst-performing students. In Philadelphia, Rendell has eliminated the city's huge budget deficit, saved over $20 million by introducing competition into thirty-three different city services, reduced taxes every year and raised the city's bond rating above junk. Cleveland's White has saved millions by reforming city garbage collection and road maintenance, and presided over a doubling of the city's job creation rate between 1990 and 1995. In Milwaukee, Norquist has kept both spending and taxes below the rate of inflation for nine straight years while receiving widespread

continued on page 24

acclaim for improving city services. Goldsmith has introduced competition into seventy-five different city services and saved Indianapolis more than $135 million, and on his watch city unemployment has fallen to below 3 percent.

These accomplishments should make the reformers rising stars within their parties. They are not; they are mostly outsiders. Giuliani's and Riordan's accommodationist positions on immigration, abortion and gay rights place them miles away from the social conservatives who exercise veto power in the national Republican Party. To gauge the distance, consider that, while last year Giuliani was celebrating illegal immigrants, the Republican Party platform advocated abolishing birthright citizenship. And, while the Christian Coalition ensured that no pro-choice candidate could be considered for the vice presidency, Giuliani defended "partial-birth" abortion. In fact, neither Giuliani nor Riordan even attended the Republican National Convention. Democrats quake at the prospect of running against either man in a statewide general election, but they don't have to worry—for either man to even consider doing so would provoke a deep crisis within the New York and California Republican Parties.

The Democrats are in essentially the same position. If the Christian Coalition is the single most important interest group in the Republican Party, the AFL-CIO is the most important one in the Democratic Party. And, as private-sector unionization has dropped in recent years, public employee unions, like the American Federation of Teachers and the American Federation of State, County and Municipal Employees, have grown more powerful within organized labor. Municipal employee unions are dead set against the introduction of competition into city services, and the introduction of competition into city services has been the bedrock principle that Daley, Rendell, White and Norquist have used in bringing their cities back from fiscal oblivion.

When Daley suggested introducing competition into the school system in 1994, for instance, he was opposed not only by the city unions, but by his own party's nominee for governor. In fact, Daley won the battle largely because Republicans, who generally admire the mayor, won both houses of the Illinois State Legislature that fall. If Daley's fellow Democrats had remained in control of even one house, they would likely have denied him the ability to make the reforms he wanted.

Rendell, facing a huge deficit upon taking office, fought bitterly to make city unions compete for service delivery. The unions ran ads calling his reforms anti-black, and most liberal Democratic politicians and commentators in Philadelphia lined up against him. Even when Rendell won re-election in 1995, with 77 percent of the vote, most city unions refused to endorse him.

In Milwaukee, Norquist's battles with his own party have been even more intense. After simply opposing Norquist in his first two runs for mayor, the city's municipal unions actually went out and recruited a candidate to run against him in his third. The most hostile, and the most powerful, has been the teachers union: the Wisconsin Education Association Council (WEAC). The Norquist case highlights another issue on which the reformers' focus on competition isolates them within the Democratic Party: school choice. Norquist passionately supports Wisconsin's radical voucher plan, a plan he conceived in conjunction with Republican Governor Tommy Thompson and the Republicans in the state legislature over the opposition of the state's Democratic leadership. Norquist's stance has won him the undying hostility of WEAC, which fellow former state legislator and Norquist friend Tom Crawford calls "the most powerful political force in Wisconsin." Norquist has made noises about running for governor next year, but Crawford notes that, "In the Democratic primary, WEAC controls things. It's next to impossible for people who are moving along in their political careers to buck WEAC."

After years of anchoring the left wing of the Democratic Party, America's cities are in the early stages of creating something very different: reformist coalitions at odds with both parties. And the more an enduring reformist coalition emerges, the more pressure it will put on both parties. The reform mayors are heroes at places like the Cato Institute, but the Republican Party's base is in the South, and that base, with its conservative social and cultural agenda, will not welcome people like Rudy Giuliani or Richard Riordan as national party players, regardless of how many times they are re-elected. Much of the national Democratic Party is an ideologically empty vessel, and there are New Democrat, reinventing government types who would happily pour in something like the ideology espoused by John Norquist or Ed Rendell or Richard Daley. But, institutionally, the Democratic Party's most important interest group is organized labor, and, within organized labor, public-sector unions wield tremendous power. These unions would bolt a Democratic Party that backed school choice and competition in city services as quickly as the Christian Coalition would abandon a Republican Party that backed abortion and gay rights.

That said, both parties are clearly fragile, the Republicans because they are deeply divided over fundamental beliefs, and the Democrats because they no longer really have fundamental beliefs, at least not on economics. Party loyalty has been in steep decline, and the public appetite for a third party has grown remarkably. Perhaps since 1992, and certainly since 1994, thoughtful observers have speculated that America's partisan alignment is running on borrowed time. And then they have asked, what could generate a political metamorphosis? Part of the answer is surely the existence of a compelling political coalition that slices both parties down the middle. And, to that question, America's cities are beginning to offer an answer. •

BROOKINGS NEWS
The Brookings Institution • 1775 Massachusetts Avenue, NW, Washington, DC 20036 • Telephone 202/797-6105

NATIONAL ISSUES FORUM EXPLORES METROPOLITAN SOLUTIONS TO URBAN AND REGIONAL PROBLEMS

FOR IMMEDIATE RELEASE May 28, 1997

CONTACTS: Brookings Center on Urban and Metropolitan Policy, 202/797-6139
Brookings Office of Public Affairs, 202/797-6105

A major forum on American cities and suburbs, sponsored by the Brookings Institution's Center on Urban and Metropolitan Policy, brought together more than 200 public and private sector leaders on May 28. Participants discussed the varied experiences of central cities, older suburbs, and outlying communities in creating metropolitan coalitions and the potential federal role in seeding, rewarding and enhancing these collaborations.

The National Issues Forum, entitled ***Forging Metropolitan Solutions to Urban and Regional Problems,*** was hosted by Brookings President Michael H. Armacost, who noted that the Urban Center's location in the nation's capital presents both a challenge to stay aware of trends around the country, and an opportunity to monitor the effects of federal policy on local efforts.

A summary of the Forum proceedings follows:

- **Panel I -- Metropolitan Collaborations: The Current Wave of Metropolitan Solutions.** The panel focused on the evidence linking urban and inner-suburban decline to exurban growth and provided examples of local political coalitions and public/private partnerships that are addressing a variety of urban and regional problems on a metropolitan scale.

- **Keynote Address by Governor Parris Glendening.** Maryland Governor Parris Glendening showcased the process of passing the state's new "Smart Growth" law, which requires state investments to be made and state facilities to be located in existing urban or population centers, and provides tax incentives to locate private investments in the same centers.

- **Panel II – Metropolitan Collaborations: What the Federal Government Can Do.** The afternoon panel expanded on how the federal government can support metropolitan solutions, especially by renewing current incentives under ISTEA (the Intermodal Surface Transportation Efficiency Act) and by reforming federal housing laws.

- **Closing by Angela Glover Blackwell -- Nexus between Community and Metropolitanism.** Angela Blackwell of the Rockefeller Foundation emphasized the predominance of race in impeding meaningful metropolitan solutions and stressed the importance of relating metropolitan conversations to community building efforts. In her summary, she identified the need to address both place and people in developing urban initiatives and enabling social mobility.

Bruce Katz, director of the new Center on Urban and Metropolitan Policy, introduced the forum by noting that there is a "bubbling of metropolitan interest and thinking and action" throughout the country. He argued that similar patterns of metropolitan growth and development -- "explosive sprawl where farmland and open space once reigned matched by decline and abandonment in the central cities and older suburbs" -- are driving the creation of new and diverse political coalitions nationwide.

Katz contended that the connecting glue holding these coalitions together is the fundamental belief that both sprawl and urban decline reflect reversible public policies, not just the inevitable power of the marketplace. "Sprawl," he said, "depends on many government subsidies in the form of funding for new roads, sewers, schools, fire and police protection. Without these subsidies, many new housing subdivisions, malls, and industry on the outer fringe of our metropolitan areas would simply not be economically feasible."

Katz reviewed institutional and policy reforms that are emerging at the regional level, such as tax base sharing, in the states, such as "smart growth," and federal level, such as air quality and transportation policies. He noted that the federal government, in particular, has a long way to go in the housing, welfare, and jobs areas – where fragmented local administration impedes effective metropolitan solutions. Finally, Katz stressed, a lost sense of community may be the highest cost of both suburban sprawl and urban decline. He reminded the audience that the word "metropolis" means "mother city" in Greek, and urged them to draw on this powerful image to craft policies that would combat racially and spatially concentrated poverty, as well as the loss of open space.

(Katz's full remarks are available on the Brookings web site: http://www.brook.edu.)

Panel I -- Metropolitan Collaborations: The Current Wave of Metropolitan Solutions

Panelists:
Madeline Cain, mayor of Lakewood, Ohio
Elmer W. Johnson, partner, Kirkland & Ellis
Myron Orfield, Minnesota State Representative; author, *Metropolitics: A Regional Agenda for Community and Stability*
Thomas Westerman Wolf, president, Wolf Organization, York, Pennsylvania
Sam Fulwood, correspondent, Washington bureau, *Los Angeles Times* (moderator)

Moderator **Sam Fulwood**, correspondent for the *Los Angeles Times*, noted that "people who work from Washington DC are often not aware of what's happening in the rest of the country," and that the new Brookings Center will bring national attention to these issues.

Minnesota state legislator **Myron Orfield**, author of *Metropolitics: A Regional Agenda for Community and Stability* (recently co-published by the Brookings Institution Press and the Lincoln Institute of Land Policy), presented a series of maps analyzing metropolitan land use and fiscal disparities in the Twin Cities. Over the past two decades, the older or "first-ring" suburbs have consistently had the region's fastest increases in: population living below the poverty line, residential segregation by race, children qualifying for subsidized school lunches, crime (closely correlated with poverty but not with race), and declining property values. Middle class residents of these inner- ring communities continue to move further from the urban core of the Twin Cities, leaving them with shrinking tax bases and few tools with which to address increasing problems in their communities. At the same time, the least-poor suburbs, in the region's outer ring, received a disproportionate share of state- or federally-funded new schools, highways, and sewer lines.

In short, places with low or shrinking fiscal capacity have high or growing social needs – central city and inner ring suburbs – while places with low social needs have high fiscal capacity, such as white collar developing suburbs. To address this mismatch, the Twin Cities' strong metropolitan government uses tax base sharing to reduce regional disparities. In the state legislature, urban, inner-suburban, and rural representatives in the state legislature now see their interests in community redevelopment and open space preservation as linked. This new "majority coalition" recently passed a bill in the state legislature subjecting the Twin Cities metropolitan government to a popular election. However, that bill was vetoed by Minnesota's governor.

Madeline Cain, mayor of Lakewood, Ohio, recently helped to organize the First Suburban Consortium, of mayors in inner or first-ring suburbs around Cleveland. She admitted that, for more than a decade, scholars at Cleveland State University had been pointing out local evidence of the same trends documented by Orfield. But public officials only reacted to this research when they realized that so-called "urban decline" was going to engulf an entire urban county. As rural legislators allied with urban environmentalists to preserve open space, and downtown Cleveland began to revive thanks to taxpayer-funded economic development projects, the first-ring suburbs feared becoming the "stepchildren of public policy."

With the help of churches in the Cleveland area, the new consortium is carrying its message to both federal and state governments, as well as to corporate decision makers and news media editorial boards. The coalition has demanded true cost accounting for government investments and tax policies that shift investment away from older neighborhoods. The price of new highways, for example, should include the full cost of urban or inner-suburban decline, including tax abatements introduced by inner areas in an attempt to recover some of the jobs sent to the suburbs. The First Suburban Consortium also supports reform of banking policy and the capital gains tax to remove impediments to investments in older areas.

Chicago attorney **Elmer Johnson**, of Kirkland and Ellis, described an ongoing project to document the causes and consequences of sprawl around that city. The project is sponsored by the Commercial Club of Chicago, which originally sponsored Daniel Burnham's monumental plan for Chicago in the early twentieth century. That original plan's solutions to the old problems of urban congestion and sanitation was a program of massive public works that, ironically, may have helped to create the new problems of sprawl and abandonment. Along with several commissioned papers, a draft report from the current project will be discussed at a fall 1997 conference, "Central City and Suburbs: Autonomous or Interdependent?" The project's goal, said Johnson, is for suburbanites to say "that they never realized before how interdependent they were with the city" culturally as well as economically.

Johnson reported that, even with the support of prominent corporate executives, the idea of metropolitan land use planning still meets with strong resistance because it seems to clash with individual freedom of choice and private property rights. When talking to skeptics, Johnson compares the current need for regional planning to the need, long recognized by the business community, for government to regulate fraud and other business practices. "Some of us," he noted, "believe that capitalism has survived in spite, or even because, of this web of regulatory protection."

In addition, Johnson pointed out that American society had a long tradition of allowing social mobility through spatial mobility, for millions of both European immigrants and African-Americans who moved from the rural South to the industrial North before World War II. Since then, however, exclusionary zoning and automobile dependency have increasingly frustrated this strategy, as "public policy tried to keep poor people in place and bring the solutions to them." Johnson concluded simply, "We need to enhance the mobility of the poor." Although "equal opportunity through education sounds wonderful," the dependence of school systems on property taxes often means that regional land use patterns "determine the distribution of educational resources" as well.

Thomas W. Wolf, of the Wolf Organization in York, Pennsylvania, described how and why the organization, Better York, had asked former Albuquerque mayor David Rusk to help them understand why two decades of partnership with city government on reinvestment projects had produced only meager results. Rusk's statistical analysis of 40-year trends showed that "land use was the root of the problem" and that "nothing we do in the city will make much difference without a regional approach."

Wolf noted that Rusk, author of the book, *Cities Without Suburbs*, enjoyed great credibility as an outside expert. But local forces were also critical in gaining acceptance of his report. Wolf praised Rusk for bridging "the chasm between liberals and conservatives." Local organizations endorsing the report included the farmland trust, environmental groups, churches, human service organizations, community foundations, the Chamber of Commerce, the manufacturers association, and elected officials in the many places in the early stages of decline.

The business community rallied behind Rusk's conclusions as well. Better York's own "previous 20 years of experience had simply ruled out lots of other competing explanations," such as mismanagement, lack of community capacity or leadership, a weak regional economy, or even unattractive downtown architecture. York excelled on all these dimensions. In addition, "quality of life issues are important to employees, potential employees, and customers," and "businesses don't do well in communities that are falling apart." Rusk also identified "perverse cross-subsidies and disincentives" in the current land use system. Better York's members "all deal with these kinds of problems every day within our businesses, so that made it easy for us to see the same things at work in the region as a whole." Finally, "the Rusk report gave us clear action steps, something that business people really like." Actions taken since the report have included a campaign for regional planning, support for voluntary regional cooperation, building coalitions with other localities that have similar interests, and lobbying state government to "reform Pennsylvania's archaic state land use and tax system."

Keynote Address: Parris Glendening, Governor of Maryland

Governor Glendening explained that the state's recently enacted "Smart Growth" program grew out of his own previous realization, while a county executive, that "no matter what we did to attract young families and businesses, people made bottom-line decisions. So we really had to change the bottom line to save open space, preserve older communities, and conserve public resources." The new law creates income tax credits for corporations that locate jobs in growth-designated zones, and for homebuyers who buy homes near their jobs. It also assigns priority for investments made by all state government departments and agencies to areas designated by local governments for growth and that meet state-set standards of existing infrastructure and minimum density. Each state department must allocate its resources in ways that meet these goals.

Passing the new legislation required "stepping outside the box," avoiding the creation of "another level of review or more regulations," and instead managing "taxes and public infrastructure funding as incentives." The Governor admitted that passing the bill was a political challenge. But the proposal had enjoyed bipartisan support from the beginning, because it designated all existing urban neighborhoods and rural villages as growth centers. He urged the federal government to follow Maryland's lead, by reauthorizing existing federal incentives for metropolitan transportation planning, and by giving local and state governments the flexibility to use federal funds for neighborhood reinvestment.

(A transcript of Governor Glendening's remarks is available on the Brookings web site)

Panel II – Metropolitan Collaborations: What the Federal Government Can Do

Panelists:
Scott Bernstein, president, Center for Neighborhood Technology
Hank Dittmar, executive director, Surface Transportation Policy Project
Anthony Downs, Senior Fellow, Brookings Institution
Margery Austin Turner, principal research associate, Urban Institute
Maureen Bunyan, president, MCB Communications, Inc. (moderator)

Anthony Downs, of the Brookings Institution, insisted that "nearly all the key actors in the federal government need to change their thinking" to support regionalism or metropolitan planning. In effect, he argued, "there is no such thing as 'the federal government'; there are only lots of separate, specialized agencies, each funded by a separate, specialized Congressional committee." As a result, the federal government often fails to see that its biggest impacts on land use come not from explicitly urban or environmental policies, but from policies on health care, welfare, food stamps, among others. Local governments are left to integrate all these separate policies in each place.

The only federal agencies now required to think regionally are those managing air quality and transportation. Even the Department of Transportation, said Downs, "sees itself as moving people and goods around, not as creating the skeletons of regional and urban economies." In extending metropolitan thinking to other programs, Downs suggested, "we should not try to create unified regional governments, but to motivate local governments to create effective regional coalitions." His own favorite model is the process mandated by ISTEA (the Intermodal Surface Transportation Efficiency Act), which denies federal funds for any function to localities that do not plan that function jointly.

Scott Bernstein, of Chicago's Center for Neighborhood Technology, and the President's Council on Sustainable Development, argued that current development trends reflect "deliberate redlining" by both banks and "public institutions." Many working families move into the suburbs because housing there appears to be more affordable. In part this reflects regional redistribution, as state or federal governments absorb thousands of dollars in highway, school, and utility hookup costs for new houses. But relative to housing costs, homebuyers can also qualify for more mortgage in the suburbs. Because lenders seldom take into account the cost of private cars required by far flung new developments, some new suburbanites soon default on both their mortgages and their car loans. As an alternative, Bernstein described "transit-sensitive" or "location-sensitive" mortgages, in which the buyers of homes near public transit can qualify for additional funds, to be spent directly on housing or even on membership in an HMO for transit riders (who obviously have a lower chance of being involved in car accidents). Such mortgages are actually being negotiated in several cities, though the federal mortgage insurance system has not yet recognized them.

Bernstein also reported that the President's Council on Sustainable Development had invited citizens to a series of workshops across the country, to suggest better ways of managing current federal dollars spent on research, regulation, and infrastructure without requiring additional funding. These workshops produced a long list of suggestions for ways to level the playing field between cities or older suburbs. The mayor of St. Louis, for example, told the White House that regionalism was critical to the success of new welfare-to-work policies. Bernstein concluded that ISTEA, with its incentives for metropolitan planning, "is the Endangered Species Act for communities and the people within them."

Hank Dittmar, of the Surface Transportation Policy Project, elaborated on the support for ISTEA expressed by virtually all the other speakers. In contrast to the previous era of interstate highway planning, ISTEA fostered a new, regional approach to transportation investments. The bill's supporters, said Dittmar, had "learned from the farm bill to reduce subsidies that led to unsustainable practices, and from the Community Reinvestment Act to combat redlining by making full information about federal investment decisions and their consequences readily available." In return for cooperating with both the highway lobby and environmentalists to fund road maintenance, regionalists also succeeded in including funds under ISTEA for projects that would reduce the demand for automobile travel, and thus improve air quality or community livability. Dittmar acknowledged, however, that the law has simply not yet had time to affect fundamental travel and land use patterns in most parts of the country.

Dittmar considers ISTEA as a precursor of devolution from the federal to state and local governments, because it has "perhaps the most substantive requirements for participatory planning of any federal law." Yet, as Congress debates the law's reauthorization, he warned, "state governments and road builders are calling for a return to block grants at the state level," as part of a "states' rights" approach to devolution. However, he argued, the urgent need to reign in historic trends toward abandonment and sprawl mean that "there really is no other way to go" but to reauthorize ISTEA's current incentives for regional planning. In addition, he suggested extending to all federal programs the ISTEA principles of "fix it first" and "the community's right to know" about the regional pattern of government investments.

Margery Austin Turner, of the Urban Institute, as the afternoon's last panelist, described the challenge of putting Dittmar's advice into practice through federal housing assistance. The Section 8 program provides vouchers or certificates that make up the difference between 30 percent of a family's income and the market cost of housing in any location, up to a preset limit. The Department of Housing and Urban Development recognizes that "housing markets are metropolitan or regional," noted Turner, and therefore allocates funds and sets cost ceilings regionally. Yet local housing authorities still control the application process. So some localities discourage Section 8 applicants from moving in, while others make it hard for applicants to move out, frustrating the goals of regional mobility and freedom of choice.

A 1995 proposal for metropolitan administration of this program was defeated by the argument that there were no existing regional organizations qualified to run the program. However, at that time HUD introduced strong incentives for regional cooperation. Recently, the department gave 5-year operating grants to 16 local experiments in regional administration, which will be up and running in the summer of 1997. Some of the successful proposals came from existing metropolitan social service or housing organizations, whether nonprofit or government, but many simply devised what Turner called "sensible ways of combining the existing hodgepodge of resources and organizations." She admitted that a regional approach was sometimes hard to sell. Some housing authorities wanted no nonprofit partners, others wanted a nonprofit partner for every local authority, thus reinforcing fragmentation, and "everywhere, it was hard to gain acceptance in the suburbs." Still, she concluded that political realities make an incremental approach to regionalism the only plausible strategy for many federal programs.

Closing Remarks: Angela Glover Blackwell, Rockefeller Foundation

Blackwell summarized the day's discussion as "showing that logic demands thinking on a metropolitan or regional scale," but asserted that "as a nation we never act logically, because race keeps us from doing so." Although she acknowledged that many African Americans and Latinos are moving to the suburbs for the same reasons as white Americans, she also pointed out that many of the federal policies supporting suburbanization gained significant momentum after the Supreme Court's 1954 school desegregation decision. Though "it is clear that we can't get equity within the boundaries of the cities alone," she cautioned whether efforts like Maryland's new Smart Growth law would address the "toughest inner city problems."

Blackwell also echoed other speakers' recommendations that both state and federal governments provide incentives for regional coordination, and help build local capacity and regional institutions. "As waves of poor people pass through communities," she suggested, "we must invest in both the places and the people, so they can move on if they choose to," or achieve social mobility in place. Blackwell called attention to new, grassroots urban initiatives that are already creating this local capacity, as shown by a January 1997 forum on how to build metropolitanism, sponsored by the National Community Building Network, the Atlanta Project, and the National Civic League. She concluded by calling for the inclusion of these local "community builders" in future policy conferences.

Note: This summary, verbatim text of remarks, and other materials distributed at the May 28th National Issues Forum are now available on the Brookings Web site: http://www.brook.edu. Videotapes of the Forum (in segments or in its entirety) are available from C-SPAN by calling 1-800-277-2698.

The Washington Times, March 1, 1996

Tom Freedman

Li, Gordon (Staff assistant) = $29,000

Lieberman, Evelyn (Deputy press secretary for operations) = $110,000

Lindsey, Bruce R. (Deputy counsel to the president) = $125,000

Livingstone, David (Director of personnel security) = $57,500

Loftus, James X. (Presidential advance) = $46,000

MacDonald, Marlene (Office manager for the lower press office) = $26,000

Madaris, Pamela (Special assistant to the deputy chief of staff) = $60,000

Madsen, Marna (Staff assistant) = $30,000

Magaziner, Ira C. (Senior adviser to the president) = $110,000

Maldon, Alphonso (Deputy assistant for legislative affairs) = $110,000

Malone, Michael D. (Special assistant, management and administration) = $34,000

Marshall, Capricia (Executive assistant to the first lady) = $54,000

Martin, William D. (Research assistant) = $31,000

Martinez, Elizabeth (Assistant to the deputy director, political affairs) = $27,500

Martinez, Ray (Special assistant to the president) = $60,000

Masket, Seth (Writer) = $26,500

Mason, Julie E. (Staff assistant) = $23,000

Matsui, Doris O. (Deputy director for public liaison) = $80,000

Mauton, Clifford (Paralegal) = $31,000

McAfee, Floydetta (Associate director) = $55,000

McCarthy, Colleen (Associate director of scheduling) = $33,000

McCarthy, Jennifer (Deputy director, correspondence and messages) = $55,000

McCathran, William (Assistant to the executive clerk) = $36,174

McClure, Kelli R. (Personnel liaison) = $41,100

McCoy, Ann A. (Deputy social secretary) = $55,000

McCurry, Michael (Press secretary) = $125,000

McGuire, Anne E. (Director of scheduling and correspondence) = $32,000

McGuire, Kara M. (Associate director of presidential advance) = $46,000

McKiernan, Kathleen (Receptionist) = $30,000

McLarty, Thomas (Counselor to the president) = $125,000

McPartlin, Brian J. (Associate director of presidential advance) = $46,000

McSweeney, Karen E. (Attorney, adviser) = $44,802

Mellody, April K. (Press assistant) = $30,000

Meyer, Paul (Speech writer and researcher) = $28,000

Miller, Lorraine (Deputy assistant for legislative affairs) = $110,000

Mills, Cheryl (Associate counsel to the president) = $92,000

Mitchell, Gloria (Secretary, office Manager) = $35,879

Moffett, Julia (Associate director of planning) = $38,000

Montoya, Elizabeth (Special assistant, associate director) = $80,000

Moore, Linda Lea (Special assistant for political affairs) = $50,000

Morehouse, David (Deputy director of presidential advance) = $46,000

Moy, Ruby (Executive assistant to the director) = $60,000

Murguia, Janet (Special assistant to the president) = $85,000

Murray, Melissa M. (Staff assistant) = $30,000

Muscatine, Alison (Presidential speech writer) = $80,000

Myers, Elizabeth A. (Deputy assistant to the president) = $97,000

Myers, Sam (Associate director of presidential advance) = $46,000

Naphin, Lucie F. (Presidential scheduler) = $42,000

Nash, Bob (Director of presidential personnel) = $125,000

Nelson, Jennifer (Staff assistant) = $25,000

Nemetz, Miriam R. (Associate counsel to the president) = $85,000

Neuwirth, Stephen (Associate counsel to the president) = $100,000

Nolan, Beth (Associate counsel to the president) = $100,000

The Washington Times, March 1, 1996

Nolet, Stephen R. (Administrative assistant) = $26,500

O'Connor, Erin (Executive assistant) = $30,500

O'Connor, Jennifer (Special assistant to the president) = $75,000

O'Donnell, Thomas (Chief of staff, National Economic Council) = $100,000

O'Keefe, Kevin (Deputy director of intergovernmental affairs) = $85,000

O'Leary, Ann M. (Executive assistant to the deputy counsel) = $40,000

Palmieri, Jennifer (Special assistant to the chief of staff) = $50,000

Panetta, Leon E. (Chief of staff to the president) = $133,600

Park, Lark (Writer) = $24,750

Pearlstein, Deborah (Senior editor and speech writer) = $28,500

Pianalto, Antonella (Deputy director of presidential personnel) = $100,000

Plummer, David L. (Deputy associate director) = $40,000

Podesta, John D. (Assistant to the president) = $125,000

Polin, Eva (Attorney, adviser) = $94,616

Pond, Betsy L. (Administrative assistant) = $47,000

Poole Walker, A. (Executive assistant) = $33,381

Prince, Jonathan (Presidential speech writer) = $55,000

Pushkar, Alice J. (Director of the first lady's correspondence) = $40,000

Radd, Victoria (Associate counsel to the president) = $92,000

Rasco, Carol H. (Assistant to the president for domestic policy) = $125,000

Reed, Bruce N. (Deputy assistant for domestic policy) = $100,000

Reffe, Paige (Deputy assistant to the president) = $99,500

Reynolds, Lawrence (Attorney, adviser) = $64,986

Reynolds, Stacy E. (Researcher) = $35,000

Ricchetti, Steven (Deputy assistant for legislative affairs) = $110,000

Rivas Vazquez, A. (Assistant press secretary) = $40,000

Robinson, Christa (Assistant to the director of special projects) = $26,500

Robinson, Helen P. (Staff assistant) = $35,000

Romani, Patricia E. (Special assistant to the domestic policy adviser) = $31,200

Rubin, Stacey L. (Executive assistant to the deputy director) = $27,000

Rutledge, Andrea (Director of administrative office) = $51,000

Ryan, Denise E. (Staff assistant) = $22,000

Ryan, Evan (Office manager to the chief of staff) = $27,500

Saleh, Ronald K. (Staff assistant) = $25,000

Satterfield, Lee A. (Deputy director of scheduling) = $47,000

Saunders, G.T. (Executive clerk) = $69,047

Schiff, Debra A. (Receptionist, West Wing) = $36,295

Schilling, E.M. (Correspondence analyst) = $29,327

Schroeder, Robert (Special assistant for personal correspondence) = $37,500

Schwartz, Laura D. (Regional coordinator) = $25,000

Scott, Marsha (Deputy assistant for political affairs) = $100,000

Sheehan, Kerri G. (Assistant to the deputy director, personnel) = $26,000

Sherburne, Jane C. (Special counsel to the president) = $100,000

GRAPHIC: Chart, WHITE HOUSE SALARIES, By The Washington Times

LANGUAGE: ENGLISH

LOAD-DATE: March 1, 1996

43RD STORY of Level 1 printed in FULL format.

Daily News (New York)

August 06, 1995, Sunday

SECTION: Suburban; Pg. 14

LENGTH: 684 words

HEADLINE: RIBBON-CUTTING IS TIED UP FOR A WHILE

BYLINE: BY DENENE MILLNER

BODY:

Sam Horwitz can't catch a break.

The former city councilman was supposed to be the guest of honor at the ribbon-cutting ceremony celebrating the new trauma center at Coney Island Hospital.

Of course, that was before some bonehead messed up the blood transfusion for decorated city paramedic Ira Medjuck an admitted Coney Island Hospital mistake that left Medjuck clinging to life.

Everyone had been speculating for weeks about whether hospital officials would go through with plans to party in the midst of the media hype over the bad blood story.

The answer came in a post card.

"Due to certain necessary state approvals not yet processed, we are sorry to inform you that the hospital must cancel our Aug. 3 ribbon cutting ceremony, which was to celebrate our official Trauma Service designation,"

Necessary state approvals not yet processed?

"Our overall review, which we thought would be completed by the ceremony date, has not been completed yet," Coney Island Hospital spokesman Ken Kiernan insisted. "We have postponed it until that review is complete."

Kiernan "categorically" denied that the incomplete state review and the blood transfusion gone bad had anything to do with the other.

At any rate, though, neither Horwitz nor the trauma center will be getting honors from the hospital until the bad blood story fades . . . er, until the necessary state approvals are processed.

The Long Rider

Who in their right mind would want to ride the New York City subway and bus system for 24 hours straight?

City Councilman Sal Albanese did all to make a point about city, state and federal budget cuts he says will translate into huge fare increases, more crowded trains, longer delays, dirtier stations and less maintenance of subway cars and buses.

Armed with a clean T-shirt, a pillow, a toothbrush, toothpaste and a diary, Albanese kicked off his 24-hour bus and subway marathon by climbing aboard the Grymes Hill shuttle bus in Staten Island a service slated to be killed on weekends.

Other stops on his trip included a Board of Education building near Queens Plaza, a backdrop to discuss the elimination of school bus passes; the Franklin Ave. shuttle, which is in grave need of improvements, and the chronically overcrowded 72d St. station in Manhattan on the 1, 2, 3 and 9 lines.

He also took the A train and shuttle to the Brooklyn Botanic Gardens, the 2 to the Grand Concourse in the Bronx and soul food palace Sylvia's in Harlem, the 4 to Yankee Stadium, and the D to Nathan's on Coney Island.

He said he "felt safe" on the system, where there was a "sense of security" while he did the 24-hour trek. Of course, he was accompanied by his chief of staff, Karen Perisichilli, two transit union officials and a New York magazine reporter.

Fresh from his journey, a stubble-faced Albanese said he was "outraged" by city and state cuts that would see a collective $ 591 million carved from New York City's transit aid. Washington is also planning a 44% cut to the same programs.

"They're going to run this system into the sewer again with the cuts the mayor and the governor are proposing," said Albanese.

For the record, Sal a five-minute press conference would have sufficed.

Thanks Go To Schumer

Generation X/Ex-Chuck Schumer aides turned out in full effect in Washington, D.C., last weekend for a quasi-reunion of sorts.

The group of 30-something guys informally met in the nation's capital to bar-hop and reminisce about old times working for Chuckie.

Interestingly enough, working for Chuckie seems to have been the Midas touch for a few of them, including Tom Freedman, Miles Ehrlich and Anthony Weiner.

Freedman is currently an aide to Bill Curry, a domestic policy adviser to President Clinton. Ehrlich, a lawyer at the Department of Justice, is briefing Janet Reno in the Waco hearings.

And Weiner, of course, is a city councilman.

Weiner actually also got to tour the White House over the weekend.

But he didn't see any parts of the West Wing because Clinton was busy making telephone calls.

LOAD-DATE: September 11, 1995

52ND STORY of Level 1 printed in FULL format.

The San Francisco Examiner

January 11, 1995, Wednesday; Fourth Edition

SECTION: NEWS; Pg. A-17

LENGTH: 1160 words

HEADLINE: The massacre on Nov. 8 might actually help the Democrats

COLUMN: TOM FREEDMAN AND BEN FIELD

BYLINE: TOM FREEDMAN AND BEN FIELD

DATELINE: LOS GATOS

BODY:

Los Gatos HERE'S A BIT of political heresy: the Nov. 8 elections were good news for the Democrats.

The election was a stunning condemnation of the party in power. But it also created the opportunity for Democrats to fashion a new message, tailored to contemporary values.

As Democratic staffers on Capitol Hill, we saw the party's agenda become too controlled by tradition and ruled too little by merit. The Democratic Party must create a new mantra: Reject social programs that don't work; defend ones that do. If the party seizes the opportunities to change itself, it can emerge as a revitalized majority party.

Close examination of the November election gives reason for Democratic optimism. The Democratic loss ought to liberate the party from its outmoded traditions and enable it to re-emerge stronger than ever.

Here are five reasons why:

It's Hard to Fix What Ain't Broke

The Democratic coalition broke apart on Nov. 8. Voters voiced their dissatisfaction with traditional Democratic solutions to social problems. Subsidies to the poor and top-down regulatory agencies have not solved the problems they set out to solve. They did, however, create constituencies that Democrats have been reluctant to alienate.

Democratic social programs and policies have worked for some people, but most believe they do not serve the public interest. By repudiating traditional Democratic solutions, voters have cleared the way for new solutions. Instead of tinkering with failed policies, Democrats can focus on workable policy innovation.

The Republican Vacuum

Democrats must recognize the Republican win for what it is: a reaction to failed government policies. But it is also just that, a victory that is fundamentally reactive. Cracking down on welfare fraud and eliminating government spending on illegal immigrants are not part of a policy; they're an anti-policy.

Republicans have enunciated what they want government not to do. They are silent in the face of problems that government must address. Their answer to these problems is that they don't care about the question. Republican noises about less government echo popular sentiment, but they fail to provide any vision for functional policies to replace the old dysfunctional ones.

The Democratic Vision

At root, Democrats believe government has a role in solving social problems. Government can play a role in helping people realize their full potential as productive members of our community. Social programs can promote individual self-improvement and self-sufficiency.

From guaranteed student loans for middle-class kids to rehabilitation for drug addicts, government helps people help themselves.

Unfortunately, some social programs, notably welfare, promote dependency on government instead. Taxpayers deserve to know that their money is not wasted. But the next phase of the debate will shift to what programs are effective in putting people to work. This is where Democrats can lead.

Implementing the Vision

As insiders who controlled the Congress and the presidency, Democrats were hamstrung. The success of the party militated against reform. Now that Democrats no longer control Congress, it will be easier for them to be critical of the institution.

President Clinton may find that working with a Republican Congress is even more difficult than working with a Democratic Congress (though some would say it's easier to fight your enemies than your friends).

The president will, however, gain some political advantages from his new eminence in the Democratic Party. Many of the old leaders of the party were swept away in the election, leaving the president as the dominant party spokesman. The president may have more success unifying the party against a Republican Congress than in working with its Democratic predecessor.

America's Future: The Democratic Coalition

Much has been made of the movement of white, particularly Southern, males into the Republican Party. From Willie Horton to Proposition 187, Republicans have mastered the art of picking "wedge" issues that pit group against group, using fear and scapegoating to move the white electorate.

This strategy works, unfortunately. But it creates a lasting effect on the party that stoops to the technique. Pat Buchanan is a natural outgrowth of a party that blames minorities for the nation's problems.

The next century will require our diverse country to compete even more in the international arena. Our ethnic differences will be our strength. Our internal anger and intolerance will be our weakness.

As the country comes to recognize this, the Democratic formula of honoring and drawing inspiration from our diversity will gain new ascendancy. An emphasis on the idea that all Americans share a community of interest will be a powerful force in rebuilding the Democratic coalition.

There are some who see the November elections as a signal that Democrats should become Republican clones.

However, as we watched and worked on this year's campaigns, it became obvious that Democrats will lose if electoral competition is simply over who offers more cuts in social spending.

Democrats must instead show a compelling plan for solving our nation's problems. Democrats have the vision to fashion the right program. Now we have the opportunity.

Tom Freedman was legislative director for Rep. Charles E. Schumer, D-N.Y. Ben Field was legislative assistant to former Rep. Don Edwards, D-San Jose, and the Senate housing subcommittee.

LANGUAGE: English

LOAD-DATE: January 13, 1995

104TH STORY of Level 1 printed in FULL format.

The Record

November 11, 1990; SUNDAY; ALL EDITIONS

SECTION: NEWS; Pg. A38

LENGTH: 556 words

HEADLINE: MINN. MAVERICK SET TO SHAKE UP SENATE

SOURCE: Wire services

BYLINE: Washington Post News Service

BODY:

The squat frame, gesticulating arms, and firebrand rhetoric of Paul Wellstone have been a familiar presence at rallies against Minneapolis defense contractors, for farmers facing mortgage foreclosures, and for striking workers at the Hormel meatpacking company.

At Carleton College, where he teaches political science, he has for years vexed administrators and attracted a worshiping cadre of left-leaning students with his stark, class-conscious speeches and confrontational style.

By any conventional measure, Wellstone, a native of Arlington, Va., is an unlikely character to join one of the most staid clubs in America, the U.S. Senate. But in January, Professor Wellstone will become Sen. Wellstone.

Wellstone's victory in Minnesota over Republican Sen. Rudy Boschwitz is one of the most jarring upsets in the state's history, elevating a little-known agitator from the fringe of liberal protest politics to a national platform.

Wellstone, who bought his first three suits earlier this year for $ 100 each, was the only Senate challenger to win on Tuesday.

His 52 percent to 48 percent victory capped a low-budget campaign during which he aired offbeat commercials making fun of his measly campaign coffers, traveled the countryside in an aging bus that kept breaking down, and advocated a frankly liberal agenda of national health care, military-spending cuts, and tax increases on the rich.

Wellstone, 46, state chairman of Jesse L. Jackson's 1988 presidential campaign, has been a leading grass-roots organizer in Minnesota's protest community for years. He was arrested during a farmers protest in 1983, though the charges were dropped.

Two years ago, he and a crowd of students at the Northfield, Minn., school, blocked the doorway to a board of trustees meeting to protest the college's South Africa investment policy. It drew a rebuke from Carleton President Stephen Lewis, who said the door-blockers were inhibiting free discussion.

"His stock in trade has been protest," said political scientist Steven Schier, a Carleton colleague.

It seems clear that many Minnesotans weren't embracing all of Wellstone's ideology in casting their votes for the Democrat. Instead, observers said, Boschwitz was caught by anti-incumbent sentiment and ill will against Republicans after the GOP's first gubernatorial nominee left the ticket in a sex scandal.

Wellstone polling director Diane Feldman said the candidate's maverick style positioned him to exploit Boschwitz's weakness. "Paul spoke to this feeling because he presented such a stark contrast," Feldman said. "He was a real outsider.... And it became an election about Washington and economics and change."

Wellstone's style will likewise be a change for the Senate, even with his new suits and the slightly softened tone he adapted for the campaign. "He liked to roll up his sleeves and get a gleam in his eye and rail about the evils of Reagan's America," recalled Tom Freedman, a former congressional staffer who some of Wellstone's classes.

Liberal action groups in Washington also are awaiting Wellstone with anticipation. Marcus Raskin, head of the Institute for Policy Studies, said Wellstone could quickly become a leading figure on the American left.

LANGUAGE: English

LOAD-DATE: January 29, 1996

106TH STORY of Level 1 printed in FULL format.

The New York Times

September 16, 1990, Sunday, Late Edition - Final

SECTION: Section 4; Page 23, Column 2; Editorial Desk

LENGTH: 693 words

HEADLINE: VOICES OF THE NEW GENERATION;
Those 'Sexy' Issues on Capitol Hill . . .

BYLINE: By TOM FREEDMAN; Tom Freedman was legislative director to Representative Charles E. Schumer, Democrat of New York.

DATELINE: BERKELEY

BODY:

This summer, I left Capitol Hill after four years, grateful for the opportunity to have worked there, but afraid that good, conscientious government may have become too boring to be popular. While Washington's establishment - its politicians, reporters and administrators - is whipped into motion by the mere whiff of an emotional issue or scandal, there is no reward in today's Capitol for fixing the broken mechanics of govern ment or solving the huge problems that haunt us.

No one should excuse Congress for getting into the savings and loan mess or letting abuse run wild at the Department of Housing and Urban Development. But we have always counted on reporters to be the watchdogs of government.

Increasingly, however, politicians and journalists work in tandem. Democrats and Republicans try to spotlight issues that will make the opposition look bad on the network news; journalists pick up the most emotional issues and use their broadcasts to keep score of which side is doing the most political damage. It's no accident that scandals mushroomed on two of the least covered beats in the Capitol. The nuts and bolts of banking and housing legislation were not ''sexy'' issues.

A member of the Banking Committee recently recalled a committee vote on a crucial amendment sponsored by my boss in the early 1980's that could have prevented savings and loans from participating in risky real estate deals. The hearing room was packed with savings and loan lobbyists, but only a few journalists were present.

That amendment, little reported, lost by a few votes, which ultimately cost taxpayers tens of billions of dollars. In contrast, there was always extensive press coverage at hearings if a star from the entertainment world, or better yet, a dramatic hooded witness, was testifying.

In Washington, there is widespread acceptance of the idea that the public doesn't want complicated news. During the 1988 Presidential campaign, it was my job as press secretary to help call attention to the then $75 billion savings and loan crisis and the Republican Administration's role in creating it. Over and over again, reporters rejected the issue as undeserving of digging: ''Too technical. People aren't interested.'' The housing issue was similar. I thought that surely problem of homelessness was newsworthy. In the winter months; there were, of course, dramatic scenes of people freezing on sidewalks for television. But when it came time in Congress to finance new housing, appropriations that had declined by a factor of four during the Reagan years, the media were nowhere to be found.

There is much Congress could do to streamline its own procedures and increase accountability. The multitudes of overlapping committee encourage a superficial focus. But the largest part of the problem is voters who have become used to issues with the life span of an MTV video. Legislators have elected two of the most responsible leaders one could hope to run the House and Senate, but their skills are wasted on endless political maneuvering and issues like ''obscene'' art and burning the flag.

If voters rewarded their legislators and Presidents for simple good management in heading off problems, politicians would respond by tackling more weighty issues. Legislators are keenly sensitive to what the public wants from them.

So although most people deplore the finger-pointing about who is to blame for the thrift mess, the injection of politics into this long-term, complicated issue may be the one bright spot of the debacle. Already I sense that legislators will be more cautious the next time an industry urges major deregulation or loophole widening. And if financial regulations can make their way onto the political agenda, there is hope that other seemingly technical issues can too.

Everywhere I went in the Capitol, I felt a sense of history. It is hard to believe that this country, which has survived so many threats, will not overcome those we face now. But we face severe economic tests in the 1990's. We would do well to reject government by sound bite and demand to know the substance of what our leaders are doing in Washington.

LANGUAGE: ENGLISH

114TH STORY of Level 1 printed in FULL format.

The National Journal

May 13, 1989

SECTION: PEOPLE; Washington's Movers and Shakers; On the Hill; Vol. 21, No. 19; Pg. 1206

LENGTH: 322 words

BYLINE: David L. Wilson

BODY:

Tom Seppy, an Associated Press reporter for more than two decades, has joined the House Banking, Finance and Urban Affairs Subcommittee on Financial Institutions Supervision, Regulation and Insurance, where he's communications director. The position was created by the new subcommittee chairman, Frank Annunzio, D-Ill., who came over from the Consumer Affairs and Coinage Subcommittee. Seppy came to Washington for the AP in 1966 and covered a variety of beats. For the past three months, he's been a night editor on the national desk; for two years before that, he covered the Senate.

In what may be an early tactical move in the 1992 presidential race, Thomas J. O'Donnell, political director at the Democratic Congressional Campaign Committee, has made plans to go to work for Rep. Richard A. Gephardt of Missouri, who lost a bid for the Democratic nomination last year. O'Donnell, a former political science professor at the American University, will be Gephardt's chief of staff, a new position that will give him responsibility for fund raising, Gephardt's political action committee and office operations. Everybody else at Gephardt's place stays put.

A couple of new press people have come on in the office of Senate Minority Leader Robert Dole of Kansas. Paul E. Jacobson has begun as deputy press secretary, replacing Dale Triber Tate, who has been nominated as assistant Labor secretary for public and intergovernmental affairs. Jacobson, who worked for Dole's unsuccessful presidential campaign last year as regional press liaison for the New England area, comes over from the office of Sen. Warren Rudman, R-N.H., where he was deputy press secretary. No replacement has been named.

Thomas L. Freedman, press secretary and legislative assistant to Rep. Charles E. Schumer, D-N.Y., will become Schumer's legislative director. It's a new position. Schumer has not named a new press secretary.

GRAPHIC: Picture 1, Seppy: Leaves AP for Hill post, Richard A. Bloom; Picture 2, O'Donnell: Goes to Rep. Gephardt's office, Richard A. Bloom

LANGUAGE: ENGLISH

```
****-----------------------------------------------------------------------****

*      35 PAGES              1117 LINES              JOB  71592   104PK2         *
*   3:46 P.M. STARTED     3:47 P.M. ENDED                06/24/97                *
****-----------------------------------------------------------------------****
****-----------------------------------------------------------------------****
*                         EEEEE      N   N      DDDD                             *
*                         E          N   N      D   D                            *
*                         E          NN  N      D   D                            *
*                         EEE        N N N      D   D                            *
*                         E          N  NN      D   D                            *
*                         E          N   N      D   D                            *
*                         EEEEE      N   N      DDDD                             *

****-----------------------------------------------------------------------****

****-----------------------------------------------------------------------****
```

SEND TO: SMITH, MARY
OPD - DOMESTIC POLICY COUNCIL
725 17TH ST. N.W.
WASHINGTON, DISTRICT OF COLUMBIA 20503

PRINT DOC REQUESTED: JUNE 24, 1997 104PK2
11 DOCUMENTS PRINTED
34 PRINTED PAGES

SEND TO: SMITH, MARY
OPD - DOMESTIC POLICY COUNCIL
725 17TH ST. N.W.
WASHINGTON DISTRICT OF COLUMBIA 20503

**********************************07809**********************************