

Originally Processed With FOIA(s):
2000-0715-F

FOIA Number:
2000-0715-F

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PETE V. DOMENICI
NEW MEXICO



NRN

United States Senate

WASHINGTON, D. C.

September 29, 1992

Dear Jim:

Attached is the Executive Summary of
The Strengthening of America Commission -
First Report.

It's what I have been talking to you
about and wanted you to see it in print.

Best.

Your friend,

A handwritten signature in cursive script that reads "Pete".

The Honorable James Baker
Chief of Staff
The White House
Washington, D.C. 20500

P.S. Jim, a copy has also gone to
Dick Darman and I have talked to
him, also.

Handwritten initials, possibly "P.D.", in cursive script.



★ THE ★
**STRENGTHENING
OF AMERICA
COMMISSION**
FIRST REPORT



SENATOR SAM NUNN (D-GA)
SENATOR PETE DOMENICI (R-NM)
COCHAIRMEN

DEBRA L. MILLER, CSIS
COMMISSION DIRECTOR

CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES
DAVID M. ABSHIRE, PRESIDENT

EXECUTIVE SUMMARY



A new chapter is opening in American history. We won the Cold War in large part because this nation maintained a strong, bipartisan strategy over four decades to preserve our external security. Following the same logic and principles, the bipartisan Strengthening of America Commission was formed 18 months ago under the aegis of the Center for Strategic and International Studies to look strategically at our country's economic future.

A group of 60 leading citizens from public and private life — chief executives, labor leaders, members of Congress, mayors, and specialists, with a wealth of expertise ranging from fiscal policy to education, science and technology — has now drawn up a plan for domestic renewal that is both realistic and politically viable.

Among the Commission's key recommendations are:

- Balance the budget by 2002 with a detailed action plan to reduce federal deficits by \$2 trillion over ten years. At the top of the agenda is getting our fiscal house in order. The Commission's comprehensive blueprint for fiscal reform will allow us to bring the budget into balance as quickly as we wisely can, while also permitting necessary, new investments in our human and physical resources. The plan will rely primarily upon spending reductions, reducing currently expected spending by 8% — saving \$1.5 trillion — over the next decade. Placing a ceiling or cap on non-Social Security mandatory spending must be a critical part of this effort. The plan also includes increases in taxes that are 3% higher than expected revenues, producing \$376 billion for deficit reduction.

Spending reductions would be legally locked in before the raising of any new revenues. Revenue increases would be limited to a ratio



of no more than \$1 for every \$2.75 of spending reductions. Another \$150 billion would be saved through reduced interest rates brought about by large deficit reductions. This discipline over ten years would balance the budget without using the Social Security surplus and create the basis for long-term growth and higher real income for the American people.

- **Abolish the current income tax system in favor of a new system that would stimulate greater savings, investment, and jobs.** Our savings rate, which is a critical component of investment, productivity, and growth, is at an all-time low. It has dropped precipitously below that of our major competitors. The Commission calls for a phasing out of the current income tax system, which is biased against savings, and replacing it with a consumption-based income tax system that will gear the economy for growth and be both progressive and fair in its impact.
- **Create a \$160 billion Endowment for the Future through increased federal investment in education, children, R & D, and technology.** In our zeal to reduce deficits, we must not ignore the need to improve our human resources and our capacity to innovate. To pay for this investment over ten years, the Commission recommends terminating or scaling back lower priority programs. On education and training, the Commission's proposals include a new certificate of mastery, based on national educational standards; expanded programs of technical apprenticeship and training for the 50% of American youth who do not attend college; and a comprehensive effort to promote school readiness in young children.
- **To strengthen the industrial base, the Commission recommends devoting more R & D to manufacturing and dual use (commercial/defense) technology, and redeploying resources of the national laboratories to solve major problems in process as well as environmentally conscious manufacturing.**

The Commission is releasing this first report at the height of the political season, in hopes that it will help shift the focus to the impor-

tant, long-term issues which confront the nation. Other recommendations will follow over the coming year.



Why We Must Change

The facts are simple. We have the largest economy in the world, but we have vulnerabilities that run far deeper than the latest recession:

- The growth rate of American productivity has slowed during the past 20 years, while the productivity growth rate of other major countries has accelerated. As a consequence, though our productivity and standard of living are the highest in the world, average American real income has stagnated since the 1970s.
- The U.S. net national savings rate, which is a critical determinant of investment and growth, is at an all time low: it plummeted from an average of 9.8% of GDP in the 1960s to an average of 3.6% in the 1980s. In contrast, Japan and European Community countries save at a rate of over 10% of their GDPs.
- Federal budget deficits are sapping the economic strength of our country. When the Treasury spends money it doesn't have, it must borrow money from U.S. citizens, corporations and businesses, and foreign investors. These borrowings absorb private savings that otherwise would be available for private investment — the primary growth engine of our economy.
- Our current tax system is hostile toward saving and tilted toward immediate consumption. Its structure encourages a focus on cash flow and short-term profitability, its complexity imposes heavy costs, and many of its regulations create a handicap for U.S. firms in the global arena.
- America's elementary and secondary education system, once the envy of the world, is performing well below the best international levels. Moreover, 50% of America's young people do not go on to college and receive little help moving from school to the work place.

- U.S. companies spend twice as many resources on the development of new product ideas as they do on the process technologies to manufacture the products themselves. As good as American companies have been at invention, many are not nearly as fast or as effective as their competitors in turning inventions into high-quality products, and then getting those products into the hands of consumers.
- Our nation's federal institutions were once regarded as a vital source of civic strength. Today, a disenchanted electorate views Washington with increasing cynicism and mistrust. The growing gap between our public servants and the public itself signals a potential crisis of confidence that cannot be ignored.



Getting Our Fiscal House In Order

At the top of the Commission's agenda is the task of getting our fiscal house in order by getting control over the deficit and restructuring the tax system to tax consumption, not income.

Both the deficit and the tax code work against our long-term economic vitality. Both inhibit savings that are needed for investment, which would, in turn, stimulate a rise in American productivity and higher real income for the American people.

The Commission, in assessing what it will take to put our fiscal house in order, draws three basic conclusions:

First, there are no quick fixes. The challenge facing America is structural, and the Commission recommends a realistic target date of 2002 — a ten-year plan — to meet it.

Second, deficit reduction alone is not enough to get us from where we are to where we want to go. We need mutually reinforcing deficit reduction and tax restructuring strategies to generate growth through increased savings and investment.

Third, while the private sector is the engine for growth, new federal expenditures on children, education, infrastructure, technology, and R & D can contribute to our over-all economic performance. Any plan of action should meet these legitimate needs, either by setting new spending priorities or providing additional funding on a pay-as-you-go basis.

The Commission proposes a specific Blueprint for Action that combines budget deficit reduction with the replacement of the current tax code by a progressive consumption-based tax. The predominant view of the Commission is that this approach be guided by ten principles:

1. Balance the budget by the year 2002, without using the Social Security surplus;
2. Promote long-term economic growth without undue short-term economic disruption;
3. Base projections for deficit reduction on credible, realistic economic assumptions;
4. Follow a step-by-step agenda, legally locking in spending controls before raising revenues;
5. Limit revenue increases to a ratio of no more than \$1 for every \$2.75 of spending reductions;
6. Bring mandatory spending under control by putting a cap on the growth of spending on non-Social Security entitlement programs;
7. Enact comprehensive health care reform that controls costs and insures the uninsured;
8. Restructure the tax code to promote growth by encouraging savings and allocating resources more efficiently, while preserving the over-all progressivity of the code;
9. Make room for increased investment in education, children, R & D, and technology by reducing or terminating lower priority programs;

10. Fully implement the "good-government" measures — such as sunseting programs, using the "total quality" approach to management, collecting revenues from tax cheats, and reducing waste — to make government more efficient.



Budget Deficit Reduction Strategy

The Commission's 10-year blueprint calls for balanced deficit reduction totalling \$2 trillion over the next decade. Spending would be reduced 8% below projected levels — saving nearly \$1.5 trillion over ten years. Projected revenue increases would be 3% over the decade, which would add nearly \$376 billion. Another \$150 billion would be saved through reduced interest rates. The total sum from these spending reductions, added revenues, and lowered interest rates would balance the budget.

The Commission's blueprint includes increased spending of \$160 billion on children, education, R & D, and technology. It also calls for another \$100 billion for highways, airports, and other physical public infrastructure, to be funded by fees or revenues outside the deficit reduction package.

The Commission bases its strategy for deficit budget reduction on realistic assumptions about economic growth. To assume significantly higher growth would be self-defeating because such optimistic assumptions would make our fiscal plan less credible. America's current fiscal situation suggests that discipline is needed and that growth must be earned, not assumed. But should our action plan result in the higher growth that is potentially within reach, the dividends to the country would be all the greater and would permit lower tax rates, increased public sector investment, or the retirement of part of the national debt.

The predominant view of the Commission is to recommend the following blueprint for restructuring fiscal policy:

- (1) Allowing two years for enactment and a gradual phase-in, cap spending on non-Social Security mandatory programs beginning

in 1995 — saving \$660 billion over 10 years, or 10% of such projected spending over the ten-year period.

- (2) Abolish the present tax code and enact progressive consumption-based income taxation within two years. This decision would include a commitment to implement a full consumption-based income tax before the year 2002 and to specify the tax restructuring which would provide for transition. This restructuring should be permitted to raise nearly \$376 billion by the year 2002 but no more than \$1.00 in taxes for \$2.75 in spending reductions. This represents a 3% increase in projected revenues and an 8% cut in projected spending over the course of the plan.
- (3) Reduce defense spending in an orderly fashion from 20% to 13% of the federal budget, with the goal of saving \$290 billion over 10 years, an additional 10% reduction in projected spending.
- (4) Allow international spending to increase at half the rate of inflation, growing from \$20 billion in 1993 to \$24 billion in 2002, while placing a greater emphasis on supporting newly emerging democracies and market economies — saving \$21 billion by the year 2002, a 9% reduction in projected spending.
- (5) Permit domestic discretionary spending to increase from its current level of \$234 billion to \$255 billion in the year 2002. The Commission believes that domestic discretionary spending should be reprioritized so that it emphasizes investment-oriented programs that promote economic growth in the following manner:
 - In particular, the Commission recommends \$160 billion of *increased spending* over current projected levels for the ten-year period on education, children, R&D, and technology.
 - To help pay for these high priority investments, the Commission recommends terminating, scaling back, or streamlining lower priority programs. The Commission recommends a number of programs that should be reviewed for possible termination.

All told, this reprioritization of domestic discretionary spending will produce net savings of \$243 billion over a ten-year period, a nearly 9% reduction in projected spending.

- (6) From 1993-2002, increase spending on physical infrastructure — roads, bridges, airports, and tunnels — by \$100 billion over current projected spending to be paid for, by increased energy taxes or user fees (no net effect on budget over the ten years).
- (7) Interest payments would be reduced — saving \$237 billion over the ten-year period, an 8% reduction. Lower interest rates brought about by large deficit reductions would increase these savings to \$387 billion, for a total reduction of 13% in projected interest costs.

The Commission fully understands that the proposed spending reduction and tax reform will be extremely difficult. But it should also be stressed that *unless all of the key elements of the fiscal plan are implemented as a package, the country risks the real possibility of undermining America's international position without achieving its goal of a strengthened America at home. If we attempt to balance the budget by slashing national security and international programs, without restraining and reforming domestic discretionary and mandatory program spending, we will weaken ourselves both abroad and at home.*



Tax Restructuring Strategy: The Consumption-Based Income Tax

The Commission recommends abolishing the current tax system and replacing it with a progressive consumption-based income tax system that would exempt savings and investment from taxation. This proposal has gained increasingly wide support from leading economists and tax experts of varying political persuasions.

By removing the bias in favor of consumption in the current income tax code, neither consumption nor saving would be subsidized. The Commission believes that significant new saving and other benefits will result from this change.

The consumption-based tax would be levied in very much the same way as the personal income tax. A taxpayer would take annual income, add gifts and bequests as well as net borrowings, and subtract all savings — basically net investments and the net change in his or her bank balance. The remainder would equal consumption, and the resulting amount minus exemptions would be taxed.

Under a pure consumption-based income tax, businesses would not be subject to taxation. To reduce the burden on individual taxpayers, the Commission recommends a tax on business cash flow as a key element of the new tax structure.

The Commission recognizes that, under the best of circumstances, it will take time to design and implement a consumption-based tax system. Toward that end, the Commission believes that the principles that should guide the transition from the present tax code are progressivity, fiscal responsibility, transparency, and internal consistency.

Progressivity. Any tax on consumption must preserve equity, so that our citizens, no matter what their income level, share the tax burden fairly. This can be accomplished through a progressive structure.

Fiscal responsibility. Over the transition, revenues must be raised consistent with the goal of \$376 billion of additional revenue for deficit reduction. These revenues should be raised from measures consistent with the consumption-based tax recommended herein.

Additional tax measures now under discussion such as investment tax credits, capital gains differentials, R & D tax credits, if implemented, should not increase the deficit during the transition. If these growth incentives are put into play during the phase-in of the consumption-based tax, they must be paid for on a progressive basis by broadening the tax base, rate increases, or reduction in subsidies to high-income taxpayers.

Transparency. Progressive changes and adjustments in the tax code during the transition must be clearly and rightly understood by all taxpayers, so that there is no sense that tax reform is another set of "tax gimmicks."

Internal consistency. During the shift to a consumption-based tax, changes in the code must be all of a piece with the new consumption-based tax structure, deficit reduction, and economic growth.

The Commission strongly urges that a concerted effort be made to educate the public about deficit reduction and tax reform during the current presidential campaign and beyond. Voters cannot hold candidates accountable unless the media does as well.



*An Investment Program
To Promote Economic Growth*

EDUCATION

The key component of a public investment strategy is investment in human resources. Strong schools, strong work force training programs, and strong families are the components of a strong educational system. We cannot be a first-rate country with a second-rate school system. We cannot compete successfully in a global economy with a low-skilled, low-wage work force. Without supportive, involved families, we will play constant catch-up with children ill-prepared to learn. Government, the education community, and business must be partners in a long-term effort to revitalize the American educational system.

The Commission recommends three principal initiatives to support a human resources investment strategy in the 1990s: a new system of national standards at the secondary school level; expanded programs of training and apprenticeships for students who directly enter the work force after secondary school, and expanded work force training programs for those already on the job; and a comprehensive effort to promote school-readiness in young children and strengthen their families.

A New System of National Standards

Compared to our competitors and to our own national needs, America's expectations for what the vast majority of our students

should know and be able to do are minimal. To achieve both excellence and equity, our nation should develop educational content and student performance standards in core subjects, such as math, English, science, and history. Meeting those standards by the time they graduate from high school would earn students a certificate of initial mastery that signified preparation for democratic citizenship and readiness for high-productivity employment.

High quality standards should be supported by high quality student assessments. Student assessments should be linked to school curricula, should measure student achievement rather than aptitude, and require that students demonstrate not only the recall of facts but also their application.

To support the shift to higher expectations for student achievement at the secondary level, colleges, professional schools, and technical programs should raise their entry-level standards over a ten-year period. The nation — through student assistance and national service programs at the federal level, through scholarship programs of colleges and universities, and through private scholarship programs — should ensure that financial need should no longer be an obstacle to higher education for students who have performed well in secondary school.

Federal, state, and local governments should ensure that schools have the requisite resources to prepare their students to meet new and more rigorous standards. The Commission recommends increasing federal investment in the Chapter 1 program, which helps educationally disadvantaged children. The assistance should extend over the next 10 years, contingent upon the reform program spelled out in this report, and earmarking some of these funds to support the nation's R&D as well as meeting the needs of disadvantaged children.

Teachers must be capable of helping students meet these demanding national standards. To improve the quality of America's teachers, the Commission recommends, among other things, that:

- Financial incentives be provided to attract new teachers into subject areas where teachers are in short supply; to attract the best and the brightest secondary and college students to pursue teaching careers; and to attract separated military and defense industry personnel to the teaching profession.
- National standards be developed for state alternative teacher certification programs to allow qualified individuals who do not have an education degree to enter the teaching profession.
- The education community provide financial incentives for teachers to enhance their own skills and knowledge in order to enhance their students' abilities to meet higher standards.

Strengthen the Work Force

Fifty percent of our young people do not go to college, but the United States, unlike its competitors, has no system to assist the transition from school to the work place. Nor do we have a system to educate and train front-line workers.

Structured on-the-job learning is the missing link in the partnership between schools and employers. Government, business, and labor should work together to establish apprenticeships that combine certifiable skill training, academic instruction, and work experience. Professionalized technical education in the form of "tech prep" programs, apprenticeships programs, and occupational training at both community colleges and technical schools should be expanded. A system of technical and professional certificates, recognized by employers and post-secondary institutions, should be developed to measure skill competencies gained through this education. This would allow workers to transfer from job to job or move from state to state as they wished.

American companies should also be encouraged to invest in their own workers. A target of 2% of payroll for training is reasonable. Congress should develop incentives and technical programs to increase training and upgrading of the work force, not just for top management, but also for front-line workers.

Promote school readiness and strengthen families

The Commission strongly endorses the expansion of programs that promote school-readiness in young children and support families.

These programs include:

- "WIC" (the special supplemental food program for women, infants, and children that provides prenatal and nutrition programs);
- Childhood immunization programs;
- Head Start, which should be made available to all three- and four-year old children, with non-disadvantaged children participating on a completely reimbursable basis, and full-day options provided; and
- "Inter-generational programs" that provide education, employment, and parenting skills programs for mothers of Head Start children.

While these programs and others can do much to promote school-readiness in children, by far the most influential teachers are parents. Parents' attitudes toward education, their expectations for their children, the values they impart, and the environment they provide for learning all have an enormous impact on educational success. In addition, parents should monitor the amount and content of their children's TV viewing. The Commission also believes that the TV industry and those who advertise on TV must take responsibility for their enormous impact on children. Finally, though they are no substitute for parents, schools should adopt strong programs on values and ethical behavior.

Families can be supported in their efforts by their employers. Parental leave, flexible work scheduling, working at home, and career sequencing all enable working parents to spend time with their children and meet family obligations. The Commission is united in advocating that working parents be given greater opportunity to spend more time with their children.



The American Industrial Base

The primary responsibility for producing competitive goods and services rests with the private sector. While American firms excel in some business sectors (e.g., pharmaceuticals, chemicals, aerospace and information services) American firms in other sectors (e.g., motor vehicles, telecommunications equipment, and computers) are being challenged by Asian and European companies.

In these industries and others, companies must develop new attitudes and strategies and learn new techniques to remain or become globally competitive.

The Commission points in particular to the path-breaking work produced by the MIT Commission on Industrial Productivity, *Made in America*, which documents how the 30 "best practice" American companies are meeting the challenge. Total quality management, just-in-time manufacturing, constant refinements in process technologies, and continuous training of front-line workers are among the management strategies that these companies use to become global competitors. The Commission strongly endorses these efforts.

At the same time, government can and should provide an economic environment that helps strengthen the American industrial base. As noted above, the federal government must put its fiscal house in order to increase the availability and decrease the cost of capital for productive business investment. In addition, the Commission recommends that government take these steps to leverage the efforts of private industry:

- **R&E tax credit.** To encourage sustained private sector commitment to R&D, the Commission recommends extending the current 20% research and experimentation tax credit through the transition to a consumption-based tax. Its provisions should be amended to include expenditures on process technologies and cooperative research done at the national laboratories.

- **Increased resources to manufacturing technology.** Manufacturing technology should be added as the "fifth horseman" to defense, health, energy, and space R&D. Less than 2% of the federal government's R&D budget was devoted to manufacturing technology in 1991. The Commission recommends that each federal agency support the development of manufacturing process technology as a concurrent and important aspect of ongoing R&D programs.
- **National laboratories.** The national laboratories, an invaluable asset in meeting the military challenges of the past, must now help us meet the economic challenges of the future. The White House science and technology adviser, the national security adviser, appropriate members of the cabinet, and representatives of the private sector should establish a senior level working group to review and revise the missions of the labs to permit their best use. The labs can contribute immediately to large-scale projects such as environmental restoration, waste minimization, environmentally conscious manufacturing, energy efficiency and supply, advanced manufacturing, high-performance computing, and health care.
- **Increased resources for dual use technologies.** The Defense Advanced Research Projects Agency (DARPA) should be transformed into the National Advanced Research Projects Agency (NARPA) in order to help integrate defense and commercial technologies into a strong unified national technology base. NARPA would continue to support technologies of potential military importance as well as focus more heavily on dual-use technology. DOD would benefit by getting faster and cheaper access to commercial technology, and commercial firms would benefit by the availability of additional federal R&D dollars.
- **Increased resources for infrastructure.** Increased federal and state resources should be devoted to highways, mass transit and aviation, including innovative technologies such as high-speed rail and intelligent vehicle systems. The Commission recommends

and intelligent vehicle systems. The Commission recommends that the federal government increase total spending on such programs by \$100 billion over a ten-year period. Funding for these new physical investments would come from infrastructure taxes, energy taxes, and fees.

In addition, the Commission recommends the support of policies to encourage the development of public communications networks that will meet the advanced telecommunications needs of all Americans, including deployment of fiber optic systems or other efficient broadband technologies.



Making Government Work

To help break gridlock in government, the Commission recommends structural reforms within the Executive and Legislative branches.

TO THE PRESIDENT: To bring focus and coordination to economic issues at the highest level of government, the Commission recommends creating a National Economic Council (NEC), headed by a National Economic Advisor, on a level with the National Security Council and the National Security Advisor.

TO THE CONGRESS: To end the quagmire of budgetary legislation, the Commission recommends creating a Joint Budget Committee, appointed by the joint leadership of both houses, to supplant the current budget committees; lengthening the budget cycle from one to two years; decreasing overlap among some 300 committees and subcommittees, and ending duplication inherent in the budget resolution/authorization/appropriation process. This streamlining would reverse the excessive growth of Congressional staff that has occurred over the past two decades.



If we stay our present course, we and our children and grandchildren will pay an increasing price. If we begin to make the tough decisions now, the rewards and benefits will be felt for generations to come.

We believe that, in many areas, fundamental change in our nation is required, urgent, and possible. Change will demand unity and strong leadership. The President alone cannot solve all of the problems. Neither can the Congress nor one political party. There is much that American business and unions must do to make our economy stronger. There is much that local communities, schools, and parents must do. There is a role for every American, either in spirit or in deed, and we hope that the Commission's bipartisan findings will give thoughtful people a place to start.



*Future Agenda: The Strengthening
Of America Commission*

ENERGY AND THE ENVIRONMENT

HEALTH CARE

INNER CITIES

REGULATION

TRADE



SENATOR BOB DOLE

PHOTOCOPY
MISC. HANDWRITING

9/30- cj called
Judy Green at ^{Camp} _{Americ}
explained that
This should not
come to JAS - should
go to Bob Teeter at
BQ '92. They
will do so for
all future letters.

September 23, 1992

The Honorable James Baker
Bush-Quayle '92
1030 15th Street, N.W.
Washington, D.C. 20005

NRN

Dear Jim:

I am pleased to forward to you a campaign contribution in the amount of \$1,000 from Mr. Erwin Sobel.

I would appreciate it if you would be sure to send a thank-you note to Mr. Sobel. His address can be found on the enclosed letter.

Any additional checks received by us for the campaign will be promptly forwarded to you.

Warm regards,




BOB DOLE

jg

CAMPAIGN AMERICA

SENATOR BOB DOLE
Honorary Chairman

M E M O R A N D U M

TO: Bush-Quayle '92
FROM: Jo-Anne L. Coe 
Executive Director
DATE: September 23, 1992
SUBJECT: Conduit Contributions

In order to comply with Federal Election Commission (FEC) regulations, you must report contributions aggregating greater than \$200 in a calendar year whether you receive the check directly or through CAMPAIGN AMERICA.

When you report these "conduit" contributions on Schedule A of your FEC report, you must identify each conduit through which a "conduit" contribution passed. For example, put an asterisk (*) next to the amount of the contribution and at the bottom of the page type: "* Conduit: CAMPAIGN AMERICA".

A copy of the appropriate portion of our FEC report which reflects our conduit efforts on your behalf will be forwarded to you.

Thank you.

Law Offices of
ERWIN SOBEL

ERWIN SOBEL
MICHAEL S. BAILES
ALFRED J. KAMINSKI

WILSHIRE COURTYARD
5750 WILSHIRE BOULEVARD, SUITE 506
LOS ANGELES, CALIFORNIA 90036
TELEPHONE: (213) 653-8470
FAX: (213) 938-0375

IN REPLY PLEASE REFER TO

September 16, 1992

The Honorable Robert Dole
United States Senate
141 Hart Senate Office Building
Washington, D.C. 20510-7020

Dear Senator:

Please forgive my presumption in communicating with you directly concerning the pressing issues raised in this year's Presidential campaign. However, since I hold you in great personal esteem and since you are close to the President of the United States, I have turned to you directly in despair and actually as a last resort.

Preliminarily, as a trial lawyer, I feel compelled to express my deep disappointment in the President's nationally televised attack on our profession. Nevertheless, being an ardent and devoted Republican, I have, in contrast to many other California Republicans decided to continue to support our President and the Republican drive to elect new Republican members of the House and the Senate. In that regard, please find herewith enclosed my check in the sum of \$1,000.00.

Addressing the issues of the Presidential campaign, I realize that apparently, the Republican strategists have decided to write off California with its vast electoral votes. I believe this is an error.

For whatever it is worth, I would like to convey to you a trial lawyer's perspective in strategy I believe our party should employ during the remainder of the campaign. In that context, I will consider for purposes of this election the general electorate to be a jury judging a dispute and assessing credibility in the process.

NEGATIVE IMAGING

Unless a party or a witness is an out-and-out scoundrel or perjurer, a trial lawyer never directly denigrates an individual whose credibility is being judged by a jury. Rather, a trial lawyer employs the method of subliminal suggestion in the hope that the jury, based on the available evidence will close the circle and conclude that the individual whose credibility is being tested is not fully trustworthy and not worthy of a judgment. In that regard, I propose the following strategy:

PROPOSED STRATEGY NO. I:

I believe that emphasis should be placed on Governor Clinton's lack of experience and therefore lack of ability to deal with and react to situations where the deployment of US Armed Forces appears to be necessary. The electorate should be continually advised of the fact that such confrontations are likely to occur in the next 4 years especially in view of the many volatile regions of the globe that are likely to explode. The issue must be phrased honestly and squarely. CAN YOU TRUST THE SECURITY OF THE UNITED STATES AND INDEED OF THE ENTIRE GLOBE TO A PERSON WHO HAS IN THE PAST DEMONSTRATED HIS LACK OF ABSOLUTE COMMITMENT TO PERSONALLY BEAR THE RISK OF SERVING IN THE UNIFORM OF THE ARMED FORCES OF THE UNITED STATES OF AMERICA. WILL SUCH A PERSON WHO HAS NOT FACED PERSONAL PERIL IN THE MILITARY CONTEXT DEAL IN AN ACCEPTABLE MANNER WHEN CONFRONTED WITH WEIGHING THE POSSIBILITIES OF COMMITTING THE LIVES AND RESOURCES OF THE UNITED STATES TO A MAJOR CONFLICT. President Bush has demonstrated his skills, courage and ability to successfully deal with tyrants who threaten the safety of the world or the vital interests of the United States.

PROPOSED STRATEGY NO. II:

History has demonstrated that the Democratic party's predisposition or proclivity in military conflicts is not towards absolute victory. Past Democratic administrations were instrumental in committing our armed forces to major military action in places like Korea and Vietnam. But the resolve for absolute victory did not accompany such commitments. In contrast, under the Republican leadership of the last 2 administrations our military conduct in Grenada, Panama and the Gulf demonstrates an absolute resolve to commit our armed forces to conflict only if we are determined to achieve absolute victory. If, as it is more likely than not that the future will unfortunately bring such additional conflicts, what can we expect from Governor Clinton if he were to be elected President? (Here, let the electorate close the circle and come to the conclusion that we would be engaged in long campaigns dedicated to a stalemate).

THE ECONOMY

PROPOSED STRATEGY NO. I:

With the House and Senate in Democratic hands, we can expect the free-spending Congress to have a staunch ally in Governor Clinton if he were to be elected President. THERE WILL BE NO ONE TO CHECK THE FISCAL EXCESSES OF A DEMOCRATIC CONGRESS. With the Congress and the President in the hands of the Democratic party, we can reasonably expect a repeat of the Carter experience where inflation was rampant, housing became unaffordable and the hard earned savings of the average worker suddenly disappeared. Let's face facts, can we expect a Democratic President who is philosophically aligned with a Democratic Congress to fight the Congress as effectively as President Bush has in preventing free and unfettered government spending.

PROPOSED STRATEGY NO. II:

Admittedly, there is a slow down in the economy. This however is cyclical. But, we must advise the electorate that we are now on the verge of reaching new heights in economic prospects. We have now become part of a global economy, interdependent with the economies of other major countries and regional markets. Under the Republican leadership, new markets have opened up in the territories of the former Soviet Union, Russia, Eastern Europe, China and other Asian territories.

President Bush has the confidence of the leadership of these countries and regions. It is of the utmost importance that this new era be ushered in by a man who is trusted by world leadership; who has demonstrated his credibility with these leaders and who stands as a symbol of American commitment to protect, not only free trade, but the vital interests of the United States of America. Never before in the history of this country have we been on the threshold of such economic prospects and possibilities. Do the American people entrust the dawn of this new era likely affect their lives for the next many generation to a person who has absolutely no experience in the field?

STRATEGY NO. III:

The President should commit the Federal Government in this campaign to funding research projects in the field of science and technology to encourage new ideas in these fields, thereby committing the resources of the United States of America in tandem with the resources of industry to create new economic products which in turn will create, new jobs and prosperity.

STRATEGY NO. IV:

We should announce to the people of the United States that we recognize that one of our greatest assets is the youth of America. We are the only country in the world that appears not to take advantage of this special asset in any specialized manner. Therefore, a program must be instituted to create a Federal Gifted Children Scholarship fund. Irrespective of race, creed, economic background, we must not let this valuable asset go to waste. Those children who have demonstrated special gifts and talents must be nurtured and their talents harnessed. Lack of economic circumstance must not stand in the path of developing such assets.

SENSITIVE ISSUES:

ABORTION

I sincerely believe that the Republican have committed an enormous error in politicizing this issue. The President should make it clear that, "I recognize that many hold different views from mine. I respect dissenting views. The beauty of democracy is that we agree on the right to disagree. As President, elected to represent all of the people of the United States, I will have no choice but to listen to all views." An expression by the President in that regard may attenuate some of the harsh views taken by many female voters concerning this issue.

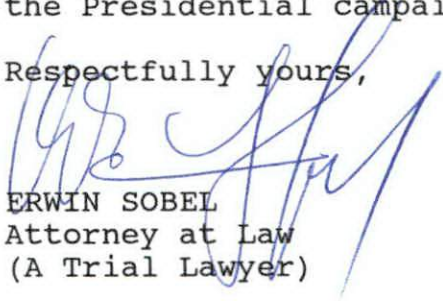
Page Five

ILLEGAL ALIENS - I.E, UNDOCUMENTED ALIENS:

I believe that the average American irrespective of the region of the United States resents the notion that either Federal, State or local funding is utilized to support those individuals who enter our country in violation of our immigration laws. No other country in the world tolerates such a state of events. Vast billions of dollars, especially in California, are being diverted to the support and maintenance of undocumented aliens. The President must make it clear that this will no longer be tolerated. Further, I strongly propose that the President publicly urge Legislation mandating the recovery of any personal injury damages by an undocumented alien to be limited in accordance with the standards of the country of origin.

If, upon reading the contents of this letter you find merit in any of the concepts presented, I would appreciate contact from you or any other office shouldering responsibility for the management of the Presidential campaign.

Respectfully yours,



ERWIN SOBEL
Attorney at Law
(A Trial Lawyer)

ES/ek
Enc

cc: Honorable James A. Baker
Chief of Staff
The White House
Washington, D.C. 20500

ORIGINAL LETTER AND CC MAILED
CERTIFIED MAIL/RETURN RECEIPT REQUESTED

SENATOR BOB DOLE



The Honorable James Baker
Bush-Quayle '92
1030 15th Street, N.W.
Washington, D.C. 20005



900 Second Street, N.E. Suite 114 Washington, D.C. 20002

9/30- ci called; left msg.
on machine thanking -
passing to BQ, etc.

NRN

William H. Giger

201/445-0928

400 Circle Drive
Wyckoff, N.J. 07481
Sept. 20, 1992

The Hon. James A. Baker 3rd
Washington, D.C.

Dear Mr. Baker:

We are writing you as life-long Republicans, active in our town Republican League and former members of the Republican County Committee. Our sister and brother-in-law, Janice and John Ladley of Charlotte, are very active in fund-raising in North Carolina.

Thank you for assuming control of President Bush's campaign. God-speed to you in a hopefully victorious effort.

In case you did not know of it, we wanted to tell you of an astonishing faux pas by Bill Clinton. On the Saturday of the second or third weekend in August, radio station WOR, the big independent in New York City, a newscast explained that Clinton was asked what he thought about Barbara Bush. His response in a tape was:

"I can understand that Barbara Bush would want to stay four more years in the White House, but I wouldn't want to sleep with her."

We heard him say it, in his own voice, but the fact that it wasn't reported widely is attributable to the sad state of the media, especially in this area, where the liberals dominate the press and radio/television.

If your people can obtain the full news tape from WOR - it would have to be handled deftly by someone who knows the radio scene here because a cold call to someone who is anti-Bush certainly would kill it. Then it would possibly make a dramatic television commercial to be used, say, the Friday, Saturday, Sunday and even Monday just before election day. A voice-over by someone like Robert Mitchum would surely be emotional dynamite for women all over the country.

It should be worth investigating.

Sincerely,
Claire Bill Giger
Claire and Bill Giger

The Honorable James A. Baker 3d.

WILLIAM H. GIGER, JR.
400 CIRCLE DRIVE
WYCKOFF, NEW JERSEY 07481

D. Conroy fax
336-7178
7329

NRN
called

GLEN L. BOWER

3 North Lakewood
Post Office Box 1106
Effingham, Illinois 62401

(217) 342-4927 (h)

OFFICE:
844 North Rush Street
Suite 804
Chicago, IL 60611-2092
(312) 751-4900

September 29, 1992

The Honorable James A. Baker III
Chief of Staff to the President
The White House
Washington, D.C. 20500

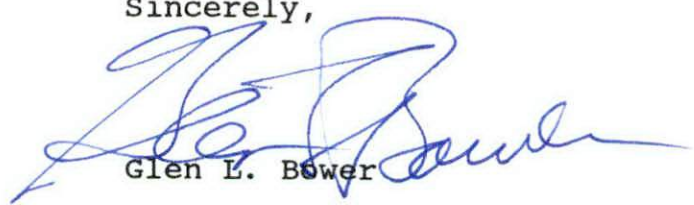
Dear Secretary Baker:

As Chairman of the U.S. Railroad Retirement Board, which is headquartered in Chicago, I am a Presidential appointee and not subject to the limitations of the Hatch Act. I wanted to let you know that I am willing to do anything I can to be of assistance to help reelect the President. Serving in the Bush Administration has been the greatest honor of my career, and since I was recently confirmed to a full five-year term as Chairman, I am looking forward to continuing to do so.

I have submitted my name to the surrogate's program in the reelection campaign, and was provided a listing of events in both Illinois and Wisconsin. However, most of the events had either made alternate arrangements or were open-ended invitations solely for the President and Vice President.

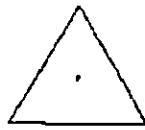
If you feel that there is anything I can do that would be helpful, please do not hesitate to let me know. My schedule is relatively open between now and the election, and I would be willing to devote whatever energy is necessary to this important task. Thank you for your consideration, and I hope I can be of some assistance to you.

Sincerely,



Glen L. Bower

Attachment



NRN

Kacy Jones

9-29-92

Dear Jeb

Sorry that I missed seeing you at the opening last Wednesday of VICTORY '92 office in Ft Lauderdale. I had copies of a winning slogan which if used on a National basis will just about assure victory for Bush.

Used on T.V., Radio & print distribution it can become a household word.

"PUSH BUSH IN -- PULL CONGRESS OUT"

Print this slogan on T-shirts to be sold as

FUND Raisers. On Caps print the words "SAVE AMERICA," because that's really what it is all about.

If you can get this to Jim Baker, with a few refinements I believe it would be worthy of a few thousand dollars of testing.

As Dave Ellis will tell you I'm in the Jan. Honor Camp, but also in the Bush Camp. My wife, Mary Jo & I are Precinct Committee Man & WOMAN, who walk out precinct in BROWARD COUNTY, PRECINCT 52R.

We'll win a Bush Victory but it is not going to be easy. Yours for a Republican Victory,

Kacy Jones

~~SAVE AMERICA~~
(PUSH + PULL TOGETHER)

— PUSH BUSH IN -----
— PULL CONGRESS OUT —————→

WATCH AMERICA GROW + PROSPER

A GREEDY, CORRUPT CONGRESS HAS PRACTICALLY
DESTROYED OUR FREE COUNTRY - - -

THIS ELECTION IS NOT REPUBLICANS VS DEMOCRATS,
BUT ALL THE AMERICAN PEOPLE UNITED AGAINST
CORRUPT GOVERNMENT AT ALL LEVELS.

YOUR VOTE COULD WELL DETERMINE WHETHER WE
EVER HAVE ANOTHER FREE PRESIDENTIAL ELECTION.

IT'S TIME TO QUIT LISTENING TO THE LIES +
PROMISES OF ALL CANDIDATES + JOIN WITH ALL
OTHER AMERICANS AGAINST CORRUPTION BY :

CASTING YOUR PUSH + PULL VOTE ON

TUESDAY / NOV. 3, 1992

PHONE _____ IF YOU HAVE QUESTIONS
OR NEED A RIDE

FACSIMILE TRANSMISSION

**PLEASE
DELIVER
IMMEDIATELY**

Date 9-30-92 Time 3 P.M.

To James Baker

Company _____

Phone (202) 456-1111

Fax Number (202) 456-2761

Total Pages Sent 2 + Cover Sheet

FROM:



UNIQUE GRAPHIC PRODUCTION

1135 S. Federal Highway • Ft. Lauderdale, FL 33316

From Kay Jones

Instructions Please reply soon

Please call 305-779-2679 if there are any questions or problems.
Our FAX Number is 305-779-3264

"SOUTH FLORIDA'S MOST UNIQUE REPRODUCTION CENTER"

NRN

Mr Tracy McKay
Chateau de Le Malli
Maison de Grasse
St Vallier
06130 Grasse, France

September 5, 1992

Mr. James Baker, 3rd
Republican Party Chief
Secretary State
White House Office
Washington, D.C.
United States of America

Re: "Nick
Informations"

Dear Mr. Baker 3rd,

My greetings Mr. Baker, and sincerely
look forward to seeing you back in affairs
and success in this extraordinary political
time, just incredible, becoming pretty poli-
tically in opposition! Incredible!

Mr. Baker, I've written Mrs. Bush, Mr.
Bush, Miss Martin via normal mail
route and since about May 1992, Mr.
W. Amercourt, 5201 Crown Street Bethesda
Maryland (Pro-Aid). I've been forced
now to write. I've been refused the
right to express political matters in
confidence "closed-mail". My letters
must remain open. I have a duty

Mr. James Baker, 3rd Republican Campaign
Page two: Mr. Tracy McKay

peculiar case here. It's very interesting
and perhaps to clarify my situation is
to call: Mr. Gerard Baddoux 33/93/80.63.01
Nice, France (lawyer) here sets a letter with
extreme importance for 3-months. Republican
Party must activate this and investigate
this letter nature Mr. Baker. (Heavy-Jewel
on "Slick"). Next to call my associate and
spokes person in Spain (San Pedro King law
partner) 34/52/780395. She can expand
many instrumental facts. Next you can
call Marseille Consular for file inform-
ation. In the U.S. call: 804/595-8209
ask for Linda, she can help guide you
for article, history and history & played
safely for the "rainy-day" politically.

The story is "Dutac" (Dioxin - PCB's),
a scandal cover-up "Environ-gate", that
happened in his loss to Frank White. You'll
find me in News-News, Tele Channels 4, 7 and 11
File Film, and the city concerned daily news
page along with record city council books.
(I received the "Key to the City"). But now clear
I'm there your page photos "Heated Debate"
and Mr. Baker. I beat him twice politically.
It came to the point of confidential settle-
ment, he buckled under fire and it wasn't
to just jobs vs. environment. (2-4-5 T) and me.
The history must be before the nation. &

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Letter	From: Tracy McKay to James Baker Re: Slick Information [Redaction of Personal Information] (1 pp.)	09/05/92	(b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Baker, James A. III
Subseries: Public Correspondence Files
WHORM Cat.:
File Location: [Public Correspondence] [2]

Date Closed: 1/8/2001	OA/ID Number: 93004-002
FOIA/SYS Case #: 2000-0715-F	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National Security Classified Information [(a)(1) of the PRA]
- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-3 Release would violate a Federal statute [(a)(3) of the PRA]
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

- (b)(1) National security classified information [(b)(1) of the FOIA]
- (b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- (b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- (b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- (b)(9) Release would disclose geological or geophysical information

Mr. James Baker 3rd, Republican Campaign
Page three: Mr. Frank McKay

must be before media. I refuse from abroad
causing dual-ideals. It will open areas to
corruption, incompetence, mistrust of power and
disregard for-hand for life, safety, welfare
wild life and future environmental destruc-
tions. Under confidence "I'll need you McKay
in the future!" Mr. Baker, I can not express
the poll-effects and ripple gas attacks &
endure for opposition. It's issues real, valid
and already questioned. The industry, military
and public will be shocked. The testimony
is hard. Any truth seeking tests will demon-
strate I'm telling the truth. I encourage it!

I also carry a personal-space file on "Slick"
in another city. I was there! The history is a
cover story Mr. Baker. Press, media and T.V.
will choke delivery it and by chance I can
be before (from abroad) a press conference, there's
no stopping. I debate independent for the party
away from lip-heat! I'll take it, and am I
prepared. While "Slick" is shaking his head
in disbelief "I surprised!" On cue you have all
the evidence, history and you know the rest.

In 48 hrs. a "cut-off" is back-to-back letter!

Please Mr. Baker, expedite Secret Service
or Central Intelligence (if please) in here
and God-speed please! May grace of
God guide you in these times Mr. Baker.

Respectfully American,
Mr. Frank McKay

Maison Auset Grasse
Plateau de la Vallée
St Vallier
06130 Grasse, France

STATION CLIMATIQUE REPUBLICAINE
GRASSE ppal 19-9-92



Air Mail

"Immediately
Direct"
Urgent

Mr. James Baker, 3rd
White House
Chief Republican Campaign
Secretary State
Washington, D.C.
United States

5- Sept 92

Went
General
Compass
Kg

John Brown McKey

NRN

October 1, 1992

To: James Baker the III, White House Chief of Staff

From: Ernest E. English Jr. (201) 342-7230

I have a corporation in New Jersey dealing with transportation. I am a black Millionaire. I made my money during the Reagan and Bush years. Mr. Bush, I have a Great idea for your campaign that will make you a winner. Mr. Baker I'd like to meet with you and Mr. Bush this weekend or monday. The President, needs an Ace card this time around, and the Ace card are Jobs. Ernest E. English. Jr. Enterprises will provide them to the White House and to the people of our nation.

There are three different companies that I am talking about. I will just mention the set up of the companies so you can understand them. When we meet, you will be given the full picture.

The first company is called Ernest English Jr. Kitchen International. It will need 300,000 delivery people nation wide, beginning Oct 7, 1992 this company will deliver cooked meals to your home, the only thing you have to do is phone in your order. The phone contract will be awarded to seven differend companies. These companies will supply the people who will answer the phones. We will use TV radio, and newspaper ads to get the word out about our products. Here are the companies that will be contracting from our company on this project: 1. Dobbs House 2. Sky chief 3. Caterair International. There will be seven other supporting companies.

The second company is Ernest English Jr. Trucking Corporation. There are 3,500 brokers that are looking for truck drivers that have their own trucks. These truck brokers handle shipping for the large companies in our nation. The brokers need 7 Million drivers nation wide, they will handle drivers on a daily bases. Transpersonel, which is owned by Manpower Inc. has 700 offices nation wide, will get the drivers for our company. Our company will lease the trucks from Hertz Penske, Ryder System, and Amtralease. These companies will buy trucks from manufacturers and lease them to our company, they will also fuel our trucks and maintain them nation wide. This will make the stock market raise, and help our overall economy, and also show Mr. Bush knows how to spark the economy.

The third is the Jesus Christ Aqua Shuttle. This is a great system that I have been working on for the last 7 years. It is a mass transportation system that takes you any

where in the world. The Aqua Shuttle is a domestic/international system which runs at 7,000 miles per hour, to 3,000 world cities. We will take a maximum of 7 years to build and will create jobs for all who want to work. The Shuttle will create 40 million jobs immediately, the majority will be given to each major city. If you will meet with me I will tell you more specifics. We will not need funding from any bank or government. We will fund the shuttle with my company on the boardwalk of Atlantic City N.J., which is worth about \$500 million price waterhouse has stated to me on K Street in Washington DC. But there is a major problem with the power brokers in Southern New Jersey. The Perskie family and the Gormley family have made a deal with my Ex partner W. Stuart McGinnis of 176 Doughty Road, Pleasantville N.J. McGinnis has my cars that run on the boardwalk he as taken my cars me illegally, and the court system will not help me because of the Perskie and the Gormley families have a lot of power in Atlantic City. The State used a man who is connected to the Ex governor Tom Kane via a lawyer called, David Parker of N.J.. The two families that I have mention have Judge Greenberg Superior Court of New Jersey County of Atlantic, in their pocket, if you know what I mean. His telephone number is (609) 625-7000. Also the general David Brody of 25 Market St. CN085 Trenton, N J. 08625, and the public defenders office are controlled by these families. My public defender was John W. Bjorklund Asst. Deputy public defender of 201 South Main Street, Cape May Court House N J.. This man has put three bench warrants on me because they say I have not appeared in court, when in fact they send the court appearance letters to address they know I do not live at. Now Mr. Brody is saying that I have contacted his office and that I agree to do 7 years in the State prison. This is a lie. **I Ernest E English Jr. did not call any one on this case.**

I pray that Jesus will bless this letter and let you see that I am telling the true story and have the F.B.I. check out the main witness in this story Mr. Seymore Altar of Atlantic City, and the lawyer, David Parker.

I need a President Executive Order to overcome these legal hassles and get back my business, which includes getting my cars back from Mr. W. Stuart McGinnis. There is lots more to tell when we meet. I look forward to meeting with you very soon.

God Bless you,

Ernest E. English Jr.

FACSIMILE COVER PAGE

To: James Baker III
Time: 23:58:29
Pages (including cover): 3

From: Hunter L. Jordan
Date: 9/30/92

To: President Bush

From: Ernest E. English Jr.

VU-PHAN-TRUONG

475/55 B Cach Mang Thang Tam

P. 13 - Q. 10 Hochi Minh City

VIET NAM



Saigon September 6th, 1992

Dear Mr. James Baker,

I am a former Police officer of the ancient regime and former Security officer of the International House c/o American Embassy Saigon, prior to 1975. I always pay attention to the presidential elections in the United States, especially in this year. I want to support President Bush by my enclosed letter to send to the American voters -

If you think my opinion in this enclosed letter is right, please correct my english, have it typed and distribute to voters -

I'm very sorry because I do not have the honor to vote as an American citizen, but I do hope that I will have that noble duty and privilege in the next Presidential election -

I'm sure that you will bring great success not only for President Bush, but also for the people of the United States

Respectfully yours

Vu Phan-Truong

VU - PHAN - TRUONG

475/55 B Cach Mang Thang Tam

P. 13 - Q. 10 Ho Chi Minh City

VIET NAM

Saigon September 6th, 1992

Dear American Voters,

I am a Vietnamese in Saigon but I do love the Land of the Free and the Home of the Braves, I also had many American friends in Viet Nam prior to 1975 so I always pay attention to all presidential elections of your country.

In this coming election day, I want to express my thinking to you and remind you just one thing.

The greatest responsibility of the President is the preservation of the country in the event of war. It's very funny if the authority as Commander-in-Chief of all Armed Forces comes to hands of a former draft-dodger! How can he appoint all commissioned officers of the Army, Navy and Air Force, and during war time how can he plan general over-all strategy?

That authority must be remained in hands of the former youngest brave pilot of the US Navy in WW II, the winner of Gulf-war and the winner of Cold-war.

That's all my sincere suggestion and I do hope you will be agree with me.

Yours sincerely

Vu Phan Truong

Erasmus

FROM: VU PHAN TRUONG
475/55^B Cach Mang Thang Tam
P. 13 - Q. 10 Ho Chi Minh City

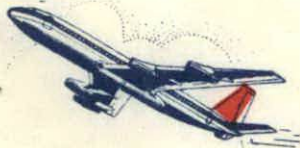
PARVIETNAM



TO: Mr. JAMES BAKER
In charge of Election Problem
The White House -
WASHINGTON D.C.

U.S.A

VIA AIR MAIL PAR AVION



88

170

15

15

15



NPN

September 23, 1992

Mr. Jim Baker, III
Chief of Staff
White House, Pennsylvania Avenue
Washington, D. C. 20500

Dear Mr. Baker:

Re: Ross Perot

ROSS PEROT CAN BE HAD! Why and how is he vulnerable? How can you get Ross Perot to ask his supporters to vote for George Bush?

Ross Perot is not an enigma. He is a five-foot-six-inch frustrated egocentric Texan with a Napoleon complex who also happens to be extremely wealthy.

Ross Perot achieved all there was to achieve in his field. He went all the way to the top. He then sold his company to General Motors for several billion dollars. When he sold his company, he had to sign a non-competitive contract which prohibited him from forming another company. This left Ross Perot with billions of dollars, but he didn't have any outlet for his forceful energy; also, he was no longer surrounded by his "yes" men who made him feel ten-feet-tall.

In his frustration Ross Perot has begun to seek a "new cause" (politics) that will meet his needs of an outlet for his energy and his need of recognition for his expertise. Ross Perot cannot and will not be elected President; however, he can surely create a problem in Texas with the electoral college and can do irreparable damage to George Bush's re-election efforts.

There is a way to meet Ross Perot's needs of an outlet for his energy and recognition for his expertise. In return for this he will surely ask his supporters to vote for George Bush. **PROMISE ROSS PEROT A POSITION IN THE CABINET.** Secretary of (whatever). He just might do a good job. If he doesn't do a good job, he will quit! Ross Perot has no staying power when things do not go his way---he will quit.

Also, if you go forth with this idea, be sure to announce it to the press before Ross Perot can make a statement. Tell the press that you feel Ross Perot has some very important game plans and you are welcoming him to your team by offering him a position. This will feed Ross Perot's insatiable ego and will prevent him from making some asinine statement to the press that you tried to bribe him with an offer.

I do believe this has some merit. Please consider it. We want to keep George Bush in office!

Respectfully,

Patricia Smith

P. S. Please do not wait too long. Bill Clinton's people might approach Ross Perot with this idea before you--and then it could be too late.

402 Alkire Lake Drive
Sugar Land, Texas 77478

402 Alkire Lake Drive
Sugar Land, Texas 77478



Mr. Jim Baker, III
Chief of Staff
White House
Pennsylvania Avenue
Washington, D. C. 20500

Re: Ross Perot



ROBERT D. LEWIS
8239 Blue Oak Way
Citrus Heights, California 95610
(916) 722-9509, home
(916) 481-1882, work

NR
multi
issue

Sept. 23, 1992

Mr. Baker
White House
Washington, D.C.

Dear Mr. Baker:

I don't like the commercial for Mr. Bush. He looks bad in it and it's obviously saying what the polsters say that the American people want to hear. It's counterproductive.

A suggestion: Forget all the promises. Forget the "Read my lips" embarrassment. Don't worry about the Democrats accusing Bush of changing his mind. Tell the American people that we are in serious financial times and that we need a serious change in policy. Adopt Perot's plan or one like it to reduce the deficit. Talk about the deficit and the need to eradicate it. Do whatever it takes.

Then, give American businesses tax incentives to go into Latin America and Eastern Europe.

Finally, find a serious plan for national health insurance that will bring all the players together in a win-win situation.

Tackle these three things and you might have a chance.

A Registered Republican for Bush,


Bob Lewis



MR. ROBERT LEWIS
8239 BLUE OAK WAY
CITRUS HTS, CA. 95610-0723



Mr. Baker
White House
1600 Pennsylvania Ave.
Washington, D.C. 20500



NRN

ANDREW BELA, P.E., Ch.E. 193 North Ridge Drive, Fallbrook, CA 92028-2620

Management/Technical Consultant - Chemical and Process Industries

213/375-8867
619/723-5349

September 24, 1992

Mr. James Baker -- White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

multi-issue

Re: Solution--Improving the U.S. Economy, Balance of
Trade and more U.S. Basic Jobs

Dear Mr. Baker:

The underlying causes for the current and continuing recession, migration of many basic manufacturing activities from the U.S. to foreign countries and successful inroads into the U.S. markets by Japanese automobiles and steel have apparently never been assessed by either Democratic or Republican political bodies. Prices charged must cover the costs of production of which labor costs, including benefits, are significant items. These costs are passed on to the consumer.

U.S. labor costs include significant amounts of pay for not working in the form of excessive paid holidays and vacation time. There has not been sufficiently increased production efficiency to cover these increased costs, hence, we could not, and cannot successfully compete against foreign manufacturers. Looking back, the Government could have established the climate to have avoided this. So far the campaigns include mainly rhetorical promises and no plans to correct basic causes of our economic problems. I have suggested that steps be taken to reduce the pay for not working, namely, allow payment only for a reasonable number of bonafide national holidays, say six of seven, and a maximum of three weeks paid vacation per year.

I have made this suggestion to three major government elected officials, falling on deaf ears. Enclosed is a copy of the letter to President Bush. Receipt was acknowledged by David M. Demers of U.S. Department of Labor. Perhaps a thirty-six hour week would increase jobs sooner until beneficial results are realized.

Sincerely,
Andrew Bela
Andrew Bela

ANDREW BELA, P.E.
Consulting Chemical Engineer

Certificate No. 28

193 North Ridge Drive

~~65 Rollingwood Drive~~

~~Palo Verde Peninsula, California 90274~~

Fallbrook, CA 92028-2620

Telephone: ~~(714) 326-8869~~
619-723-5349

Specializing in: Management, operations and technical services in the chemical, mining and process industries.

Scope of Professional Activities:

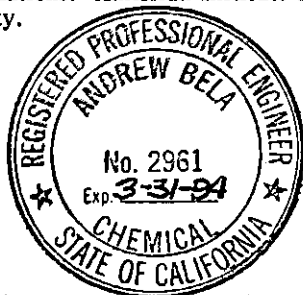
- Profits improvement through technical and managerial betterment
- Managerial and supervisory training
- Chemical, mining and process industries effective cost accounting systems
- Chemical engineering process development and plant design
- Environmental studies - air and water pollution avoidance and correction
- Metallurgical engineering - non-ferrous ore recovery and processing
- Pharmaceuticals, botanicals, food products and surfactants manufacturing
- New venture studies and appraisals
- Acquisition studies and appraisals
- Materials handling applications and design
- Process trouble shooting
- Maintenance trouble shooting and counseling
- Process equipment selection.

Professional Experience: Chemical Engineer and Manufacturing Superintendent, Monsanto Chemical Company, 1937-1948; Process Engineering Supervisor, Wyandotte Chemicals Corporation, 1948-1951; Operations and Development Corporate Staff Engineer, Mathieson Chemical Corporation, 1951-1955; Plant Manager, S.B. Penick & Co., 1955-1956; Corporate Production Manager, U.S. Industrial Chemicals Company, 1957-1958; Plant Manager, Maintenance Manager, Assistant Resident Manager, U.S. Borax and Chemical Corporation, 1958-1969; Engineering and operations assignments in the metallurgical, nuclear, power, coal gasification and petrochemical fields, from 1970 to present.

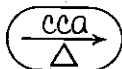
Academic Degrees: B.S.E. (Chemical Engineering), University of Michigan, 1937. Additional studies in Business Administration and Accounting.

Licensure: Registered Professional Chemical Engineer, California and Michigan.

Professional Organizations: American Institute of Chemical Engineers - American Chemical Society.



CONSULTING CHEMISTS ASSOCIATION



ANDREW BELA, P.E., Ch.E. 193 North Ridge Drive, Fallbrook, CA 92028-2620

Management/Technical Consultant - Chemical and Process Industries

~~213/375-8867~~
619/723-5349

February 10, 1992

President George Bush -- White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Re: Improving the U.S. Economy, Balance of Trade
and More U.S. Basic Jobs.

Dear President Bush:

I wish to commend you on the positive points of action in your recent talks. They should be helpful in improving a deplorable general economic situation.

There is a serious basic problem to which I have not heard any reference or proposed corrective measures. This is a situation which led to Japanese inroads into major product American markets: automobiles and steel. This adverse situation is that of paying workmen for not working. Automobile, steel and feeder companies supplying parts have been and are paying for an excessive number of unworked holidays, vacations and other benefits awarded throughout the 1960s, 1970s and well into the 1980s. These constituted increased labor costs for time not worked added to production costs and selling prices of the products purchased by the consumers.

In the mid 1980s I learned the Detroit automobile labor contracts provided for twenty-three paid holidays annually (payment for not working). These included, in addition to national holidays, Walter Reuther's birthday, personal birthday, time off for shopping, personal business, etc. Paid vacations reached a high of six weeks per year. Thus, payment for time not worked totalled some 53 days per year (two and a half months) charged as part of the products' selling price. It is not surprising that Japanese manufacturers could ship into the U.S. and undersell our products. It has also resulted in U.S. firms' procuring major parts and components from foreign plants where costs are very much lower. This cancels jobs for our U.S. citizens workmen.

In 1983, in a discussion with a Japanese accountant, I was informed that their firms ^{allowed} fifteen paid unworked days per year as holiday and vacation

ANDREW BELA, P.E., Ch.E.

Management/Technical Consultant - Chemical and Process Industries

~~213/375-2867~~

time. Thus, a large segment of American manufacturers were committed to include an additional thirty-eight days (1.8 months) pay of unworked time for the millions of individual employees.

This situation resulted from a combination of mismanagement and government intervention. These choice payments for not working were won at repeated labor contract negotiations. Management had an attitude of "get a contract at any price to avoid a strike". Stalemates at the negotiations resulted in participation of government (Labor Department) arbitrators at times. Settlements were reached by companies giving more and the unions reducing demands, but not giving up other benefits. It is significant that Japanese owned plants in the U.S. do not allow the high benefits our major firms are committed to. It should be pointed out that many industries have not reached the "paid time for not working" level achieved by the automotive and associated industries. This is unfair to this segment of the deprived working citizenry.

Reduction of "payment for not working" and other undeserved benefits can help improve competitiveness of our industries, reduce layoffs and foster "buy American" logically. The following are suggested:

1. Set a maximum of paid authentic holidays at, say 6 or 7 per year.
2. Set a maximum of paid vacation time at 3 weeks per year. Additional might be taken on a no pay basis.

The above should apply to all, industrial, office, service, government, aerospace, military, all employees. This will not be done voluntarily. Government order may be necessary to avert what appears to be an impending depression and to reverse the massive foreign trade imbalance. Why not? The government had a hand in the proliferation of "pay for not working". The matter of exorbitant salary and bonus payments to our upper echelon industrial executives I leave to a Solomon.

Based on over 50 years in industry, I feel rather strongly about what I have written here. enclosed is a copy of my CCA Credential Sheet which will acquaint you with my background. The citations made herein should be quantified in order that extent of benefits can be judged. most of the data is probably on file in the Labor Department.

Sincerely,
Andrew Bela
Andrew Bela

Andrew Bela
193 N. Ridge Drive
Fallbrook, CA 92028



Mr. James Baker -- White House
1600 Pennsylvanis Avenue
Washington, D.C. 20500

P E R S O N A L



~~MAN~~ / 22/92

Chief of Staff BAKER:

REVEAL CLINTON REALLY

QUIT R.O.T.C. BECAUSE

(1) HE DIDN'T LIKE BEING
TOLD WHAT TO DO,

(2) HE HAD THE MONEY
TO FLEE TO CANADA

SHOULD THE DRAFT
WANT HIM!

BUSH MUST COME ON
STRONGER!

SHOW CLINTON SAYING
"FOREIGN PEOPLE
RIDICULE AMERICANS."

JOHN STEWART
111 BAY RD
PALM ALTO
94303

J. Stewart
1111 BAY RD
PALO ALTO CA 94303



JAMES BAKER III
Chief of Staff
THE WHITE HOUSE
1600 Pennsylvania Ave,
Washington, D.C. 20500

NRN

THE WHITE HOUSE
WASHINGTON

October 1, 1992

MEMORANDUM TO CARON JACKSON

FROM: MARY GABRIEL HARPRING, LEGISLATIVE AFFAIRS
112 EW, x7766



RE: Attached memo to Secretary Baker

The attached memo for Secretary Baker, drafted by Dr. William Millard, was forwarded to me from someone on Capitol Hill.

Should you want to respond to Dr. Millard, he can be reached at:
400 Madison Street
Alexandria, Virginia 22314

Thanks very much and please let me know if you have any questions.

FAX TO 202-456-2461

September 18, 1992

MEMORANDUM TO: Mr. James Baker
FROM: Wm. J. Millard, Ph.D.
SUBJECT: Blunting Attacks on State of the Economy

News media report government-released statistics on the state of the economy, these days generally in a negative light. Democratic Party spokesmen are quick to use the unemployment rate statistic, for example, as the basis for shouting recession.

The problem is that mildly negative figures are made to sound much worse than they are. The solution lies in reporting the complete statistic, not just a part of it.

Take employment/unemployment figures as an example. An unemployment rate of 7.5 percent means that the employment rate is 92.5 percent, with total work force as base (100%). This throws a completely different light on the economic situation. Yet employment rate as a concept is not currently being used by Administration spokesmen in the debate over state of the U.S. economy.

The same strategy to enlighten public opinion applies to other economic indicators. For example, when the news media reported that pre-Christmas retail sales were down four percent last year by comparison with a year ago, this meant that retail sales were 96 percent of what they had been a year before. Reporting both sides of the statistic throws a positive light on what is otherwise taken as bad economic news.

Another example: To announce that leading long-term economic indicators are 99 percent of what they were a year ago sounds more positive than to say the indicators have dropped one percent. But it is only the latter figure which was cited earlier this year on the TV news.

In public opinion research, we would never say that 7.5 percent of the people favored a given issue or candidate, and not report what the rest of the results were.

The President and administration spokesmen need to add the missing figure in public comment and debate:

"Unemployment figures are now 7.5 percent, which means that employment rate is 92.5 percent of the labor force."

"Retail sales in October were down four percent, which means that they were up to 96 percent of what they were a year ago." Etc.

In a television presentation, a bar graph showing unemployment and employment rates would put things in a more positive light, would give perspective. Attached is an example.

International comparisons could also be used to take the edge off the highly negative treatment given to U.S. government statistics. A series of graphs could compare U.S. employment rates with those for Western Europe, for Eastern Europe, for Latin America, even for Japan. Inflation rates for different countries would make a devastating comparison. Hours worked in order for a worker to buy an automobile could be another. *The purpose of all of these would be to show that the U.S. economic situation is not as dismal as the news media and the Democratic party say it is.*

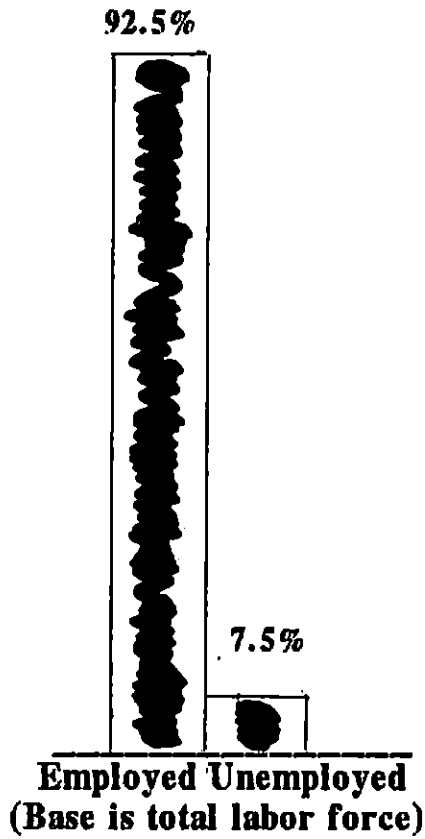
I spent almost 20 years in the Office of Research for USIA so know something about the international picture. If I could help gather any of these statistics for you, please call.

Bill Millard 703-684-5367 or 703-683-3370.

SAMPLE CHARTS

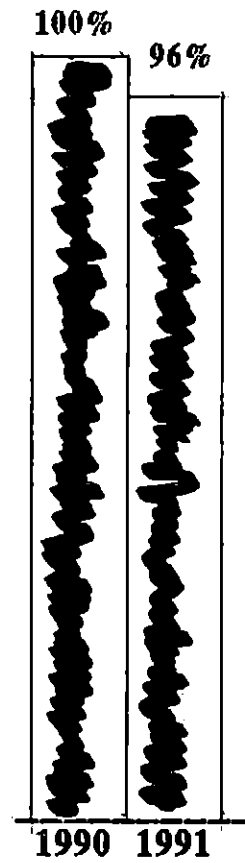
CURRENT ECONOMIC INDICATORS

**Employment
July '92**



Source: Bureau of XYZ

**Change in
Retail Sales
(Pre-Christmas)**



Source: ABCDE

SECRET

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SECRET

SECRET

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SECRET

Gordon McDonell
251 B. Madera
Green Valley, Arizona 85614 U.S.A.
602-625-1443

D.O.B 10 30 1905

NRN

book returned
10/2/92

Dear Mr Baker:

Hope the enclosed BETRAYAL IN VIETNAM will come in useful
in your campaign

Respectfully and sincerely

Gordon McDonell

Gordon McDonell Republican

JAB-07

NRN

MARTIN MERSON
19214 Signal Butte Circle
Sun City, Arizona 85373
(602) 974-0492

September 21, 1992

The Hon. James Baker
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20016

Dear Jim Baker:

The enclosed letter appearing in the New York Times of 16 September 1992 from Lloyd Cutler, one of the wisest lawyers resident in the Washington area, should be read carefully by you.

Good luck.

Cordially,


Martin Merson

P.S. As the person responsible for George Bush's strategy, please make clear that Bill Clinton is out-promising Huey Long, i.e., a chicken in every pot. With the chickens of Arkansas at his disposal, Bill may be in a position to make good on his promises.

How to Make Presidency and Congress Work

To the Editor:

In "Divided Government Is the Best Revenge" (Op-Ed, Aug. 27), Cokie Roberts argues that most voters like divided government — meaning a President of one party and a majority of the other party in one or both houses of Congress. She cites polls favoring the proposition that divided government is a good thing and anecdotal evidence that voters mistrust Washington so much that they prefer deadlock over granting either party the power to carry out its policies. This sounds like the joke about the camper who, on seeing his wife attacked by a bear, said to himself: "Go wife, go bear!"

But there is a lot of persuasive evidence on the other side. While we have indeed ended up with divided government for 16 of the last 20 years, exit polls tell us that in Presidential election years somewhere between 70 percent and 80 percent of voters usually vote straight tickets for all of one party's candidates for Federal office. Only 20 percent to 30 percent split their tickets between the Presidential candidate of one party and the House and Senate candidates of the other party.

This suggests that, however they respond in polls, most voters do vote for united, rather than divided government. Woodrow Wilson, running for President in 1912, when the Republicans controlled the Presidency and the Senate, but not the House, made divided government a campaign theme; Wilson won not only the White House but also Democratic majorities in the House and Senate.

When Harry S. Truman ran in 1948 and expressly attacked the "do-nothing" Republican 80th Congress, he not only won the Presidency but also regained Democratic majorities in both houses of Congress.

As David Broder and others have reminded us, divided government is the main reason voters should be mistrustful of the decisions and non-decisions made in Washington. Division produces deadlock. Deadlock produces a mélange of actions and

nonactions that no elected official can or will defend, and for which every elected official in each party blames the elected officials in the other.

For example, every one of the 16 post-World War II budget deficits to reach 3 percent or more of gross national product — the level most economists agree cannot be sustained — has come at a time of divided government (Harry Truman's in 1947-48, Gerald R. Ford's in 1975-76, Ronald Reagan's in 1981-88 and George Bush's in 1989-92).

Each party's elected officials have always deplored these deep deficits, but have always blamed the elected officials of the other party. Over the same period, we have never had such a deep deficit when one party controlled both the White House and Congress because that party could not have escaped its accountability and would have been voted out of office at the next election.

Despite this dismal record, President Bush is arguing that while he

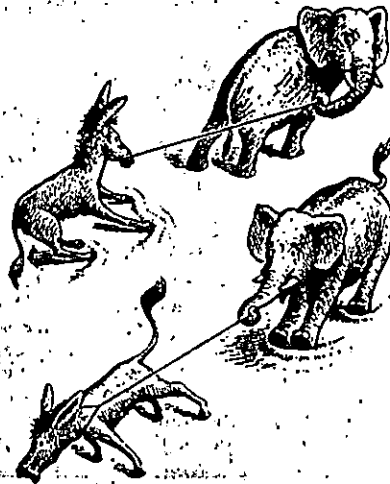
cause only a united government can carry out a coherent program and stand accountable at the next election for its results.

Mr. Clinton could cite not only Woodrow Wilson and Harry Truman, but also Dan Quayle, who has been honest enough to say (before George Bush took the opposite tack) that if the voters are not prepared to elect a united Republican government, they should elect a united Democratic one. "Go wife, go bear" is no way to run a government.

LLOYD CUTLER

New York, Sept. 1, 1992

The writer was White House counsel under President Jimmy Carter.



Christophe Vorlet

would like to have Republican majorities in Congress — a most unlikely outcome, as we all know — the worst outcome of all would be to elect a Democratic President as well as a Democratic Congress. Gov. Bill Clinton ought to bite the bullet and say this would be the best outcome, be-

MARTIN MERSON
19214 Signal Butte Circle
Sun City, Arizona 85373



The Hon. James Baker
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20016



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ICS IPMWHDS
JIM BAKER,
THE WHITE HOUSE,
1600 PENNSYLVANIA AVE
WASHINGTON DC

RESEND 1-004174S275
MY THOUGHTS- DO NOT MENTION PEROT IN ADS OR SPEECHES LET CLINTON BASH
HIM MAY PICK UP SOME OF HIS FORMER SUPPORTERS THIS WAY
RUDY OTTERSEN PRINCETON 1952

0921 EST

IPMWH1 WSH

25 SEP 1992

NRN

JAMES BAKER, CHIEF OF STAFF
THE WHITE HOUSE
WASHINGTON, D.C.

YOU ARE NOT TALKING TO ME, POLITICALLY. UNTIL GEORGE BUSH CAN TALK TO ME, I DON'T HEAR WHAT HE HAS TO SAY. I ONLY KNOW WHAT HE HAS NOT DONE.

SUGGEST THAT PRESIDENT GEORGE BUSH....INTERVIEW ME.

EVERYONE INTERVIEWS HIM...WHY NOT LET HIM INTERVIEW SOMEONE. ME.

THE SUBJECT RANGE AND DEPTH OF DOWN HOME INTERVIEW, HIS PERSONAL REPLY AND LIVING ROOM CONVERSATION IS BETTER THAN ANY DEBATE.

I KNOW WHAT I AM TALKING ABOUT. JIM, WHEN HE RAN AGAINST YARABOUGH FOR SENATE. HE MADE SPEECHES, HAD A "CANNED" FOLLOWING CHEERING HIM ON....HE DID NOT MAKE CONTACT WITH THE PEOPLE. HE IS NOT MAKING CONTACT NOW.

MY LIFE EXPERIENCE IS "AMERICAN", I WANT GEORGE BUSH RE-ELECTED.

I WON'T BOTHER TO ENCLOSE A RESUME, TAKE MY WORD FOR IT. EAGLE SCOUT, BORN OHIO 1930, FATHER BOY SCOUT EXECUTIVE-MOTHER SCHOOL TEACHER, OHIO STATE GRADUATE, WORK WAY THROUGH UNIVERSITY, VETERAN 82 AIRBORNE DIV. 1 LT., MAYOR FRIENDSWOOD, TEXAS, VOLUNTEERED VIETNAM 2 YEARS USAID/CIA FSRO 3/5, WIFE DIED CANCER, MARRIED 28 YEARS, FOUR GROWN CHILDREN, PLUS TWO ADOPTED VIETNAMESE, SELF EMPLOYED. I AM A MACHINE TOOL MANUFACTURING ENGINEER. I HAVE MANY ASIAN FRIENDS, I HAVE PRC (CHINESE) GRADUATE STUDENTS FROM EMORY AS HOUSE STUDENT GUEST. I AM AN AMERICAN.

A LIVING ROOM CONVERSATION BETWEEN ME AND "THE PRESIDENT". NEW APPROACH TO ELECTION, HONEST GIVE AND TAKE CONVERSATION. I CAN GET THE IDEAS AND THE GOODNESS OUT OF HIM AND ACROSS TO THE PEOPLE. BELIEVE ME.

JIM....DO IT, NOW, THERE IS LITTLE TIME.

I AM ONE OF THE BEST INTERROGATORS IN THE WORLD.

SINCERELY,



HARRY D. WAGNER
448 RUE ANDELEYS
STONE MOUNTAIN, GA 30083 404 292-7331

RALPH L. CLARK
4307 NORTH 39TH STREET
ARLINGTON, VIRGINIA 22207

NRN
abortion
(Title X)

September 26, 1992

The Honorable James A. Baker III
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Sir:

Mrs. Clark and I are appalled at the waste of money involved in the attempt to implement the "gag rule" under "Title X" funding in the face of probable early court action that will render it unenforceable.

Truly yours,

Ralph L. and Dorothy W. Clark
Ralph L. & Dorothy W. Clark

September 23, 1992

NRN

support

Honorable James Baker
Chief of Staff
The White House
Washington, D. C. 20501

Dear Mr. Baker:

It seems to some of us that President Bush is not using all the weapons he has at hand to win re-election. The enclosed clippings ^{ACC} is an illustration.

There is a world of ammunition out there, but please stress the urgency of publicizing to the nth degree Clinton's latest "gaffe" that should blow him out of the water if anything can:

"I believe Hollywood should write the future of the United States"!!!

If this statement can be verified, it would wake up a lot of sleeping voters. Tell him not to pull his punches against Clinton - this is no tea party and the consequences of a Democratic win in November would be a tremendous disaster for the U.S. and our people. He doesn't like to fight, but fight he must! It isn't just his own hide - but the future of millions of us to whom he is our only champion.

Sincerely yours, for victory

Mrs Dorothy W. Almen

Encl. Clipping



MRS. DOROTHY ALMEN
P.O. BOX 76087
OKLAHOMA CITY, OK. 73147

WHATEVER IT TAKES!

I am stripping my finances, writing and speaking - and praying - for a win. He can do no less.

When Will Bush Act on Capital Gains?

Probably Dec. 31, 1992

FIRST the shock came when professor Lester Thurow was asked in front of the camera, by Rep. Dick Armey, R-Texas: Do you or do you not believe in indexing capital gains?

His answer, his voice just slightly diminished — Thurow is close to the Clinton Big Thinkers — was yes. The "yes" was soft-spoken, from which the audience was invited to believe that on this particular, Thurow, one of the country's leading liberal economists, was removing himself from the Clinton team.

But then, on Sept. 12, Evans and Novak broke the story: In a private session with New York investors, Bill Clinton came out in favor of indexing capital gains.

What now engages the political attention is the failure of President Bush to direct the Internal Revenue Service to calculate a capital gain not on the basis of what you paid for your house 20 years ago, but on the equivalent sum of money measured by the inflation of the dollar between then and now.

An example used by the conservative politicians who sent a memorandum to the people in charge of crafting the political platform of the Republican Party at Houston: If 20 years ago you bought \$10,000 worth of IBM stock and you sold that same stock today for \$37,000, you would owe a capital gains tax of more than \$10,000 to the government. But your profit, after inflation, would be zero.

The question was put to Bush a dozen times at least over the past 12 months: Why do you not simply instruct the Treasury Department to order the realistic assessment of profits? The president declined to do so, on the grounds (it was reported) that he did not believe he had the legal authority.

Two lawyers, who worked in the Justice Department's Office of Legal Counsel, together with a third lawyer, all of them members of the firm of Shaw, Pittman, Potts & Trowbridge, have written a 90-page memorandum, the gist of which is that indeed the president has the authority to move.

The first question that arises is this: When Congress established the Internal Revenue system, did it specify that the "cost" of a property must be held to be measured by the cash-cost at the time of purchase? The answer to that is no, Congress never said any such thing.

The legal memorandum goes on to list additional facts adding to the

cost of an acquisition — such as improvements on home property.

The next question to ask is whether a court, reviewing a Treasury regulation indexing capital gains, would conclude that the agency's regulation was based upon a "permissible" reading of the statute. The answer is clearly yes, it is permissible unless it has been considered and rejected. No such rejection is on the record.

Moreover, Congress only a few years ago voted to index the rate at which income taxes are levied.

In fact, "the legislative and regulatory history of the Internal Revenue Code's capital gains provisions affirmatively demonstrates that the Treasury has exercised, without objection from Congress, regulatory discretion in applying the concept of cost. Nor does Congress' failure to enact any of the legislative indexation measures proposed in

recent years, reflect congressional acquiescence in the Treasury's existing definition of cost."

And, finally, "the case law relating to the Treasury's interpretive discretion in the capital gains and analogous contexts supports the conclusion that the concept of 'cost' is ambiguous and that the Treasury has administrative discretion to reinterpret it in a manner that better accords with economic reality and with the principles underlying the taxation of income."

Now that Clinton has come out in favor of indexing capital gains, a movement from the Oval Office will strike the public as much less bold than it might have been. Still, the idea is sound, the movement is almost certainly constitutional, and the only question left to ask is: Why the delay?

Universal Press Syndicate

September 8, 1992

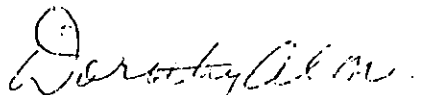
TO THE EDITOR, "YOUR VIEWS":

The liberal media is being very gentle, very protective with Hillary Clinton, but an extensive written record shows her stance on children's legal "rights" to be even more radical than her critics have contended. Her belief, that children are entitled to legal representation separate from or against their parents in a wide array of circumstances whenever their "interests" are at stake. She makes it clear these interests can include just about anything, from driving privileges to questions of public policy such as funding of the schools. Her focus is not only on children 12 or older but she is at pains to say that even younger children also have "interests" to be consulted in the legal process. This claim is sweeping, conditioned only by the proviso that the child be "competent", but since she says the child should be presumed competent to begin with, this does little to narrow the scope of her proposal. Since few children would perceive they have a legal interest differing from their parents, obviously some adult outside the family would be available to identify such "interests" and initiate legal actions in their behalf.

She refers frequently to the "children's movement", the "children's advocates", and "children and their allies", who presumably know what the children's interests are, even if their parents don't. The standard here is not abuse, or neglect, but quoting her, exact wording, "the presumption of identity of interests between parents and their children should be rejected whenever the child has interests demonstrably independent of those of his parents". Legal interference in the affairs of the family should be had for such things as "inadequate psychological care" or "severe emotional deprivation", concepts easily misinterpreted by an outsider.

Also recommended by Mrs. Clinton are boards to decide terminating parental rights, with the child taken from parents. Her comments convey a strongly negative attitude toward traditional concepts of the family, i.e., "apprehension about potential harm to cherished, albeit fantasized, family values", "consensus romanticism about the family, etc."

We have come a long way in the U.S. in loss of personal freedoms. If Hillary Clinton acquires a new seat of power in future, her thrust will be for professional "experts" to dominate parental rights with threat of legal action or even loss of a child on any pretext that seems reasonable to them. Gov. Clinton has singled out for praise his wife's involvement with these issues. We remember she did say, "Vote for him and you get me".


Dorothy Almen, City



MRS. DOROTHY ALMEN
P.O. BOX 76087
OKLAHOMA CITY, OK. 73147

To Save His Neck, Bush Should Read This
Subversion Doing Him In

Bush Shouldn't Yield to Bad Justice Department Advice

By PAUL CRAIG ROBERTS

(On Thursday, September 3, the White House announced that President Bush, apparently bowing to advice from Atty. Gen. William Barr had dropped the idea of indexing capital gains through new Treasury Department regulations and would instead ask Congress to enact indexing legislation. Columnist Roberts shows why this was a bad decision by the President.)

George Bush's hopes that Jim Baker will save his presidency might not be realized because not even Jim Baker can work miracles in an Administration bereft of talent.

Consider how the Bush Administration has mishandled the simple task of indexing the cost basis of capital gains for inflation. Normally ~~this would~~ the responsibility of the assistant secretary of the Treasury for tax policy, who would routinely issue the necessary regulation. His counterparts elsewhere in the government and in the Treasury regularly undertake greater responsibilities for regulatory actions every day.

(Instead) the Administration has turned an assistant secretary level decision into the highest legal issue imaginable. The secretary of the Treasury has eschewed responsibility, as has the White House legal counsel. It has all been dumped into the lap of the attorney general, who is staffed—~~as only~~ a Bush Administration could be—with left-wing lawyers who want Bill and Hillary Clinton to win the election.

The Justice Department's lawyers are determined to defeat the only measure Mr. Bush can take that could rescue the economy and his presidency. They have contrived an argument that "legislative history does not support" former Assistant Atty. Gen. Charles Cooper's 90-page legal brief, which concludes that the executive branch has the regulatory authority to index capital gains. [See *Human Events*, September 5, page 6.]

The legislative history argument is not only wrong but also irrelevant. Most regulation has no legislative history to support it.

For example, there is no legislative history—indeed not even a statute—to support the wetlands regulation that was spun out of thin air. The Treasury did not rely on legislative history when, in the Bob Jones University case, it wrote into the requirements for tax exempt status a nondiscrimination requirement that is nowhere mentioned in the statute governing charitable tax exemptions.

The legislative history of the 1964 Civil Rights Act doesn't support quotas, but we have them nonetheless.

Sen. Hubert H. Humphrey, who guided the Civil Rights Act through Congress, declared on the senate floor that if anyone could find in the bill "any language which provides that an employer will have to hire on the basis of percentage or quota related to color, I will start eating the pages one after another, because it is not in there."

The clear statutory language in Title VII generally bans quotas, and together with Sen. Everett Dirksen's amendments doubly plugged any interpretation that might lead to quotas. As another safeguard, Congress denied the Employment Opportunity Commission (EEOC) the authority to interpret the Act.

The Justice Department stressed that the Act forbids only "intentional discrimination" defined as "knowing and

deliberately based on an individual's race, color, religion, sex or national origin" involving "both an action and a reason for the action."

Try telling that today to any of the many who have paid huge discrimination settlements based on "statistical imbalance" and "disparate impact." Regulations have read intent completely out of the statute along with its ban against quotas.

Alfred W. Blumrosen, the EEOC's chief bureaucrat who stood the 1964 Act on its head, took pride in his "free and easy ways with statutory construction." The EEOC, he later wrote, was like "the proverbial bumble bee" that flies "in defiance of the laws governing its operation."

He candidly admitted that his EEOC regulations required "a reading of the statute contrary to the plain meaning."

(Continued on page 18)

How about this?

Dr. Roberts is an economist at the Center for Strategic and International Studies in Washington, D.C.

765 CHECK THIS OUT!

Credibility Is at Stake

Action & Not Rhetoric

YES

Baker: Can you Get Bush To?
Battle The Demos in Congress
ered in Houston and Detroit, while necessary, are not sufficient. Something more will be required to show he means it.

Bush Needs to Match Economic Deeds to Words

By M. STANTON EVANS

Maybe it's just me, but isn't there something peculiar about a Republican presidential candidate's claiming bragging rights to Harry Truman?

Granted that President Bush in this approach is at least partly following the lead of the Reagan White House, which invoked the images of Franklin Roosevelt and John F. Kennedy. In both those instances, however, Reagan and Co. were relating to a sense of generic optimism associated with his Democratic predecessors in trying to energize the country.

The Bush-Truman comparison doesn't concern the matter of governance so much as it does campaigning. Bush's point is that Truman was behind in the polls in 1948 and came on to win by bashing a "do nothing" (Republican) Congress. The parallel is thus to a highly partisan episode in which a feisty Democrat successfully savaged the Republican Party.

For Republicans who can remember back that far (and George Bush is certainly one, having voted for Tom Dewey), complimentary references to Truman's campaign are thus a trifle odd. It's rather like the Sons of the Confederate Veterans toasting Sherman's march through Georgia, or Washington fans effusing over the Redskins' 73-0 destruction by the Chicago Bears.

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In that sense, the reference is perhaps appropriate, or at least indicative of what is happening in this year's election. Observing Bush's various statements and actions since the convention in Houston (let alone what occurred before then), it would be difficult to say exactly what the GOP campaign is all about — except the fact that Bush, like Truman, would like to return to office.

Consider the fact that, in his acceptance speech in Houston, Bush attempted to re-draw the lines between himself and his Democratic opponent on the issue of federal spending and taxation. In that speech, the President talked about cutting taxes, getting spending under control, and seeking a balanced budget, in contrast to the big-spending, tax-hike proclivities of Gov. Clinton.

Such an effort was urgently needed, since the President had been so badly hurt on this issue by the tax-hike deal of 1990. That deal revoked the President's "no new taxes" pledge in the '88 campaign, damaging his credibility; it also served to blur the distinctions between

the parties on this all-important topic, historically a winner for the GOP.

In the weeks ensuing after Houston, however, the President did virtually nothing with this issue. Indeed, his most publicized activity was a series of campaign stops around the country in which he promised increased largess from the federal treasury to various economic interests. This is what is euphemistically known as "maximizing the incumbency."

How does that fit into Bush's effort to portray himself as a low-tax budget-balancer, as opposed to the big spender Clinton? The answer, of course, is that it doesn't. Such incoherence would be bad enough in any event, but is made even worse by Bush's pre-existing credibility problem. He needs to overcome that problem by matching deeds to words, showing that his speeches about lower taxes and restraints on spending aren't merely rhetoric.

Bush alluded to these matters again last week in his speech to the Detroit Economic Club, reprising several of the points he made in Houston. Again, however, the need is to convince the voting public these words will get translated into policy, that they represent a real dividing line between the President and Gov. Clinton.

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Who Will Fight For Us?
★★★★★★★★★★★★★★★★

Bush Should Give A Civics Lesson

of the Democrats, despite their gleeful
finger pointing.

—Jack Pavelle
Las Vegas, Nev.

As a Republican, I am concerned that many of the electorate have little understanding of the many ways a Democrat-controlled Congress can thwart the Administration's domestic programs offered for enactment.

On the President's next national television presentation, or using some other appropriate vehicle, he should give his audience an old-fashioned civics lesson.

Walking a piece of legislation unpopular with the Democrats through the congressional maze from its inception to its ultimately being tabled, stonewalled or defeated, by either Democrat-controlled subcommittees, committees or both houses would be, I think, very enlightening.

With a series of charts, it might also be shown how so many amendments can make an original bill unrecognizable, and how pet projects of certain congressmen are tacked on even though they have absolutely nothing to do with the issue under consideration.

If this could be simply illustrated and described in lay terms, I believe a host of voters will plainly see that much of the economy really rests on the shoulders of the blame for the present state of the

*Is Bush Ever Going To Divest
The U.S. of This Crazy Monstrous?*

SATURDAY OKLAHOMAN & TIMES

E. K. GAYLORD (1873-1974)

Published each Saturday by The Oklahoma Publishing Co., 9000 N. Broadway, P.O. Box 25125, Oklahoma City 73125. Phone (405) 475-3311

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 Edmund O. Martin, Vice President and General Manager
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14 ••

Saturday, August 29, 1992

Plausible Claims

NO DOUBT, independent counsel Law-rooms at Washington's Watergate Hotel, in the

some of his critics are being picky, as they examine the expenses he has racked up while serving as chief persecutor of former Reagan administration officials in his Iran-contras investigation. Fine. Some of his critics think Walsh has been more than picky in his pursuit of those who countered communists in central America in the 1980s. Some of his critics believe Walsh has been downright vindictive, as demonstrated most recently in the decision to seek another trial of CIA spy master Clair George, despite the mistrial declared in Washington this week. One of the new issues raised concerning Walsh comes from Daniel Wat-tenberg's cover story in the Sept. 7 issue of "In-sight" magazine. The re-ceipt by Walsh and his top

rooms at Washington's Watergate Hotel, in the judgment of some, are gifts of the sort banned for such government employees. Wattenberg says the "discounts appear to be worth about \$15,000 per year, over the course of more than five years for Walsh and more than two years" for his aide, Craig Gillen.

Walsh mercilessly pursued retired Lt. Col. Oliver North for his acceptance of a security fence, at a time North and his family were under a death threat from one of the world's leading terrorists. As Wattenberg concludes, "If a Marine could not plausibly claim he did not know his \$13,000 security fence was a gift, could these lawyers plausibly claim they did not know their far more valuable discounts were gifts?"

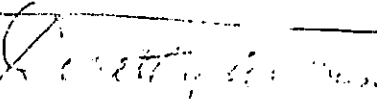
September 8, 1992

TO THE EDITOR, "YOUR VIEWS":

Governor Bill Clinton keeps saying he wants to be "an agent of change", particularly as applied to education. However, he has aligned himself irrevocably with the National Education Association, which has an iron grip on the indoctrination of pupils down to the grade school level as to economic, social and sexual concepts often at odds with parental and traditional values, and is also responsible for the near collapse of educational standards across the board.

If Clinton is elected President and does to our nation what's been done in Arkansas, we'll be in serious trouble. According to the National Education Goals Report, startling statistics show that in Arkansas, only 10% of public school eighth grade students are competent in math; 64% of all high school teachers reported verbal abuse as a problem in their schools, 73% reported robbery or theft a problem, and 78% vandalism of school property. More revealing still, only 44% of all high school science teachers hold a degree in science and only 33% of all high school math teachers hold a degree in math.

With Arkansas schools rated in the bottom third of education performance nationally, there is little for Gov. Clinton to brag about, but he does try. It reminds us of the "Massachusetts Miracle" of another governor aspiring to the Presidency. We don't really need another "Arkansas Miracle" in our future.


Dorothy Almen, City

Note: The above figures appeared in Human Events, Sept. 5, 1992 edition.



MRS. DOROTHY ALMEN
P.O. BOX 76087
OKLAHOMA CITY, OK. 73147

Credibility Is at Stake

Action Not Rhetoric

YES

*BAKER: CAN YOU GET BUSH TO?
Battle the Demos in Congress
ered in Houston and Detroit, while
necessary, are not sufficient. Some-
thing more will be required to show he
means it.*

Bush Needs to Match Economic Deeds to Words

By M. STANTON EVANS

Maybe it's just me, but isn't there something peculiar about a Republican presidential candidate's claiming bragging rights to Harry Truman?

Granted that President Bush in this approach is at least partly following the lead of the Reagan White House, which invoked the images of Franklin Roosevelt and John F. Kennedy. In both those instances, however, Reagan and Co. were relating to a sense of generic optimism associated with his Democratic predecessors in trying to energize the country.

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Who Will Fight For US?



MRS. DOROTHY ALMEN
P.O. BOX 76087
OKLAHOMA CITY, OK. 73147

OKLAHOMA CITY, OK 731
24 SEP 1992



Honorable James Baker
Chief of Staff
The White House
Washington, D. C. 20501



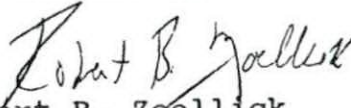
THE WHITE HOUSE
WASHINGTON

October 1, 1992

Dear Mr. Alexander:

I have read each of the faxes you have sent. However, I am confused on one key point: What is your suggestion? (What you refer to as a "tactic/device.") I certainly appreciate your interest in helping President Bush, but I haven't been able to determine your advice. If you send it to me, perhaps I or someone else could respond.

Sincerely,


Robert B. Zoellick
Deputy Chief of Staff

Mr. Jason Alexander
c/o Sitnalta Press
P.O. Box 2730
San Francisco, California 94126

Sent via FAX/PHONE 415/391-9753
10/1 5:15 PM

cc: CENTRAL FILES

Juan Alexander

September 30, 1992

Mr. Robert Zoellick
Deputy Chief of Staff
The White House
West Wing, First Floor
Washington, DC 20500

Dear Mr. Zoellick:

The big problem is that you guys talk amongst yourselves. No outside input.

There is a tactic/device that would turn things around; and I mean the country. That it would also turn around the election would incidentally flow from a massive gasp—at last, on the "right track."

This substantive, yet symbolic, turn is:

- completely consistent with Republican philosophy;
- circumvents the "one-sided" capital gains perception;
- reduces taxes, without reducing taxes;
- balances "trickle-down" with "percolate-up";
- answers the "none of the above" lament; and,
- is intuitively obvious to the congregation, if not the choir.

When I called last week to see if prior faxes were received and to ask to book a call, in or out, a Ms. Constanza indicated they had been; when I voiced the great contemporary American cry "Won't anybody listen?," she indicated "somebody" would call, and took my number.

She further indicated that re-election matters should be addressed to the campaign. Right, to those S.O.S. geniuses whose idea of creativity is to ape Harry Truman. When I thought, finally, somebody who can understand an economic argument (this is my third Chief Of Staff), I get a S.O.S. frosty, don't bother the experts shuffle.

Pls type

Dear Mr Alexander:

I have read each of the faxes you have sent. However, I cannot ^{am} confused on one key point: What is your suggestion? (What you refer to as a "trickle/device") I certainly appreciate your interest in helping President Bush, but I haven't been able to determine your advice. If you send it to me, perhaps I or someone else could respond.

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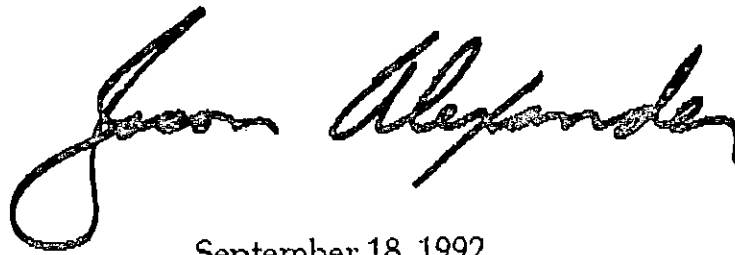
Okay, no return call; but it boggles the mind that somebody who want's lightning to strike (Trumanesque) can't be bothered even to delegate "somebody" to climb a hill, and fly a kite in the middle of an existing storm.

When I spoke to your predecessor and said, there was no chance the State of the Union speech would do the job, he screamed at me: "How do you know; have you heard the speech?" I know because I understand what "they" want to hear. I told you the Acceptance Speech wouldn't do the job; and that the Detroit Economic Club speech wouldn't last a week, but that it would buy you September. Here's a final prediction: Without an October economic surprise (described above), it won't happen.

Absent that, what will likely happen, is just what you folks are warning about. All for want of a nail.... For the record, but with no hope, I remain,

Yours truly,

JA



September 18, 1992

Mr. Robert Zoellick
Deputy Chief of Staff

The White House
West Wing, First Floor
Washington, DC 20500

Dear Mr. Zoellick:

Great Oklahoma and Georgia speeches. The Election is about economics. Keep it up.

About time somebody bought up "Investment." When you invest in a house, you own it; when you invest in a business, you own it. When the Government invests in people, it owns them—an un-American notion.

America defeated Socialism of the Right (NAZI-ism) in 1946; it defeated Socialism of the Left (Communism) in 1989. All that stands in the way of revival of the American Dream is the defeat of Socialism of the Center—big-government. Lesson of History: Don't set by and let it happen (Germany and Russia), because somebody's got a cure...or a Plan—as in planned economy.

Remember, model change involves reorientation: "from peace through prosperity"; to "prosperity through peace."

At last, an understanding voice,

JA c/o 415/391-9753

John Alexander

September 2, 1992

Mr. Robert Zoellick
Deputy Chief of Staff
The White House
West Wing, First Floor
Washington, DC 20500

Pls draft a reply

Dear Mr. Zoellick:

To hell with reasoned argument. There is no time left to be other than pragmatic. The Election will be won or lost on the Economy. There follows a statement of claims.

- There is a "Republican" rationale that will carry the day.
- It will allow Bush to articulate Vision.
- It rationalizes the last 12 years and projects the next four, and beyond.
- It out supplies, supply-siders.
- It out-traditionalizes, Conservatives.
- It gives hope to "the little guy."
- It answers, "won't anybody listen."
- It is so quintessentially "American," it embraces the Perot disaffected.
- It supplies the "none of the above" intuited by the electorate.
- There is even a "magic bullet" policy pill.
- It can turn around consumer confidence on a dime.
- It will preserve Baker's miracle-worker reputation.
- It will elect The President Of The United States.

In January I predicted to Skinner's Deputy that the State of the Union Speech would not do the job. In fax to you at State (8-20-92), I predicted the Acceptance Speech would not do the job. I can tell you what speech (theme) will; it's as simple as that. For non-nutty *bona fides*, I can supply a local (Washington) reference.

Yours truly,

JA c/o (415) 391-9753

Memorandum

Date: 8/20/92
To: Robert Zoellick 202/647-6240
From: Jason Alexander 415/391-9753
Subject: S. O. S. America

Thesis: The World is in change; West as well as East. In a vague perception of this, Americans are sending a Save Our Ship signal, and getting back a Same Old Stuff (with wrinkles) response; which is alarming precisely to the degree that it is meant to reassure.

No S.O.S. answer will suffice, no matter how evolved or permuted. In this perception the people are ahead of their leadership. The cry for a "none of the above" answer (viz. the Perot phenomenon) is being met by neither party. The Vision thing, necessarily a matter of world-view, requires a broader field of reference than standard (old model, Right/Left) party thinking allows.

Politics subsumes Economics. Insofar as it also subsumes Government, Capitalism may be said to have "won" in that the new Eastern model is free markets and democracy. But the "little people" in America intuit that Capitalism hasn't won, Communism imploded; which is a very different thing. That the Eastern Block is getting set to enter the Twentieth Century is no solace to people conscious that they are getting set to enter the Twenty-First.

Reality is a wonderful means of focusing attention. Reality dictates that the next crisis after Government (democracy vs. totalitarianism), be Economic. Communism did not survive its crisis. It is the job of the far-seeing to see that Capitalism, does survives its crisis; which, Communism aside, is now exposed—front and center: the crisis of the 90's is economic.

When a model (construct explanatory of experience) is in crisis, the remedy is discovery—discovery of a more fundamental explanation that both incorporates that which was useful, and yet still allows resolvment of anomalies and crisis. Discovery is not repudiation of the old model, but its extension. It is the carrying of once revolutionary, now prosaic, insights to higher and deeper levels, which are once again invigorating. The thrust of this memorandum is an advisory that a discovery—breakthrough—in old model capitalism, has occurred. Metaphorically, I have decoded the DNA of capitalism.

To put that discovery in context, it is equivalent to the shift from Newtonian to Einsteinian explanation. Consider, gravity pre-existed Newton; and growth, pre-existed Adam Smith. Newton "discovered" gravity in that he explained, that or how gravity works. Smith explained, that or how increase works. Both *that or how* breakthroughs were phenomenal. That is to say they were not causal or *why* explanations. Einstein explained why gravity works, and I have explained why growth/increase/capitalism works.

Application: The most immediate, journalistic application of a breakthrough in understanding *why* capitalism works is: the Election of the President of the United States.

Whichever Candidate is capable of articulating a mere sense of a causal WHY, as opposed to the rehashed prose of ostensible rationales accounting for our phenomenal That or How success, will win the next Presidential Election. If neither, then either; it's a gamble. To gamble over The Presidency is stupid; to gamble over the future of The United States is unconscionable.

The people are ahead of the politicians. They sense that we are bumping against a top or lid, and want to break through. They are wanting and waiting for a "none of the above" answer. They are increasingly uncomfortable in an old world model box.

Non-journalistically, in the near and long term, a breakthrough in understanding WHY the world works, i.e., what increase and augmentation is, where it comes from, who makes it happen, and when, means solving for Freedom and Plenty. A causal understanding of increase will eliminate all but willful poverty; the S&L crisis and the budget deficit will be reduced (without inflation) to small change magnitude. The politics of envy at home will evaporate; and so will "third world" disparities and inequities. The population explosion will be defused as success turns succession into quality of lives, rather than quantity of lives. An understanding of Why means a causal (non-utopian) switching from driven to driver—which competence brings with it the choice: to live in Peace, in an environmental Garden of Eden.

My business is not Policy, but perception that the way out is onward and upward, not in perpetuation but extension, means that there is a "magic bullet" that could instantly turn the economy around, restore consumer confidence, and offer such prospect of robust times that its perception would be self-fulfilling. But it is precisely because the bullet is not "magic," but science (causal), that I won't articulate it, unless and until, there is some understanding of why—what works, works. And therein lies the rub.

Practical Problems: In December of 1990, I flew into Washington and visited with a wise old Washington Hand on the premise that the next war after the Gulf would be economic; and that now is the time to prepare for it. I made a *prima facie* case for a breakthrough, causal understanding of capitalism; and asserted that United States global security depended first and last on economic vitality and its underlying conditions. To my dismay and chagrin, the judgement was: "I believe I can agree with everything you've said; nobody will listen to you."

I doubt that today, eighteen months later, Dr. Ray S. Cline, Chairman, United States Global Strategy Council, could well remember more than an impression of my argument; but he vouchsafed a willingness to certify that a causal explanation of capitalism was not some off-the-wall, over-the-transom, nutty theory. I had asked that, because I thought non-nutty-ness was the first hurdle. It wasn't; inertia was.

This is something like my tenth approach to the White House. Most of which I judge never got past low level screeners, including secretaries and switchboards; those I didn't mind. Secretaries and switchboards are not set up to do referrals on global strategy, and the election of a President.

But some of the calls did get through to the nominally entitled, or nominally empowered; people who should have passed-on, rather than passed on, the calls to a performer. When the story of causal capitalism gets written, these anecdotes will flesh out the horrors of a phenomenal Establishment grown decrepit or sclerotic. In the mean time it leads me to;

Alexander's Second Law: In a bureaucracy, the sense of importance in dealing with important matters varies inversely; the further down the command line, the more smug, dismissive and closed-minded the auditor. Rule of Thumb: by third remove, personages are so important that even duty phone calls aren't returned. (e.g. Mr. Graham). Corollary-1 the more important (bigger) the idea, the more impervious, are progressively smaller screens. Corollary-2 the trickle down model is osmotic, ideas may not percolate up.

Practical Examples: When I finally got through to someone in Skinner's Office (right before the State Of The Union Speech) and observed that the American Chorus was that nobody listened, he informed me that of course they did, they get 30,000 calls a day, and how did I get past the comment line, since all I wanted to do was tell the President how to get re-elected. (Some secretary/switchboard operators are more than placeholders.) He literally screamed at me when I told him that the vaunted speech would not do the job. "How can you say that! Have you heard the speech; do you know what he's going to say!!" When I explained, GIGO—computerese for, no more out than in—and, that no old model input (no matter how cogently marshalled, or how adroitly delivered) could possibly answer an electorate hungry for new model answers, he went ballistic.

The moral of this, of course, is that tonight's acceptance speech will not do the job either. And for the same reason. I read you have some input. Perhaps it will be state of the art. But it will not last the season. The cycle will be hosannas by the audience; serious accolades or criticism by pundits (according to disposition); then dis-ease and disappointment; and finally, attack.

If you even see this, dubious, given that it's a bottom-up submission, and, if you are not a screaming place-holder, you may care to know that there is a broad and deep rationale that can repair/re-pair relations between candidate and electorate; one that can be easily understood, communicated, and put to work, albeit rudely and crudely. Still that is enough to win the day.

I've taken the high road, America Excelsior; and the low road, what it takes to lock the election; nobody wants to listen. They'd all rather be "rite," than President. I've sent one, or all, of seven books, not addressed to, but supportive of the "way" out of this mess, to people who nominally are supposed to care.

This time I send only an ALERT that there is an answer. The high road is a Twenty-First Century Pax Americana, the low road is perpetuation of Jim Baker's miracle-worker touch. I've given up on the Candidates; they're too rite buffered to do the right thing.

Without expectation, but with love of country, JA

FAX

Transmittal Cover

Page 1 Of 4 Pages

Date: August 20, 1992

Origin: San Francisco, CA, USA

Receiver Information

Deliver to: Robert Zoellick
State Department
Washington D.C. USA

FAX Number: 202-647-0753

Telephone # : 202/647-6240

Sender Information

From: Jason Alexander
c/o return FAX #: N/A

Initials:
Check Phone: 415/391-9753

can also be

Instruction/Message

*FAXed when
his ~~alert~~
alerted to
switch to*

send. cdj 10/11

NRN special

September 18, 1992

Mr. James Baker
Bush Campaign Committee
White House
Washington D.C. 20200

Dear Mr. Baker,

The purpose of this letter is twofold. First, to give my observations of the campaign and secondly to suggest a strategy for Mr. Bush to regain the support of the majority of the voters.

The Bush campaign does not appear to realize the apprehensions that the voters have about the economy. Although the state of the economy does not appear to be as bad as the media suggest or the general public believes, still the average person feels that there is no hope for improvement in the immediate future. Most tell me that if Mr. Bush had any solution for improving the economy, he would have put his ideas into practice by this time and if they were worthwhile the economy would be better. They also say that with Mr. Clinton the economy would be no worse and that by voting for him they could show the people in Washington their disapproval. I do not think Mr. Bush can swing the voters around by discussing the economy with rhetoric. I do however have a suggestion.

Just before the Democratic Convention, Mr. Clinton made a stand against a special interest group by confronting Jesse Jackson at NAACP convention as to a rap singer being a racist. This action appeared to cement Mr. Clinton with the man in the street. They felt he would not be a pawn to special interest groups which is very unnerving to the voters who have no lobbyist to support their interest.

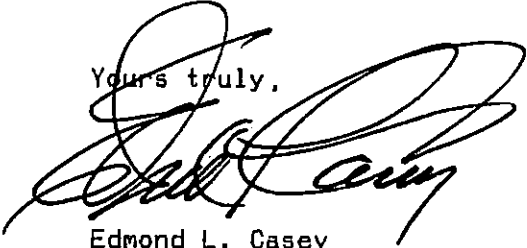
My suggestion is that Mr. Bush tell the voters, about three weeks before the election, that because of the many disasters that have occurred in the country in recent months, he feels it would be better to suspend all foreign aid and the loan guarantees to Israel so that the monies could be better spent by directing the funds in rebuilding America. I think that because only a handful of Jewish voters vote Republican and because the closeness to the election he will have already have obtained most of his campaign contributions, he would have little to lose and much to gain. He would be seen as standing up to a most influential lobby. At the same time Mr. Clinton will be forced to publicly support the loans, with the prodding of your supporters in the press, as most of his contributions and media support comes from his Jewish supporters. Mr Bush would appear as the only person in politics strong enough to run the country as the only president to confront this powerful special interest group as when the electorate felt he stood up to Saddam Hussein while Mr. Clinton would appear weak and ineffective. If after the

election, you want to feel the aid should be given, there would be no
no problem as it would be buried in some bill.

I believe that if you were to try this as a last method of gaining the lead
it would result in Mr. Bush recapturing the full support of conservative
voters both Democrat and Republican and the support of the blue collar
groups. With this support, he would probably be reelected.

I wish you luck in your campaign.

Yours truly,

A large, stylized handwritten signature in black ink, appearing to read 'Edmond L. Casey'.

Edmond L. Casey

5000 Centinela #133
Los Angeles, Ca. 90066
(310)390-2648

Edmond L. Casey
5000 Centinela #133
Los Angeles, Ca. 90066



Mr. James Baker
Bush Campaign Committee
White House
Washington, D.C. 20500



FAX COMING ATCHA!

To: James Eaker Company: Bob's Campaign
 From: Bob Mera with FKA Central Realty
 Date: 9/29/92 Phone# (805) 398-0715
 Fax# (805) 398-0213

Re: Campaign Proposal

NRN - no info.
attached.

ROBERT VAN MENA/Broker

September 29, 1992

James Baker
Fax# 202-456-2461

Re: Campaign Propaganda

Here is some information that if true, should be FAXED to EVERY
BUSINESS OWNER IN THE USA.

I hope you can verify the information and use it if it's true.

Sincerely,


Bob Mena

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NRW

October 1, 1992

To: President Bush
White House, Wash. D.C.
Attn: Chief of Staff Baker

Re: WSJ article, Sept 25th 1992 on "Navy scandal"

1. From the tailhook affair in 1991 to the escalation of dishonorable actions by the highest levels of responsibility of Navy admirals, it is with shocking disbelief the discredit these officers are bringing upon the Navy, military establishment, themselves and the country, not to mention its commander-in-chief.

2. If the reports are correct, it is evident that the moral leadership in the United States Navy has crumbled. If the Navy is unable to investigate itself, then it has lost its honor and self discipline to manage itself.

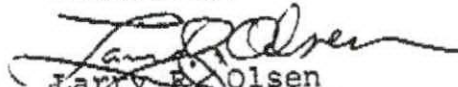
3. The tailhook affair appears to be only the "tip of the iceberg." It is unbelievable that in a years time not one Navy Admiral has had the courage and intestinal fortitude to stand up and give leadership to this problem. From this article the only role model the Navy has left at the top with integrity is Asst. Navy Secretary, Barbara Pope. Her boss, former Navy Secretary Lawrence Garrett fell on his sword for his lack of integrity. Key members of the top naval officers staff have fallen on their swords. Is a complete house cleaning in order?

4. Taxpayers must be wondering what this all cost them to send thousands to tailhook conventions, and who attended? Did congressmen from the military committees and members of their staffs attend? Congress has been very quiet over this entire scandal. Is reimbursement in order back to the taxpayers for misappropriation of military transportation, supplies, time and funds? Why hasn't the General Accounting Office entered this picture?

5. Who is in charge? It may be that we need an old time crusty 4 star admiral with integrity to clean house and restore credibility back to a branch of the armed forces that has had a long tradition of honor and respect.

6. The recently passed 10 billion dollar emergency relief bill and signed by the President included 3.4 million dollars for further investigation of the tailhook scandal. taxpayers and voters should be outraged. Again, who is in charge?

Sincerely,


Larry R. Olsen
3215 Heights place
Bellingham, Wa. 98226

Encl: Wall Street Journal Art. 9/25/92

cc: WSJ, House & Senate military
committees

Sept 25, 1992

Pentagon's Report on Tailhook Affair Terms Navy Unable to Investigate Itself

By THOMAS B. RICKS

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON - The Navy, in its botched handling of the Tailhook sexual harassment affair, proved unable to investigate itself, a report by the Pentagon's inspector general concluded.

Among other things, according to the inspector general, the commander of the Naval Investigative Service at one point said that many female Navy pilots are "go-go dancers, topless dancers or hookers." That comment reportedly came during a "screaming match" in a Pentagon hallway with Assistant Navy Secretary Barbara Pope, in a subsequent argument, the commander, Rear Adm. Duvall Williams, told another female Pentagon official he didn't believe women belong in the military.

The Naval Investigative Service was the lead agency investigating the Tailhook affair. But according to the inspector general, Adm. Williams pressed his subordinates to close the investigation and sought to dissuade them from looking into the actions of senior officers.

Acting Navy Secretary Sean O'Keefe reacted to the report by stating that the Navy has a "cultural problem which has allowed demeaning behavior and attitudes toward women to exist." That would no longer be tolerated, he said, adding, "Those who don't get the message will be driven from our ranks."

Mr. O'Keefe, whose predecessor was driven from office by the Tailhook scandal, effectively fired two admirals involved in the investigation, including Adm. Williams, and said a third would be reassigned.

In a statement, Adm. Williams denounced the report and his dismissal. "I decided to retire because I believe it to be fundamentally unfair that I could be tried, convicted and sentenced by the (inspector general) without due process, in a report containing so many inaccuracies and distortions," he said. "This process in which we are now involved does a terrible disservice to the United States Navy." He declined further comment.

Curbs on Inquiry Agency

Acting on the report's finding of weak civilian supervision of the investigation, the secretary decreed that the Naval Investigative Service henceforth will be headed by a civilian. In the bureaucratic equivalent of a court martial, he stripped the service of its responsibility for investigating procurement fraud, which has given it a high profile in recent years, and indicated that it additionally could lose its counterintelligence work.

Scathing Reviews

Nearly every official involved in the investigation received a scathing review from the inspector general. For example, the report notes that Cmdr. Peter Fagan, special assistant to the Navy secretary for legal and legislative affairs, attended weekly meetings on the Tailhook investigation, even though he had a "serious conflict of interest" in having a "relationship," which wasn't specified, with one of the subjects of the investigation.

The Tailhook investigation began last fall after naval officials received complaints that dozens of women had been sexually harassed and assaulted at a convention of naval pilots and their boosters in a Las Vegas hotel. The convention and the private Tailhook Association

where much of the drunken harassment took place at the convention. But the inspector general reported that "several witnesses," among them a retired Navy captain who has known Mr. Garrett for 20 years, placed Mr. Garrett in the suites. In a letter attached to the report, Mr. Garrett declined the inspector general's invitation to take a polygraph test.

The contradictory statements "cast doubt on the secretary's credibility," the report says. Mr. Garrett couldn't be reached for comment.

Critic of Inquiry

The sole official whose reputation might be enhanced by the report is Mr. Pope, the assistant secretary of the Navy for manpower and reserve affairs. A constant critic of the investigation, she threatened last spring to resign if more senior officers weren't pursued, the report says.

The Navy's agony over Tailhook is far from over. The report released by the inspector general is only the first of two. The next, which isn't expected for several months, will deal with what actually happened at the Tailhook convention. Secretary O'Keefe said that report will give details of "conduct unbecoming to an officer, and behavior unbecoming to human beings."

Hints of the explosive findings that report might contain are strewn throughout yesterday's document. Among them are an allusion to a report of "turid sexual acts" performed in public on naval aviators at an earlier Tailhook meeting, and the news that an admiral the report doesn't identify had "firsthand knowledge" of the notorious Tailhook gambit, in which convention-goers harassed passing women.

received much support from the Navy, including office space and 27 naval flights to Las Vegas to transport 1,600 participants to the convention.

Former Navy Secretary Lawrence Garrett, who was driven from office in June by Tailhook, is all but called a liar by the report. Mr. Garrett swore in an affidavit that he didn't enter the hospitality suites

2

MR. BAKER; THIS IS WHAT MOST AMERICANS YEARN TO HEAR!

My Fellow Americans

NRD

I come to you tonight nearing the end of my first term as your president and approaching that moment in which you will make the most important election decision for many years to come. As your President, I now rise above the fray of an intensive campaign which you have long endured and appeal to your natural instinct of common sense. An instinct which has served this nation well in the best and worse of times and made it the shining star of a contracting world. Be assured, that in discharging this cherished and enviable right rests the future of these United States and will both directly and indirectly impact the tranquility of the nations of this planet and our place of honor and excellence amongst those nations. I therefore urge you not to take your task lightly but probe deeply the reason for and the consequences of your choice. We are living in a world of widespread transition and instability and we must maintain our guard to keep this bright star in orbit. There have been times in our past and this is surely one of them that an experienced hand is sorely needed at the helm.

I come to you tonight with solemn and contemplative thoughts that arise from the depths of my being. I only wish to God that like my predecessor, I could communicate them to you as fervently and profoundly as I feel them. Oratory has never been my best suit but please don't equate my poor oratory with my deep sincerity.

I offer myself again to you not as an unblemished President but as one who broke a sacred promise. I regret that mistake today and will regret it the rest of my life. I have had a very painful comeuppance. I understand your hurt, disappointment, and disaffection. But can those of you who are straddling the fence of choice forgive me, not for myself, but for your nation's best interest? The Congress and this administration, their staffs and every agency of government must each perform an ethical and moral exorcism of themselves. At each day's end they should look in the mirror and ask: "Did I give the taxpayers of this nation a fair and honest shake today? Did I perform today in the nation's best interest?" The image should respond with a resounding Yes! Then and only then will they earn and deserve the respect, pride and faith the citizens of this republic once held for its government. You have every right to demand this. In turn, every citizen should from time to time take stock and ask: How can I lighten my nation's load? Could I take less and give more? Is it now the time for all good men and women to go to the aid of their country? I think yes. With God's help and yours, we can together make the phrase, "Lame Duck President" obsolete. The retiring, the disenchanted, and the losers are leaving the Congress in large numbers and this offers you a golden opportunity to eliminate the obstacles to honest, good, and efficient government--the so called "Gridlock"--by selecting honorable and responsible representatives of like mind with you and your President. Otherwise, his limited legislative powers are made impotent by a "Stacked Deck." I say this not to condemn nor make excuses, but to state an obvious truth. Can you send to Congress selfless men and women who by nature, honor such office, and hold equally the nation's and their constituencies' interest at heart? There will then be such a resurgence of action, vitality and new ideas and by us working as a team and not as adversaries this nation will emerge from its economic doldrums, eliminate its deficit, reduce its debt and with new resources serve the crying needs we have today.

Finally, I come to you with deeply held self-evident truths which have maintained our course to greatness for over two hundred years. This high office to which you have so honored me and so few attain, I have striven to uphold with the honor the office exacts. The Presidency, by its very nature and conception, I hold in deepest reverence. And to that end, its standards should never be violated nor compromised. It is the personification of "The Great American Spirit" and thrives in the harmony of patriotism, truth, and conscience. The holder, the Commander in Chief, should above all, have such historical devotion to this nation and to all its people that he should be prepared if need be to proudly die for both.

At age 17, never dreaming that I would ever aspire to this high office, those standards were nevertheless ingrained in me. The standards of such conduct were cast in steel and exemplified in the actions of two men over two centuries ago. One a Captain, a 21 year old graduate of Yale, Class of 1773. Coincidentally, my opponent is a Yale graduate, Class of 1969 and I of the same school--Class of 1948. The other man was a General. Both men were combat veterans and both had an abiding love of country. Both were volunteers and both aspired to leadership. The Captain was a leader of a small group called the Rangers, similar in daring and not unlike our present day Rangers and Green Berets. When the General called for a single volunteer for the dangerous mission of spying on the British the Captain stepped forward. On accomplishing his mission of gathering vital information on the British Forces' position, he was caught by the enemy before reaching American lines. Without a trial, he was summarily condemned to hang. Just before his execution and with proud calmness, this young Captain spoke these final words: "I only regret that I have but one life to lose for my country." The Captain was Nathan Hale. The General is called the "Father of Our Country" and became our First President and Commander in Chief. President Washington knew first hand what it was to send young men into battle. He knew that his first priority was the security and defense of his country!! The millions of such men and women who followed built on the foundation of such magnificent devotion and thus hallowed forever the Great American Spirit--the very essence of this nation--the harmonious synchrony of our loftiest ideals of which patriotism is the glue holding it all together. To toy with this "spirit" is to dismantle the very fabric of America. To trifle with this spirit demeans the value of those millions of lives lost mindful of their cherished freedoms, which while inherited, were ready to preserve those liberties at the dearest of costs. They thought they owed something. Such devotion and truth of conscience is Presidential. We should accept nothing less. Our Constitution by tradition demands that the holder of this great office must come packed with patriotism, wrapped tightly in the stars and stripes and holding only the nation's interest at heart. To deviate in the least from this position is to express contempt for our beginnings and take the first step toward our end.

May God bless and keep you.

JACK D. DANIEL M.D.
1-601-2647385
HATTIESBURG, MISS

NRN

Urgent FAX


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Pages 4 (including Cover)

Date: 10/1/92

 UPDATE TO
9/16 LETTERS

To: JIM BAKER ATT: CAROL JACKSON

Fax No: 202-456-1121 CC: S16 ROGICIT

 From: Alan Freeman, President
ENS, Inc.

FAX No.: 609-823-1211

Phone No.: 609-823-1211

Special Instructions:

ENCLOSED IS ENDORSEMENT OF OUR PROGRAM BY CARDINAL O'CONNOR; ALSO, REVISED PROGRAM IF PEROT ANNOUNCES HIS CANDIDACY TODAY, ALONG WITH ADDITIONAL QUESTIONS THAT WILL BE DISCUSSED BY MODERATORS SUCH AS DAVID BRUDER, AND OTHERS IN INFORMATION. CARDINAL O'CONNOR WAS UNABLE TO PARTICIPATE ON CAMERA IN PROGRAM CONTENT.

If you do not receive this fax clearly, please contact us at:

Phone: 609-823-1211 Fax#: 609-823-1211

SEP 25 '92 13:12 ARCHDIOCESE OF NY

P.2

CARDINAL'S OFFICE
1011 FIRST AVENUE
NEW YORK, NY 10022

September 25, 1992

Dear Mr. Freeman,

On behalf of Cardinal O'Connor, I acknowledge your recent FAX. I regret to inform you that His Eminence will be unable to participate. However, he has asked me to convey his admiration for your efforts. Further, the Cardinal has stated, "It has a lot of potential for good, if carefully administered and not directed in support of or in opposition to any particular political candidate, but confines itself to the issues."

Know that His Eminence will remember you in his prayers. Please, pray for him as well.

With best wishes and,

Faithfully,



Father Gregory Mustaciuolo
Secretary to the Cardinal

Mr. Alan D. Freeman
President - ENS World News, Inc.
445 West 45th Street
New York, NY 10036



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October '92 Teach-In on CAMPAIGN '92

Church and Synagogue 3 hour program / 1 hour (or longer) discussion by clergy and lay leaders in their respective churches and synagogues.

To be conducted during October 25 - November 1

The importance of voting will be urged during this program.

The topics and estimated times are subject to change.

48 minutes

48 minutes

48 minutes

48 minutes

ECONOMY/JOBS

Clinton 3 minutes
Bush 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

ECONOMY/JOBS

Quayle 3 minutes
Gore 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

ECONOMY/JOBS

Bush 3 minutes
Perot 3 minutes
Clinton 3 minutes
Commentary 3 min.
:30-sec commercials

ECONOMY/JOBS

Gore 3 minutes
Perot 3 minutes
Quayle 3 minutes
Commentary 3 min.
:30-sec commercials

HEALTH CARE

Bush 3 minutes
Perot 3 minutes
Clinton 3 minutes
Commentary 3 min.
:30-sec commercials

ENVIRONMENT

Gore 3 minutes
Perot 3 minutes
Quayle 3 minutes
Commentary 3 min.
:30-sec commercials

TAXES

Clinton 3 minutes
Bush 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

PREJUDICE

Quayle 3 minutes
Gore 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

TRADE/IMPORTS

Clinton 3 minutes
Bush 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

CRIME/GUNS

Quayle 3 minutes
Gore 3 minutes
Perot 3 minutes
Commentary 3 min.
:30-sec commercials

MIDDLE EAST

Bush 3 minutes
Perot 3 minutes
Clinton 3 minutes
Commentary 3 min.
:30-sec commercials

DRUGS/AIDS

Gore 3 minutes
Perot 3 minutes
Quayle 3 minutes
Commentary 3 min.
:30-sec commercials

CIS/EUROPE/AFRICA

Perot 3 minutes
Bush 3 minutes
Clinton 3 minutes
Commentary 3 min.
12 min. discussion

VALUES/ABORTION

Perot 3 minutes
Gore 3 minutes
Quayle 3 minutes
Commentary 3 min.
12 min. discussion

EDUCATION

Perot 3 minutes
Clinton 3 minutes
Bush 3 minutes
Commentary 3 min.
12 min. discussion

POVERTY

Perot 3 minutes
Quayle 3 minutes
Gore 3 minutes
Commentary 3 min.
12 min. discussion

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Each 30-second commercial: \$350,000

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Total church & synagogue universe is 147,607,394 members

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Questions that will be discussed by Journalists and Academia in the editorial commentary of the October Campaign '92 Teach-In program

Do the Reagan and Bush administrations deserve credit for the collapse of the Soviet Union?

Is congress the reason for the failure of the Bush administration to get the economy moving again?

Is the poor US economy due to the Bush administration or is it part of the world wide recession that is not the fault of the United States. What is causing the world wide economic recession?

Governor Clinton believes the economic recovery must be catalyzed by government initiative, spending & investment while President Bush believes the initiative should be by private enterprise, tax credits and easing of regulations. Ross Perot believes there must be systemic change in government and the elimination of the deficit for a real economic recovery to take place. Who is right?

Can you really blame the economy on the president, or on the congress? Should not our corporate executives take the blame? Is American business leadership good or bad? Should both business and government be blamed for the poor economy?

Is Ross Perot correct in saying that our government must change radically and that the special interests own it and that our elected officials are not responsive to the people?

Are we heading toward a possible environmental disaster as portrayed in Democratic Vice Presidential candidate Al Gore's book "Earth in the Balance"? Is the Bush/Quayle administration putting jobs ahead of the environment?

Ross Perot claims that his plan can save \$764 billion over five years and in the fifth year we will have a budget surplus of \$10 billion. Is his plan workable?

Vivian W. Gans
1029 Swords Mill Rd.
McLean, Va. 22102



USA 19

The Honorable James A. Baker
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

Dear Mr. Baker,

(NEN)

I greatly oppose the waste of time as well as money being spent (squandered) on the enforcement of the "gag rule" regulation + Title X funding that may well be rendered unenforceable by a future court decision.

Please don't play politics with women's lives by cutting financially-strapped women off from reproductive health care services that they may need.

Divian Jans

IPMWHDI WSH
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NRN

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PMS JAMES A BAKER, CHIEF OF STAFF, DLR ASAP
WHITE HOUSE
WASHINGTON DC

WHY NOT HAVE PRESIDENT BUSH SHOW ON THE LARRY KING SHOW TONIGHT THE
TAX FIGURES I SENT YOU WITH MY LETTER OF SEPTEMBER 10, 1992, SHOWING
THAT TAXES HAVE BEEN RAISED ON THE WEALTHY AND LOWERED ON THE LOWER
INCOME GROUP.

JOHN T OXLEY

1223 EST
>(EX/>140).

NRN

News

68 Walker Avenue
Bradford, PA 16701
September 28, 1992

Mr. James A. Baker, III
White House Chief of Staff
1600 Pennsylvania Avenue
Washington, D.C. 20013

Dear Mr. Baker:

Out of concern regarding the forthcoming Presidential election and importance it carries, I herewith take the liberty to unsolicited present certain points of view along with comments and suggestions which may or may not represent any value in the larger context of election strategy in spite of which some feed forward may have some merit.

It seems to me as if the campaign, on both sides, is approaching an ethical low point which is beginning to cause a nauseous aftertaste without bringing forward anything constructive which American voters haven't heard before and in which they have increasing difficulties believing in, thus making it easier for other than devoted members of, or sympathizers, on either side not to vote on November 3rd.

From the point of view of human nature and behavior, the six weeks which are left to election day is likely to spell victory for the Democratic Party unless the Republican Party proves capable of lifting one, preferably several, topics out of its present, logical order and, thereby, enabling the potential voters to perceive a greater potential for change than what seems to be the case at this particular time.

The very fact that between 80 and 88% of Federal revenues will be used to maintain the system probably means that the party which can come up with a scenario that will allow a majority of the American people to resonate with part or the whole message will not only win the election but also free and harness resources which, with a high degree of probability, will translate into enough idealism, innovativeness and commitment to bring about changes in environment, unemployment, homelessness, lack of basic health care, competitiveness with goods and services provided in other countries which all are sufficiently important to the voters in order to gather attention, and if harnessed and directed in a wise manner, provide movement from below that can only result in reaching most of the goals, provided sufficient leadership is there.

Besides its own value, a surprise this late in the campaign will probably keep the Democratic Party from regrouping and coming up with anything comparable or better and could, thus, translate into a victory on election day, possibly by a landslide margin.

A lot of independent people, as well as members and sympathizers with the two main parties, have only found idealism and faith in the future by the candidates of the Democratic Party, respectively Ross Perot, and it appears as if the President has lost the admiration, good will and trust he had at the time, and particularly after Desert Storm. It does appear as if it is not a loss which could not be transformed into what it was if the Republican Party is capable of focusing on something that the average citizen can identify with and believe in. Belief in this context could, for instance, be one or re-established with a scenario similar to what below follows:

The President could, for instance, reminisce and repeat the highlights from his acceptance speech at the Convention in 1988 and admit to having failed to deliver on his vision and promise, contrary to what most politicians usually do, and add that without a commitment of sufficient number of the people, the political system is such that no matter what degree of idealism and leadership is provided, there will be no thorough-going change because systems usually use most of its available resources to maintain status-quo. In this context, it would be appropriate to remember one of the Founding Fathers who was the only universal genius who felt that a revolution was needed every 20 and some years. I am referring to Thomas Jefferson, and provided my research and interpretation is not off the mark, it proves Mr. Jefferson was keenly aware of what establishment means in terms of depriving people of the possibility of changing their systems and go on to suggest that the American people need a peaceful revolution capable of mobilizing the resources of a majority of its people, including those living in gettos, in order to become and stay competitive within the next Century and call for a peaceful revolution of the people for the people.

To exemplify, he could go on and briefly mention peaceful revolution of non-violence that brought the British Empire to its knees in India through the dedication, faith and commitment of people who joined Mahatma Gandhi and return to the United States and the movement led by Martin Luther King and, from there, go to Eastern Europe where the political changes amount to nothing less than a peaceful revolution, only that if it would take place in the United States, it would give the people of the United States an almost unbelievable lead that could last for a whole Century and, for instance, suggest formation of a movement

similar to the movement in the most violent and conflict-laden part of India as initiated by the Khan Brothers in Pathan, called the Servants of God, which was of invaluable help to Mahatma Gandhi in his striving for uniting India and make it independent. The Khan Brothers could be quoted, believing as they did, that love can create more in a second than bombs can destroy in a century and that the kindest strength is the greatest strength and that the only way to be brave is to be in the right, that a clean dream is dearer than life itself.

In addition to what has been mentioned above, the enormous and sapping drug problem in the United States would probably stand a better chance of being successfully reduced or eliminated as a consequence hereof.

The Khan Brothers further succeeded in getting through to extremely independent, violent people of Pathan, convincing them that prosperity of a nation was not dropped from the sky but is the fruit of women and men who have sacrificed their luxuries, their pleasures and comfort for the sake of the prosperity of the nation. They believed that no man is an island and went on to state that any animal can find a place to live, find a mate, rear its young, and asked the question, "can we call ourselves the Crown of Creation if we do just that and nothing more?" If we are on the road to ruin, it is because we have neither the true spirit of religion nor the true spirit of patriotism, nor love for our nation. Are we prepared to serve the nation here and now? If a nation prospers, it will effect every one. Every woman, every man and child will benefit. Do not think that by acquiring riches for yourself, your country will become prosperous. It will not. If you want your country and your people to prosper, you must stop living for yourself and start living for the community which is the only way to prosperity and progress.

Similar to the Pathan's Servants of God, American counterpart could call itself the Service of The Peaceful American Revolution and, for instance, adopt an out which could read like this: "I am (and the full name) and as God needs no service but serving his Creation is serving him, I promise to service humanity in the name of God. I promise to refrain from violence and from taking revenge. I promise to forgive those who oppress me and treat me with cruelty. I promise to refrain from taking part in feuds and quarrels and from creating enmity. I promise to treat every American as my sister and brother. I promise to refrain from antisocial activity and practice. I promise to live a simple life, to practice virtue and to refrain from evil. I promise good manners and good behavior and not to lead a life in idleness. I promise to devote at least two hours a day for social work." The organization should be fully voluntary and the participants give their services free.

The servants should go to villages, cities and, for instance, start school literacy projects, work projects, and serve as a source of inspiration.

Much of what has been written above about India and the Khan Brothers, the situation in Pathan is taken from Eknath Easwaran, "A Man to Match His Mountains", about Badshah Khan, nonviolent soldier of Islam. This much regarding above approach to the last six weeks of the Presidential Campaign.

Now a few words about health care. During the last ten years in the United States, I have frequently, at times daily, felt ashamed that people who used to have insurance that would allow them to choose a doctor and be taken care of when they got ill have since then often lost their insurance. Even if they have Medical Assistance, they frequently are not accepted as patients unless they require hospitalization. When the latter is the case, they receive comparable quality of care as those who have a more exclusive type of insurance; however, if they have Medical Assistance, they have to go to the Emergency Room. I am aware that this is not the same everywhere, but there is a trend which often is experienced as humiliating for a large number of Americans. Let me, therefore, mention how a dedicated Swedish colleague developed and implemented a plan that provides equal or maybe more than equal quality of care compared with what the established health care industry provides for approximately 52% of the cost in the average health care industry, and this includes even home visits as needed. The following team covers a population or catchment area of 2,000 inhabitants and consists of a physician, usually a general practitioner or family practitioner, an RN, an LPN and a part-time position as medical secretary, plus a personal computer.

In addition to providing the same or better quality of care, the degree of absenteeism among staff was reduced to half or less. The secret seems to be that instead of copying the large scale model of industry, it saw this as alien to some of the basic needs of people who are in the process of losing their health and, instead, used the small-scale model which is found in small businesses. This model has functioned equally well in the large cities as well as in rural areas. If the paralyzing hand of the Federal Bureaucracy could be kept away, it would probably be worthwhile to study how it would work in the United States. It is even conceivable that if it would not be possible to staff such teams with a physician in each one, experienced physicians' assistants could probably do the work with a number of teams being supervised by a physician who would just have to do supervision. It is actually not an HMO but it can, of course, be seen as such.

The question about health is not only important to the one who doesn't have her/his health any longer, but it is equally important to the nation and, consequently, should be available one

way or the other without creating a monster which only functions on paper.

Finally, it appears to be as if the campaign has forgotten about the uniqueness of the leadership provided by the President and his Administration during Desert Storm in the sense that the President did not allow Americans to "schavott as targets" for the enemy by not fighting the war with the same means as the the enemy does.

A striking example of this and the loss of lives is Viet Nam, even though the Desert and Viet Nam and Cambodia require a different type of strategy and warfare. However, talking to people who both served in Korea when General McArthur wanted to cross the Yalu River and people who served in Viet Nam, most of those who participated in those two wars are bitter because the war was allowed to be a dragged out one with all of its consequences which probably, without overdoing it, could be used as a sign of leadership, even if a war is unlikely to happen at this time; however, the numerous major problems, both nationally and internationally, would greatly benefit the person at the helm who has proven capable of protecting American lives. This could also translate into a vote by former service women and men and their relatives, provided it is stressed without being overstressed and killed as so many things that are repeated to boredom.

In closing, I would like to add a few citations that, in times of need as it has been experienced for quite some time and is likely to continue to be experienced, and begin with St. Paul who once said that "all things are ours", which may be true in two different ways: (one is that all things belong to God and all God's children have access to their Father's storehouse).

In the context as referred to above, it would be reasonable to ask what holds one back from undertaking the extraordinary thing, from trying to achieve the unusual excellence, from attempting the endeavor that baffles others? What holds one back more than likely is just the assumption that it cannot be done and that, consequently, nobody can do it if one never tries. Tennyson said, "more things are wrought by prayer than this world dreams of."

Should the above matter resonate with the President and his staff, Mr. Bush would probably be the only President in the history of the United States who has brought life to the Constitution, and not only taken it off the shelf, dusted it off, and praised it on solemn occasions, and afterwards put it

Mr. James A. Baker, III

-6-

September 28, 1992

back on the shelf as if it were the Crown Jewel. Bringing life to the Constitution would send off sparks igniting torches within millions and millions of Americans who would literally shine and bring, as well as maintain, momentum with the potential of accomplishing what money alone, along with bureaucratic limitations, can never accomplish. Such force and nothing less is probably what it will take to master the monumental tasks that are pending in not only the United States but the whole world and keep greed as a driving force at a minimum which no other force available can accomplish.

On the Global scene, what has been referred to above would turn on the light in huge numbers of people to reach similar goals.

The whole thing could be wrapped up in a five or ten minute apell, utilizing recent research findings as to how the mind works.

Now at the end, I will do what I probably should have done initially, namely, to introduce myself.

My name is Terje Fokstuen. I am a resident alien and a Norwegian citizen, practicing psychiatry in Bradford, Pa.

Respectfully yours,



Terje Fokstuen, M.D.

68 Walker Avenue
Bradford, PA 16701

Mr. James A. Baker, III
White House Chief of Staff
1600 Pennsylvania Avenue
Washington, D.C. 20013

September 22, 1992

JAB-07
James A. Baker
The White House
Washington, D.C. 20501

NDN

Dear James,

Enclosed you will find a copy of a letter I wrote to the President, and The First Lady. I am always trying to think of ways to help the campaign. Hope this will help! There are a couple of other ideas I am working on. Due to the urgency of the situation, I am wondering whether there is a faster way to get information to you, other than this confounded mail. [As it is, my letter to you was already returned to me, setting me back a week in getting this information to you.]

On to victory in November. Most sincerely,



Christa Mellinger
2779 N. Atherwood Ave.
Simi Valley, CA, 93065
[805] 526-8456

September 11, 1992

George and Barbara Bush,
Kennebunkport, Maine.

Dear George and Barbara,

The time is getting close, and there is so much yet to do to educate the people, lest they allow themselves to be "Clintonized." You know, I never thought that he would be able to fool the people for this long. After everything that was said about him in the primaries, I never thought Clinton had a prayer, much less, a fighting chance to be taken seriously. I remember watching a piece, several months back. It detailed the circumstances surrounding a certain nurse who had, on at least two occasions in her nursing career, inadvertently allowed patients who had been in her care, to die from "mysterious causes." Whether the nurse had administered the wrong drugs, or had done something else unorthodox in caring for the patients, of that I am uncertain. (One of the patients, I believe, had been a teen-age girl who had been involved in a traffic accident. But she had been sent to the hospital for observation only, and had NOT been seriously injured. The other, if memory serves me correctly, had been a boy about 12 or 13 years of age, who also had been admitted with NON-life-threatening injuries.) Both of these patients SHOULD have lived. Both of these patients had died because of HER ineptitude and incompetence. HER negligence! Certainly, as tragic as this story is, in and of itself, the interesting fact which was revealed in BOTH of these cases, was that this negligent nurse turned out to be none other than Bill Clinton's MOTHER! Further, both deaths were officially ruled to have occurred as an unavoidable result of the injuries which had been sustained by the two young people. But in truth, neither the injuries to the young woman NOR the injuries to the young man could have been the cause of EITHER of their deaths. This fact was slowly and painstakingly revealed when the parents of the young people who had died so very mysteriously, began to question the ruling. At that time, it came to light that there had been a cover-up. The medical examiner who was responsible for the ruling on the deaths, apparently had wanted to shield Clinton and his Mother from the adverse publicity which would surely have come their way at such a sensitive disclosure. Some time later, this same medical examiner was consequently given a "kush" government job in Arkansas, and was grossly overpaid for his services, by Bill Clinton. (Was this in payment for his silence? Well, it certainly appears, that THIS is precisely the conclusion which was drawn by the producers of the program. If it WASN'T a pay-off, it surely was a strange set of circumstances, and a peculiar turn of events, in which Bill Clinton chose to participate.)

Forgive me, if my facts are not right on the mark. It's been a while since I saw the piece, and I was only reminded about it recently. It did

make me wonder why your campaign never made mention of it, or why it never became an issue. The possibility did occur to me, that if no one in your camp had seen the piece, then surely none of you would be aware of it. This is the reason for my bringing it to your attention at this time.

If you have chosen to ignore it because of the "Sleaze Factor", I would venture to recommend that this does NOT qualify as "sleaze". Rather, it is a crucial piece of information giving intimate insight into the workings of the mind of a man who would (wish to) be President. It is no more "sleaze", nor any less frivolous than any question which might not have been put to Clarence Thomas, (or anyone else holding a vital post in the government.) Is a Presidential candidate, someone who could be our next President, not subject to more scrutiny, rather than less, than a Supreme Court candidate? Someone who might and DOES make the most vital decisions on behalf of our country?

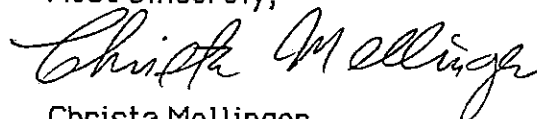
If you and your people DID know about this issue, and kept quiet because it might be unthinkable to go after a candidate's Mother, I would remind you that this IS a viable piece of information that we certainly MUST employ in our re-election efforts. We could show his Mother in a sympathetic light, just as much a victim as the two young people who lost their lives. What it WOULD reveal, in glaring contrast to the picture that the Clinton camp has attempted to paint of their candidate, IS the Slick Willie (whom WE did not name thus), who lies to his constituents, and to the American people. (Or at best, keeps hidden anything which might be damaging to his march to the White House). THIS case would show his character flaws even more than the draft issue, in my opinion. He did not come forth honestly, and tell the people that a mistake, no matter how horrible, nevertheless a mistake, had been made. He hushed it up, paid someone "hush-money", and pretended nothing had happened. And, though it might be heartless to say, I will say it nevertheless. Just as Gore used his son's accident as an attempt to tug at the heart-strings of the American voter, so we too could hopefully gain sympathy from the American public, for the fact that two young lives were taken needlessly. AND, Clinton was no hero when he attempted to cover it up by paying someone to keep quiet. Was he thinking of the victims, was he thinking of the surviving family members when he made an attempt to erase the whole affair as though it had never happened? Not on your life! He was out to save his own precious behind, and advance his own career. Helping someone else with a problem so vast was nowhere on HIS agenda. Thus, I would hope that you would seriously consider including this bit of information in your re-election bid. Perhaps THIS is what we could use to turn public sentiment in our direction more forcefully, more effectively. Besides, I say the people have a

right to know. I understand our campaign motto is, "It's a great idea, but will it get votes?" Well, I would hope it might be a great idea, and I would certainly venture to guess the votes would come our way. If you, yourself, wanted to keep your hands clean of the whole affair, you could pull some strings, and have the piece shown in it's entirety, by the same people who were concerned enough to show it the first time around. It could thus appear shortly before the elections, with Clinton not having sufficient time to defend himself on the issue, and his followers thrown into confusion about just who it is they can really trust. Vulnerability has cracked the armor of the "dynamic duo" camp. In the last few days, the "who can you trust" issue seems to have taken it's toll on the governor. He, who is usually more than enthusiastic to get air time, who, more than vigorously, attempts to tell the people about all of YOUR "faults", seems to be dodging the media people because he does not wish to be assaulted further on the character issue. So, perhaps we have found the governor's Achilles heel, after all!

It isn't as though THEIR camp hasn't already seen to it that YOU would be seen in an unglamorous light. My information on this following item is murky at best, but I will fill you in on what I know. There is a piece which was also shown earlier, but which I missed, telling about the GM layoffs, I believe, and the devastation they caused in the nearby town. It apparently laid the blame, (what else is new), at your doorstep, and is a dismal, depressing condemnation of your policies. From what I could gather, it was SO depressing that the producer promised not to show it again. Well, surprise, surprise! He changed his mind, and it will be aired sometime this month, or next, if it hasn't been shown already. (Isn't Hollywood wonderful. Sometimes, it seems, they play politics better than anyone! Let's get them on OUR side, and have them use some of it to benefit the Bush/Quale ticket! Let's run the piece about Clinton's Mother!)

Once again I say to you both, George and Barbara, keep the faith! Polls don't mean anything, in my estimation. The best man WILL win in November, of that I am certain. My salutation to you once again is this:
SEE YOU AT YOUR INAUGURATION!

Most sincerely,

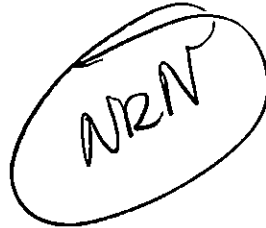


Christa Mellinger
2779 N. Atherwood Ave,
Simi Valley, Ca., 93065
(805) 526-8456

P.S. Don't allow yourself to be GORE'd on the environmental issue!



**CITIZENS
AGAINST
GOVERNMENT
WASTE**



October 2, 1992

President George Bush
The White House
Washington, D.C. 20500

Dear Mr. President,

In 1990, the Council for Citizens Against Government Waste (CCAGW) held the first Taxpayer's Action Day (TAD); a day on which taxpayers voice their shared outrage at the excesses of Washington. On October 17, 1992, CCAGW will host the third annual TAD, a national exhortation of the disenchantment and frustration felt by millions of Americans over government waste, high taxes and a lack of fiscal discipline.

As in previous years, tens of thousands of American citizens will participate at hundreds of rallies nationwide. TAD rallies have been covered by national network news and local electronic and print media each of the last two years. I am writing to alert you to the fact that there are currently more than 200 rallies scheduled around the country. We are planning a multi-media advertising campaign of television, radio and print ads, as well as extensive use of radio talk shows and personal visits to major cities around the country to promote TAD '92. Taxpayers are angrier than ever at the failures to pass the balanced budget amendment and the line-item veto while pork barrel spending and business as usual continues in Washington.

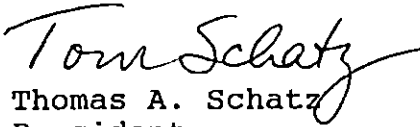
We expect that TAD '92 will be the biggest ever. We would welcome your participation through an appearance at a TAD rally; by issuing a statement in support of eliminating government waste; or by another appropriate activity on October 17, 1992. All incumbents, challengers and Presidential candidates are also being notified of this opportunity to address taxpayer's concerns.

Please note that this is not a political event. CCAGW is a nonpartisan, nonprofit organization that cannot and does not endorse candidates or engage in political campaign activities. TAD rallies are part of our ongoing lobbying and educational programs. Candidates are invited to address the issues; not to promote themselves.

The Fall 1992 edition of Government WasteWatch, which includes ratings of members of Congress, is enclosed. If you would like to participate in TAD, the only nationwide protest on these issues before November 3rd, please contact Karen Kerrigan, CCAGW's National Field Director, or me.

To obtain a list of rallies in a state where you may be appearing on October 17th, please call 1-800-BE-ANGRY.

Sincerely,


Thomas A. Schatz
President

enclosure

bcc: Mr. James A. Baker, III

F -
continuing
views
friend?

Sept 27 92

georg hampton, STUDIO, contemporary paintings and portraits

NEW

3700 normandy 75
port arthur, texas 77642
telephone 962-9466

Dear Jim:

Paul Teongar has

created an ANTI DEFICIT

group CONCORD COALITION

5959 TRIUMPH

COMMERCE CALIF 90040

RVES \$25.

He is the only honest man
in the race. We should
enlist him some way.

Jim

georg hampton, STUDIO, contemporary paintings and portraits

Sat 27 92

3700 normandy 75
port arthur, texas 77642
telephone 962-9466

Dear Jim:

If you can put this deal over with Perot we can win and if he can end the DEFICIT in 5 years it will be the greatest event ever in U.S. History.

If not we lose everything.

Jim

1952

particulars.

about 2000

particulars.

some time

of about 2000

particulars

particulars

particulars

particulars

particulars:

georg hampton, *STUDIO*, contemporary paintings and portraits

3700 normandy 75
port arthur, texas 77642
telephone 962-9466

July 29, 1992

COPY

The President
White House,
Washington, D. C.

Dear George:

Getting rid of the deficit and deficit spending is the great problem that faces the U. S. I think the following would be appropriate now.

President Bush announces: -- "SINCE ROSS PEROT IS SO IMPORTANT IN THIS ELECTION AND HAS SO MANY FOLLOWERS (AND IF THE DEMOCRATS AGREE) WE WILL ACCEPT MR. PEROT'S DESIGN FOR CURING OUR WORST DISEASE 'THE DEFICIT'."

This is the most serious of any of our troubles. There are many objections all of us will have, but to keep down the squabbling the G.O.P. and Democrats should pass Mr. Perot's bill before the election in November.

Regards,



> PLACE ROSS PEROT IN OUR G.O.P. CABINET AS TREASURER OR OTHER,,,GIVE HIM WIDE AUTHORITY TO END THE DEFICIT... WITH HIS UNUSUAL TALENT AT SNIFFING OUT WASTE HE MIGHT BE ABLE TO PAY IT OFF WITHOUT NEW TAXES IF THE MEXICANS, IRISH. POLES AND ITALIANS CAN MAKE IT ON THEIR OWN WHY NOT THE OTHER ETHNIC GROUPS.

STOP THE LUDICROUS GIVE AWAYS.... IT IS POSSIBLE THAT PEROT HATES GEORGE BUSH BUT SURELY HE LOVES THIS COUNTRY ENOUGH TO TURN DOWN THE WORST MAN THE DEMOCRATS CAN OFFER.

**Georg Hampton to
Lecture on Taoism
At Unitarian Meet**

Georg Hampton, Port Arthur artist and lecturer on modern paintings, will be the guest speaker at a service set for tomorrow at 10:25 a. m. by the Unitarian Fellowship of the Sabine Area, 885 Alabama.

The speaker studied at the Art Institute of Chicago, the Audubon Tyler School of that city and the Art Students League of New York. His lecture, "The Religion of Lao-tse," will be Hampton's subject. Lao-tse, one of the three main religions of China, is based on the teachings of the ancient philosopher who lived in the sixth century B. C., and his greatest work is the Tao-te-ching.



GEORG HAMPTON

THE SUNDAY ENTERPRISE

Sunday, December 18, 1966



Georg Hampton's best known portrait is of Port Arthur's storied Capt. R. D. Steele, who wore long white hair and was to be 103 years old.

GEORG HAMPTON

ARTIST AND LECTURER ON MODERN PAINTING. STUDENT OF THE ART INSTITUTE OF CHICAGO, THE AUDUBON TYLER SCHOOL OF CHICAGO, THE ART STUDENTS LEAGUE OF NEW YORK. STUDENT OF HENRY McCARTER AND ARTHUR CARLES AT THE PENNSYLVANIA ACADEMY OF FINE ARTS, PHILADELPHIA. ALSO STUDIED WITH RICHARD LAHEY, CORCORAN SCHOOL; EMIL BISSTRAM OF TAOS AND LOS ANGELES; AND HANS HOFMANN IN PROVINCETOWN.

STUDIO—

Georg Hampton
3700 Normandy, 75
Phone: 962-9466
Port Arthur, TX 77642

PORT ARTHUR, TEX.

Hampton Art Show Slated In Houston

Georg Hampton, Port Arthur artist and lecturer on modern painting, has been invited to exhibit his paintings in a one-man show in Houston.

GEORG HAMPTON ART SHOW OPEN



Georg Hampton.

Mr. Hampton's experiments in the separate fields of expressionism, surrealism and abstractionism make up his show, and the other half devoted to portraiture.

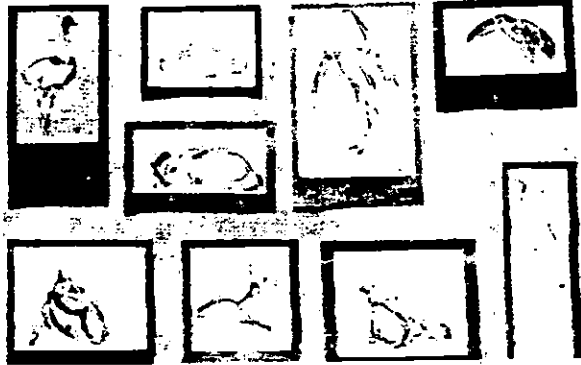
Many of the subjects are well known Port Arthur personalities. Among them are Robert Spooer, Mrs. Carl Vaughan, E. L. Lorton, Mrs. Fletcher Garner, Stormy Johnson, Jeanne Servil, Grace Lane, Christy Flanagan, Mrs. Clifton Panton and Chatter Pittman.

Hampton Art To Be Shown In Oklahoma

"Bucephalus," an abstract representation of Alexander the Great's fabled horse painted by Georg Hampton, has been accepted for the Seventh annual exhibition of Southwest American art in Oklahoma City, it was learned here today.

The exhibition, which opens Saturday and runs through Oct. 31, accepts only about 90 exhibits each year although over a thousand are entered.

Goes Back To 1924



Georg Hampton
Pennsylvania Academy of Fine Arts

First Peckert Prize
Philadelphia

Copen

Dallas Times Herald

1101 Pacific Avenue
Dallas, Texas 75202
214 720-6632

Nov. 2, 1990

Lee Culham
Editorial Page Editor

Dear Mr. Hampton:

Many thanks for your letter. The kind words are much appreciated.

Thanks also for sending your columns. I wish we could use them, but we've committed to all the material we can use for now.

> You may well be the most important writer-artist in this century!

*Sincerely,
Lee
Culham*

*This outstanding young
newsperson is also an
important T.V. Editor
with McNeill Leher*

MRS BARBARA BUSH

June 11, 1984

Dear Georg,

How good of you to write to George and me. I know you have the best interests of the Republican Party at heart, and I know George would want me to thank you for your thoughts about the importance of a phone bank in Texas. I will certainly share your letters with Ron Kaufman.

With best wishes,

Sincerely,

Barbara Bush

I agree. We need
phone banks. Thanks.

*multi-
purpose*

NRW

Alexander Mark Stavis
65 East 96th Street
New York, NY, 10128
(212) 289-7951

September 24, 1992

Mr. Jim Baker
The White House
Washington, D.C.

Dear Mr. Baker,

I urge you to stop waving the flag of "family values" and stick to the real issues of the election (i.e. the environment, the economy, jobs and a domestic and foreign policy).

Thank you very much in advance.

Sincerely yours,
Alexander Mark Stavis
Alexander Mark Stavis
(a concerned individual)

Alexander Mark Stavis
65 East 96th Street
New York, NY, 10128



Mr. Jim Baker
The White House
Washington, D.C.



neg
media

21 Six Penney Lane (RFD)
Dennis, Mass. 02638
September 24, 1992

Mr. James Baker
Assistant to The President
of the United States
The White House
Washington, D.C. 2005

NRN

Dear Mr. Baker:

I have never been so concerned as I am now about the biased opinion of the NEWS MEDIA. Both Newspapers and Major Networks "Fly the Democratic Banner".

Attached is an article that appeared in this morning's Cape Cod Times concerning this deplorable situation.

Hopefully you will find time to have someone from your Staff tell me why during the 1988 Campaign the News Media said little if anything about the devastating financial condition of Massachusetts under DUKAKIS and the fact that his wife had a serious health problem. I am not saying that Mrs. DUKAKIS situation should have been exploited but the Nation should have known about it, as well as being told NOW that it took a Republican Governor to bring to light what DUKAKIS and his Administration had done to this State.

My prayers are with The President and you Mr. Baker.

Sincerely,

Ralph D. McMullin
RALPH D. McMULLIN

Biased coverage shortchanges public

The Times' Sept. 16 editorial ended with this question: "Is the American voter going to be shortchanged yet again?"

The answer is another question: How can something that happens all the time happen again?

Your careful selection of "news" stories, your headline writing, and your op-ed commentary have been shortchanging readers for years. During this political season, you are even more lopsided. You carry Democratic banners so high and with so much pleasure that they

should pay you from their campaign coffers.

You are not alone. All major networks (even CNN, which used to be news-oriented) fly the Democratic banner. The press' credo, "The public's right to know," would be more apt if it were changed to "The public's right to know what we think it should."

Governor Clinton and the Democratic-controlled Congress must be grateful.

I am grateful for outside newspapers and C-Span.

Cape Cod Times
9/24/92

STANLEY S. PAIST
Brewster

Mr. and Mrs. R. D. McMullin
21 Six Penney Lane
Dennis, Mass. 02638



MR. JAMES BAKER
Assistant to The President
of The United States
The White House
Washington, D.C. 2005



Brandeis University

65

Department of History Waltham, Massachusetts 617-736-2270
02254-9110 FAX 736-4724
TELEX 7607715 BRAND UC

Sept. 28, 1992

Hon. James A. Baker 3rd
The White House
Washington, D. C.

Sir:

I think the following ideas may be useful in the campaign. They have proven particularly effective in my arguments on behalf of the President in this Democratic stronghold.

1. What will the 90's be like? The Republicans gave us the single digits, the 20s, the 50's and the 80's. The Democrats gave us the teens, the 30's, the 40's and the 60's (call the 70's a toss-up). The contrast is clear. What horrors do the Dems have planned for us this time!

The only Democratic come-back is that the problems of the 30's were the fault of Hoover. This is easily countered. The great bulk of the depression occurred under FDR, who didn't end it until the war, and yet unfairly blamed Hoover right through 1944. This is as if President Reagan had not ended the inflation and the Republicans had continued to blame it on Carter in 1988.

2. Push promises less and the record more even on economic matters. There is really a powerful case to be made. Low interest rates, low inflation, rising productivity. And, of course, there is the contrast to the late 70's, with just as much unemployment and all the rest chaos.

3. Clinton is an inexperienced kid. Scary. Also, our party gives the US its oldest and best presidents - Ike and Reagan. Does anyone relish another change from Ike to Kennedy (Well I guess JFK can't be attacked yet- but it sure would be useful).

If you want to farm out any writing I would be happy to help. I know East Asian and American history.

Pour it on in October.

Sincerely,

John Schrecker
Professor
Republican Presidential Task Force

NRW

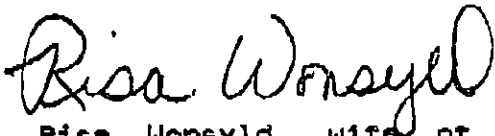
October 3, 1992

Jim Baker
White House Chief of Staff
202-456-6797
202-456-2397 Fax

Dear Mr. Baker:

Please don't let President Bush sign the appropriations bill that includes money for the Endangered Species Act UNTIL THE ACT IS AMENDED TO CONSIDER SOCIAL & ECONOMIC IMPACTS AT THE START OF THE LISTING PROCESS.

Sincerely,



Risa Wonsyld, wife of millworker, mother of two children supported by timber dollars.

2959 Eliot Drive
Hood River, OR 97031
503-386-2623

Salinas California
September 22, 1992

Hon. James Baker
Chief Of Staff-
President George Bush
The White House
Washington, D.C.

NRN

Dear Mr. Baker:

You try to find the bottom line. What do your people, voters, want? What is holding this country in such inactivity, such economic and inspirational glue? Other countries down through the history have found dictators the answer to the peoples stalemate.

There is always the elete with the answer. Of course they can rule. Has the American Dream come to this? Why in this dream of freedom for all must life still be based on the haves and the have-nots? Yes this has been the "rock of ages". And it always seems to come down to money. Is money really the definition of man?

Surely it is time to put things right side up-time when America spells out for the world how man can find both freedom and equality.

Awhile ago my husband, a former engineer of both General Dynamics and Ampex Corp., said to me "I have nearly thirty marketable ideas of inventions that can be produced and I am stopped on the first one." He had brought one to final conclusion, cautiously presented it for evaluation to a marketing company that assured him there was no competition and they would like to proceed with it. BUT a \$6000 patent was needed. So there you have it.

Think of the ideas that stir within the "workers of the world"- the bent backs of laborers as well as those pushing pencils at desks. They always have to get a patent!

What is government? It's need and it's use is to "theoretically" provide the law, order and climate for the fulness of reward and care for the governed.

Why does it always seemed to be reduced to trying to balance the haves and have-nots. Always we see all value (in the form of money) needing to come from the so-called elete to "the working class" and "middle classes". Is this America?

Let's wake up! This country does not rest, or is not built on money. It is built on IDEAS! It is the people themselves that are the value. Yes the so-called lowly ones. Not the dictators that are always of the belief that one knows more.

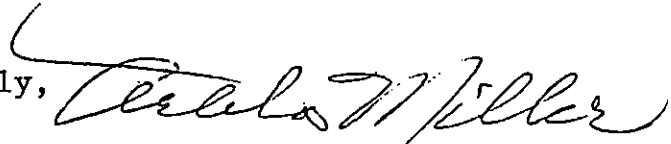
It is time that the ideas of the people have free reign and are heard. It is time that government lifted the weight of obscurity and open the door of recognition to it's people. Like a Dept. of Housing in gov't., why don't we have a Dept. of Creativity (or Patent Dept.)? These Patents of some value (by Marketing, social, profitability etc, standards) can be granted free and with real speed. Such a little thing 'Patents', but it could crack open the shells of division, restriction and separation in this country. It could reveal the strength and power of the United States of America.

Let my people go. Ex.5:1

The freedom and worth of creativity in the explosion of ideas could be the single greatest presidential message of this crucial election time calling for a change. It could be President Bush's (vision thing) which he speaks of.

It is your ball now Mr. Baker.

Sincerely,



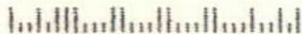
P.S. Maybe a tremendous increase in value in this country would handle the deficit and bring back the Gold Standard that is required in our Constitution..

Arleta Miller
561 St. Edwards Ave.
Salinas, California
93906.

Arleta Miller
561 St. Edwards Ave.
Salinas, California
93906



HON. JAMES BAKER
CHIEF OF STAFF-
PRESIDENT GEORGE BUSH
THE WHITE HOUSE
WASHINGTON, D.C.



HP
HB

3

HP

HP

HC

HP

Butcher & Singer

Park Place, Suite 100
10 W. Streetsboro Street
P.O. Box 205
Hudson, OH 44236

(216) 650-1177 Akron
(216) 656-3466 Cleveland
(800) 777-1176

NRN

9-24-92

to: James Baker

from: David F. Born

A bipartisan commission scrapped plans for a proposed presidential debate next week in Kentucky after the Bush campaign rejected the format.
* * *

Re: Campaign suggestions.

This front-page quote from the Wall Street Journal today makes us look bad.

Why not put the burden back on the Democrats? Namely, make all the arrangements unilaterally with the networks for a debate in the format we prefer, with the president saying "I want to debate!", and force Clinton to accept or decline.

DFB

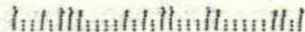
P.S. How could a bipartisan commission come up with a format, finalized, that we reject?!

Butcher & Singer

Park Place, Suite 100
10 W. Streetsboro Street
Hudson, Ohio 44236



James Baker
% The White House
Washington D.C. 20500



Stephens Engineering Company, Inc.

NRN

September 29, 1992

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

As a Co-Chairman of Victory 1992, a Republican Eagle, and a strong supporter of the Bush Administration, I have spent the last several days in the Los Angeles area soliciting support for your Presidential Campaign. During this time I also worked with the Presidential Task Force to Rebuild Los Angeles in developing private sector initiatives in support of the goals and objectives of this very worthwhile effort. In this capacity, I had the opportunity of working very closely with Mr. David J. Beightol, Executive Director, Presidential Task Force to Rebuild Los Angeles.

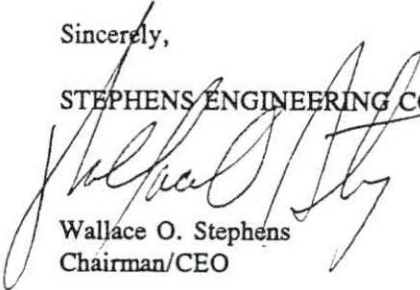
I found that Mr. Beightol is an individual of untiring efforts. As I observed, he worked sixteen hour days, seven days a week in building a coalition of initiatives that are in consonance with your direction and policies. He is unselfish and a real team player. His can do attitude and talents have proven him to be one of the most valuable assets assigned to this major undertaking. Due to his skeletal staff, his performance borders on accomplishing miracles. As a black man, it makes me proud to see David's successful interfacing with all races in bringing together a homogenous group of private sector individuals working toward a common goal.

Mr. President, you are well served by David and by your foresight to send him to Los Angeles to assist in the rebuilding of the South Central area. In this regard, I respectfully request that when his duties in Los Angeles are completed that his efforts and accomplishments be appropriately recognized.

Thank you, Mr. President, and four more years!

Sincerely,

STEPHENS ENGINEERING COMPANY, INC.


Wallace O. Stephens
Chairman/CEO

cc: Honorable James Baker

GOVERNMENT WASTEWATCH

The Newsletter Of Citizens Against Government Waste

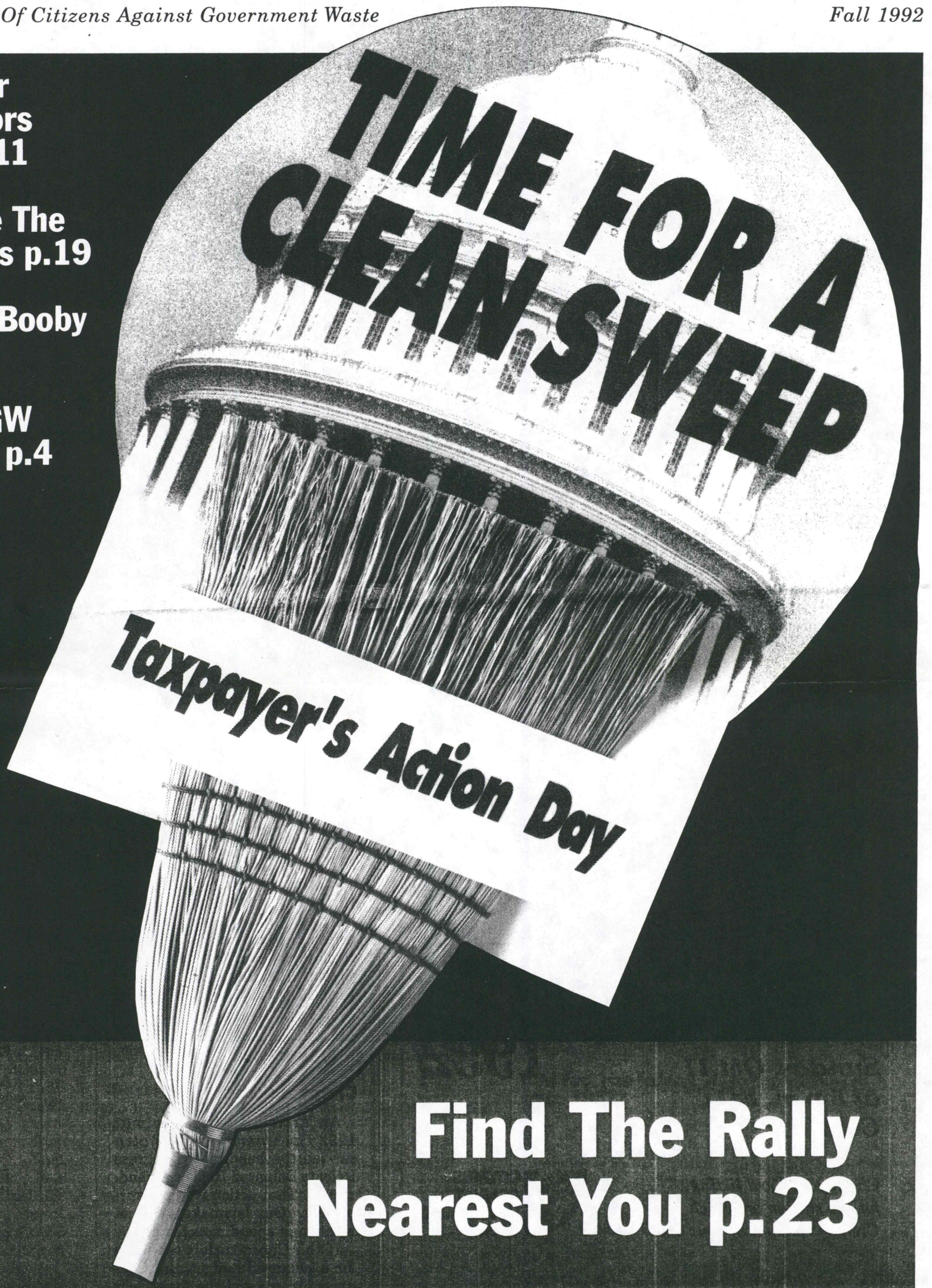
Fall 1992

**How Your
Legislators
Voted p.11**

**Compare The
Platforms p.19**

**Pension Booby
Trap p.9**

**New CAGW
TV Show p.4**



**Find The Rally
Nearest You p.23**

Space Station Price Tag

After much grandstanding earlier this summer during debate on the balanced budget amendments about the need to reduce the deficit and cut wasteful spending, the House failed to eliminate funding for NASA's Space Station Freedom. On July 29, the House rejected an amendment offered by Representatives Bob Traxler (D-Mich.) and Bill Green (R-N.Y.) to the NASA appropriation bill to cut funding for the space station, a project on which costs have spiraled out of control. In a letter to Congress, CCAGW President Thomas A. Schatz urged members to cut funding for the space station. "The space station is an extravagant project prone to huge cost overruns," Schatz explained. "Projected costs have risen from \$10 billion in 1984 to as high as \$40 billion. This increase has occurred even though the project is still on the drawing board and has shed seven out of eight of its original missions," he added.

Logic-free Zone

"Perhaps there should be a sign on the outskirts of Washington, D.C., that says: 'This is a logic-free zone.'" This was one of the remarks made by CAGW President Thomas A. Schatz before the House Post Office and Civil Service Subcommittee on Human Resources on July 21. The subcommittee is reauthorizing the White House Personnel Authorization Act of 1978 to bring up to date the actual costs associated with White House operations.

Schatz was testifying at the subcommittee's request in support of its efforts to increase accountability in White House travel budgets through full public disclosure. "When one asks a simple question, a simple answer would seem to logically follow," Schatz testified, referring to the White House's inability to tell the subcommittee exactly how much the president spends on travel.

According to the president's budget, \$29,000 in 1991 was spent on travel. Yet estimates of the subcommittee are that as much as \$150 million a year is actually spent. In fact, the cost of flying Air Force One in 1991 was \$34,434 per hour. That's 15 percent more than the president reported for his entire budget.

"One of CAGW's guiding principles, as propounded in the Grace Commission report, is to provide the most complete infor-

mation possible on the expenditure of the American people's hard-earned tax dollars," Schatz told the subcommittee. "At the very least, it is not unreasonable to require a full accounting of how much money it costs for White House travel and other activities," he concluded.

Firewalls Go Up in Flames

On July 10, the House of Representatives, led by House Majority Leader Richard Gephardt (D-Mo.) and Rep. David Obey (D-Wis.), voted to tear down the firewalls created by the bipartisan Budget Agreement of 1990. The firewalls were created between the three major spending categories—defense, international, and domestic—to ensure that savings in any one area would be used for deficit reduction and not additional spending.

During debate on the Department of Transportation (DOT) appropriation bill, the firewall between domestic and international spending was breached, and \$2.3 billion was authorized for additional transportation projects beyond the current funding levels allotted for DOT.

In a letter to Congress, CCAGW President Thomas A. Schatz urged members to live

up to their word. "Congress promised the American people that it would be serious about deficit reduction during the debate on the balanced budget issue last month," Schatz wrote. "Undermining the very laws that were established to control spending is scandalous," Schatz said. The Senate version of the bill does not breach the firewalls. The issue must now be ironed out during conference committee meetings between the House and Senate.

Campbell Tax Cut

Rep. Tom Campbell (R-Calif.) introduced an outstanding pro-taxpayer piece of legislation on June 30. The Tax Cut-Spending Limitation Balanced Budget Act (H.R. 5513) would create incentives to cut government spending, reduce taxes, and shrink the deficit. Campbell's plan calls for federal spending limitations that would balance the federal budget by 1998 and across-the-board personal income tax cuts triggered automatically by the reductions in spending growth. For every \$4 in spending cuts, individual income taxes will be cut by \$1. Incentives facing elected officials to overspend will be dramatically altered with passage of H.R. 5513—tax-

payers will finally come ahead of powerful special interest groups.

What You Can Do

CCAGW urges you to contact your representatives in Washington, D.C. Urge them to:

1. Sign the discharge petition for H.J. Res. 4;
2. Vote for any line-item veto/enhanced rescission bill or amendment that is brought to the House floor;
3. Co-sponsor H.R. 5773;
4. Co-sponsor H.R. 643;
5. Co-sponsor H.R. 5513.

Senators should be urged to:

1. Vote for S. 196, or any line-item veto/enhanced rescission bill or amendment that is brought to the Senate floor;
2. Co-sponsor S. 3158;
3. Vote for S. 316 if it is brought to the Senate floor.

Representatives and senators can be contacted by calling (202) 224-3121 or by writing to:

U.S. Senate
Washington, D.C. 20510

U.S. House of Representatives
Washington, D.C. 20515

Watch on Congress is written by Anne O. Carroll, CCAGW director of governmental affairs, and edited by Thomas A. Schatz, CCAGW president.



President George Bush chaired a meeting during May in the Cabinet Room of the White House with members of groups supporting a balanced budget amendment to the U.S. Constitution. Seated with President Bush are CCAGW President Thomas A. Schatz (left) and former Secretary of Agriculture John R. Block (center).

Unscientific Washington

"Washington still pours billions of dollars a year into antiquated government-owned military research centers founded during World War II or during the Cold War. Now well-rooted in their communities, many of these laboratories have outlived any sensible purpose. But they endure under the protection of congressional patrons, who will prove a challenge to the Democratic pledge to shift money from defense to civilian research. Swift termination would be best, since successful conversion from military to civilian tasks is a rare event in research institutions. You might as well try to convert a tank into a taxi."

From "Misdirected Billions for Science," by Daniel S. Greenberg, *The Washington Post*, Aug. 5, 1992.

"Those who support a balanced budget amendment and constantly lament profligate spending almost to a person favor both the super collider (Superconducting Super Collider) and NASA's \$7.4 billion space station. This is an irreconcilable contradiction. We can't solve our deficit problem without terminating a lot of programs, including some such as the super collider. . . . In short, the super collider is a project that the United States cannot afford. . . ."

From "To fund or not to fund: that is the question," by Sen. Dale Bumpers (D-Ark.), *Washington Times*, Aug. 2, 1992.

Toxic Urban Renewal

"A recent [Housing and Urban Development]. . . audit of the Jacksonville [Florida] agency revealed that in 1971 it ignored federal standards and built 317 units of subsidized housing on a former garbage dump that gives off toxic fumes. . . . The Housing Department gave the local agency \$3.2 million to renovate an apartment building on the 'unstable and potentially hazardous site,' the audit says."

From "Public Housing Ills Lead to Questions About H.U.D.," by Michael deCourcy Hinds, *The New York Times*, July 20, 1992.

Public v. Private Jobs

"To some, the numbers carry ominous signals—a dangerous slide in the American industrial base and an exploding demand for public services. To others, they merely reflect what we should already know: that the economy is undergoing a funda-

WASTE BASKET

mental restructuring.

Whatever the implications, the figures are there in black and white: For the first time in history, the number of manufacturing jobs in this country has dropped below the number of government jobs."

From "In Job Strength, Manufacturing Eclipsed by Public Sector," by Barbara Vobejda, *The Washington Post*, Aug. 18, 1992. *Total Manufacturing Jobs: 18,131,000 (Jan. 1992). Total Public Sector Jobs: 18,423,000 (Jan. 1992).*

Almost Down the Drain

During a recent speech in Louisville, Ky., Postmaster General Marvin T. Runyon promised to put an end to a plan that would have spent \$2 million to introduce robots to the toilet-cleaning business.

From "Postmaster General Cancels Toilet-Cleaning Robot Plan," *The Washington Post*, Aug. 14, 1992.

Clintonomics

"... Clintonomics is a collection of cliches, dubious calculations, wishful thinking, and fictitious budget savings."

From "Economic blind spots," by Paul Craig Roberts, *Washington Times*, July 24, 1992.

"The good governor (Clinton) decries the deficit but proposes more spending increases than spending cuts. The lack of seriousness in his proposed spending cuts is amply illustrated by one item. He proposes to save \$20 million by 'ending the taxpayer subsidies for honey producers,' but says nothing about eliminating the subsidies for sugar, milk, peanut, and other agricultural commodity producers that add up to big bucks."

From "The PC catechism of

Clintonomics," by Richard Rahn and Theodore Suranyi-Unger, Jr., *Washington Times*, Aug. 14, 1992.

More Red Ink

"Between fiscal years 1990 and 1991, total government revenue grew 2.23 percent, or \$22.9 billion. The required interest payments on the national debt grew by \$21.1 billion, or 8 percent. Although the economy was cooling in this period, the crucial point is that the total net increase in government revenue was sopped up by interest payments on the debt.... In fiscal year 1990, the Health and Human Services Department paid out more than \$193.6 billion (excluding Social Security) for programs like Medicare and Medicaid. During fiscal 1991, the department's spending increased by \$24.3 billion, or 12.5 percent. As the figures for total government income indicate, this spending rise would have more than wiped out any revenue increase during this period. Before Bill Clinton promises to guarantee health care to all Americans, shouldn't he have to figure out how to pay for the Americans the government is already responsible for?"

From "Remedial Math for Bush and Clinton," by Anthony J. Ogorek, *The New York Times*, Aug. 25, 1992.

Reading His Lips

"Overall, by my count using his rules, Bush has raised taxes 133 times—more often in just four years than Clinton did in 11."

From "Anatomy of a Smear: How many times did Clinton—and Bush—raise taxes?" by Michael Kinsley, *The Washington Post*, Aug. 11, 1992.

"Our fundamental problem with

the president was his reneging on his 'no new taxes' pledge. He and his people don't understand how this betrayed the core of the entire conservative coalition. Remember, the conservative coalition is not just another interest group to be placated; it is the base of his support."

Edwin J. Feulner, Jr., president of the Heritage Foundation, quoted in Adam Myerson, "Building the New Establishment: Edwin J. Feulner, Jr. on Heritage and the Conservative Movement," *Policy Review*, Fall 1991.

And More Red Tape

The total annual length of the *Federal Register*, in which all new regulations are published, has grown from 53,376 pages in 1988, President Ronald Reagan's last year, to 67,716 in 1991—the third highest total ever.

The number of federal employees devoted to issuing and enforcing regulations has risen from 104,360 in Reagan's last year to a new all-time high of 124,994, surpassing the previous record of 121,706 under President Jimmy Carter.

The amount of money that the federal government spends each year administering its regulatory programs has increased by 18 percent under Bush, from \$9.558 billion in 1988 to \$11.276 billion in 1992, measured in constant 1987 dollars.

As a result, regulation now is costing Americans somewhere between \$881 billion and \$1.656 trillion annually, or between \$8,388 and \$17,134 per household. By way of comparison, Americans will pay an estimated \$1.053 trillion in federal taxes in 1992, or about \$10,897 per household. Thus, it is possible that the total cost of regulation now exceeds the total cost of taxation."

From "George Bush's Hidden Tax: The Explosion in Regulation," by William G. Laffer III and Nancy A. Bord, *Background No. 905*, *The Heritage Foundation*, July 10, 1992.

Little Victories

"A former employee of a military contractor in upstate New York was awarded \$7.5 million yesterday by a federal judge for bringing forward evidence that the company had systematically defrauded the Pentagon in the 1980s."

From *The Baltimore Sun*, July 15, 1992.

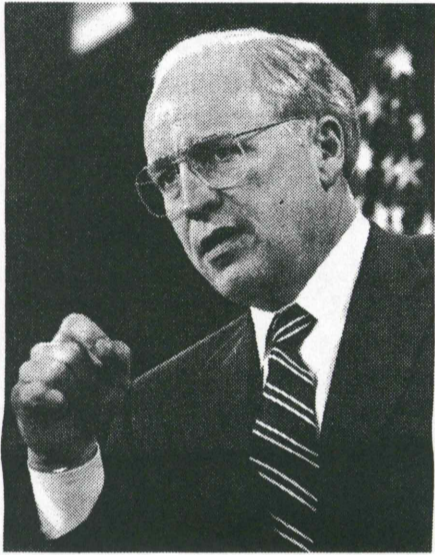
"The Foreign Service in 2001," a report produced by Georgetown University's Institute for

the Study of Diplomacy argues, among other things, that the bureaucratic and top-heavy structure of the State Department should be streamlined. Reform is necessary, it argues, for the State Department and the Foreign Service to meet the challenges of a new world."

From "Post-Cold War Overhaul of Foreign Service is Urged," *The Washington Post*, Aug. 7, 1992.

"The Defense Department will end or reduce operations at 70 more overseas bases by the fall of 1995 as part of its plan to scale down U.S. military presence worldwide, the Pentagon announced yesterday."

From "Pentagon discloses plan to shut or cut 70 overseas bases," *Washington Times*, Aug. 14, 1992.



Secretary of Defense Dick Cheney announces troop cuts.

Imperial Status

"Washington perks are overwhelmingly about status, not comfort. They are a government version of the classic office contention over who gets a philodendron plant or a phone with a rollover line. And as such, they may involve huge sums of money almost incidentally. The best example is the insane proliferation of security guards, cars and other appurtenances, not just to protect those who need it, but to signify the importance of those who don't. . . . Now this is a perk and it costs plenty."

From *Meg Greenfield*, *Newsweek*, April 27, 1992.

"Congress requires external discipline, and its problems run deeper than scandals and perks. With more than 20,000 employees, its spending on itself has grown by more than 700 percent in two decades. . . . There is now so much congressional staff that it seriously interferes with the rational consideration of issues."

From "Congress Is the Problem," by Christopher Cox and Michael Horowitz, *The Washington Post*, Aug. 18, 1992.

Are the States in Trouble?

According to *The Wall Street Journal*, the credit ratings of state governments are dropping, indicating new budget and tax travails. ". . . Sarah Ritchie of the Center for the Study of the States says 1991 was the worst year in over 30 for state credit: S&P downgraded eight states and Moody one; no states were upgraded. This year, S&P has downgraded California, New York, and Illinois and upgraded Alaska; Moody downgraded California and Rhode Island. That supports Ritchie's contention that the recession has continued into 1992. . . ."

From *The Wall Street Journal*, Aug. 11, 1992.

"The National Conference of State Legislatures has estimated that mandates passed in the 101st Congress will cost state governments \$15 billion over five years. . . ."

Which means: "Most states and localities are required to have balanced budgets, and the cost of compliance with new mandates means they must find more revenue. In too many cases, the source of this revenue is new taxes."

From "Let Congress Be a Partner, Not a Dictator," by Frank Horton, *The Washington Post*, Aug. 21, 1992.

"In July, the number of (welfare) recipients climbed to 1,005,210, a 22 percent rise from the 823,691 recipients in January 1990. The increase means that almost one of every seven New Yorkers is on welfare."

From "Welfare Rolls Hit the Million Mark in New York City," *The New York Times*, Aug. 12, 1992.

The Cities and the Drug War

"The War on Drugs has been a costly and tragic failure for American cities. Drug supplies are virtually unchanged, drug trade profits continue to escalate, and violence has become a routine, accepted part of urban life. . . . Unless policy makers seriously rethink their drug-war strategy and consider decriminalizing drugs, the future of America's cities will remain bleak. Inner cities will continue to be a black hole for government money as the more funda-

mental problems of the inner city are ignored."

From "The War on Drugs Escalates Urban Violence," by Sam Staley, *The Wall Street Journal*, Aug. 13, 1992.

New HOPE

"President Bush's radical HOPE program—Homeownership and Opportunity for People Everywhere—gives public housing residents a chance to manage their communities and ultimately own their homes, if they choose. Because of delays by a status-quo Congress, we have only just made the first HOPE grants with drastically limited funds. But this year, across America, HOPE will begin to hand over control of public housing communities to the residents while they train and prepare for eventual homeownership."

From "Passage Out of Poverty," by Jack Kemp, *The Washington Post*, Aug. 14, 1992.

A Sweet Deal?

"David Marsh, a United States negotiator for sugar provisions at the North American trade talks, has resigned to accept a job at Kraft General Foods, Inc., one of the country's biggest sugar buyers, raising eyebrows among some legislators."

From "Sugar Negotiator Takes Kraft Post," *The Washington Post*, Aug. 11, 1992.

Changing World

"Our thesis is simple: The kind of governments that developed during the industrial era, with their sluggish, centralized bureaucracies, their preoccupation with rules and regulations, and their hierarchical chains of command, no longer work very well. They accomplished great things in their time, but somewhere along the line they got away from us. They became bloated, wasteful, ineffective. And when the world began to change, they failed to change with it. Hierarchical, centralized bureaucracies designed in the 1930s or 1940s simply do not function well in the rapidly changing, information-rich, knowledge-intensive society and economy of the 1990s. They are like luxury ocean liners in an age of supersonic jets: big, cumbersome, expensive, and extremely difficult to turn around. Gradually, new kinds of public institutions are taking their place."

From *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, by David Osborne and Ted Gaebler, Addison-Wesley, New York, 1992.

Pension Booby Trap

In order to finance extended unemployment benefits, Congress has enacted legislation that requires employers to withhold 20 percent of an employee's pension plan lump-sum distribution when the employee quits or is fired and requests his money. In the past, employers were not required to withhold taxes if employees so requested, because employees have 60 days within which to reinvest such lump-sum distributions into an IRA or a new employer's plan without incurring a tax penalty.

Under the new law, employees who ask their former employer to send them their lump-sum distribution directly (instead of transferring it to an IRA or new employer plan) will have 20 percent automatically withheld by their employer. Employees still can avoid a tax penalty if they reinvest the money within a 60-day period, but they must reinvest not only the monies received from their employer, but also the 20 percent that was withheld by Uncle Sam.

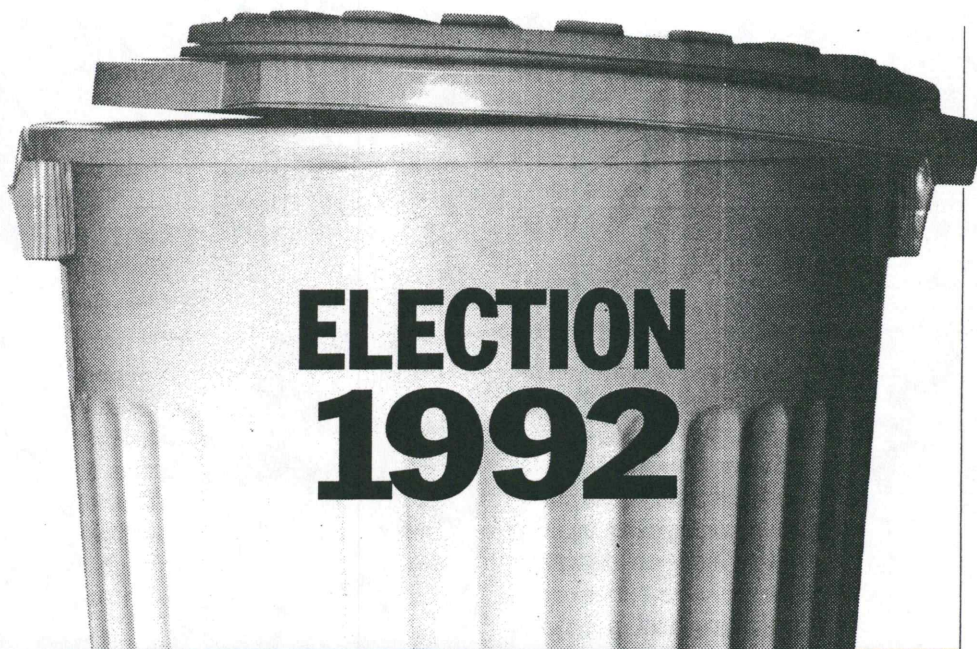
For example, an employee entitled to a \$50,000 lump-sum distribution will have \$10,000 (20 percent) withheld, and receive a check for \$40,000. In order to avoid any income-tax liability, the employee must reinvest the full \$50,000 within 60 days. Many employees may not be able to come up with this 20 percent, which is exactly what Congress intended. As a result, such employees, even if they reinvest the full amount, will be considered to have received a premature distribution of the 20 percent withheld by the federal government and will owe not only income taxes on this amount but also a 10 percent tax penalty (unless the employee is over 59 1/2).

It is unconscionable for Congress to finance the extension of employment benefits at the expense of unwary employees who have been laid off and are facing a difficult time. Several members of Congress have introduced legislation that would repeal this provision.

Waste Basket is edited by Dr. D.F. Shapinsky, CAGW director of governmental and strategic studies. Milton Zall is a contributor to Waste Basket.

Where They Stand on Waste

By Deroy Murdock



WHAT THE PARTY PLATFORMS SAY

With the presidential elections just around the corner, here is how the Bush and Clinton campaigns have responded to the issue of government waste. Also included are the proposals of Andre Marrou and the Libertarian Party should voters wish to look beyond the Republican and Democratic choices at the ballot box.

The Republicans: In his acceptance speech at the GOP Convention in Houston, President Bush said that Republicans "start with a simple fact: Government is too big and spends too much." To control this problem, President Bush said he has "proposed doing away with over 200 programs and 4,000 wasteful projects and freeze all other spending." Because Congress has not approved these cuts, the president said he will veto any bill that spends more money than is requested in his budget. "I will veto it fast," the president promised. "Faster than copies of Millie's book sold."

President Bush asked the American people to "give me a Congress that will give me the line-item veto." He hopes to use that power, which 43 governors have, "to eliminate pork-barrel projects that waste your money."

President Bush also discussed his unsuccessful effort June 11 to have Congress enact a balanced budget amendment. The measure failed by nine votes. The House Democratic leadership pressured 12 of the bill's cosponsors to vote "against a bill they had already put their names on," as the president explained. "Something fishy is going on!" he added. But he did not call explicitly for a renewed effort to enact such an amendment.

The GOP platform echoes much of what President Bush said and adds, "When legislators and bureaucrats waste tax money, they deserve to lose their jobs. When they save money," it continues, "they deserve praise. When federal programs have outlived their usefulness, they deserve a decent burial."

The Democrats: Presidential nominee Gov. Bill Clinton did not discuss government waste in his convention acceptance speech because "he wanted to stick to broad themes and avoid

the minutiae," said Clinton/Gore spokesman, David Levy. Since then, Gov. Clinton told a California crowd, "I'm a Democrat who believes in the line-item veto and cutting wasteful government spending. George Bush talks about balancing the budget. I've balanced 11 government budgets."

The Clinton/Gore economic plan, entitled "Putting People First" declares, "It is time. . . to shift from top-down bureaucracy to entrepreneurial government that empowers citizens and communities to change our country from the bottom up." The plan includes the following specific steps:

- Eliminate 100,000 unnecessary positions in the federal bureaucracy through attrition. This would save a projected \$15.3 billion between 1993 and 1996. Perhaps Gov. Clinton's most controversial waste-cutting proposal, it has generated "some criticism from labor and other traditional Democratic groups," says Levy. "But it's got to be done...The government's just too big. It's a fact of life."

- Reduce the White House staff by 25 percent and call on Congress to do the same. Four-year projected savings: \$440 million.

- Require 3 percent across-the-board administrative sav-

ings in each federal agency. Savings: \$22 billion.

- Line-item veto: "To eliminate pork-barrel projects and cut government waste, I will ask Congress to give me the line-item veto," Gov. Clinton writes in his plan. Savings: \$9.8 billion.

- Bill Clinton's plan also would "eliminate taxpayer subsidies for narrow special interests, reform defense procurement and foreign aid, and slash boondoggle projects." These, and other steps, are projected to save an additional \$92.76 billion over the next four years.

In total, Clinton calls for \$140.3 billion in spending cuts as outlined above. In addition, closing tax loopholes and reforming entitlements are expected to yield further deficit reductions of \$154.4 billion. While Clinton has proposed cutting the federal budget by \$294.7 billion over four years, \$219.52 billion of this money is allocated for "new investments" in "putting America to work," "rewarding working families," and "lifetime learning."

Clinton's plan has its supporters on Capitol Hill. "I think it's a solid way to approach things," Sen. Bob Kerrey (D-Neb.) told *Government WasteWatch* at the Democratic Convention. "Paradoxically, under Republicans, the federal government's grown

larger. We've got more waste, more fraud, more abuse. These guys have not been very good watchdogs for the public treasury."

As important as fighting waste is, Sen. Sam Nunn (D-Ga.) warns that it won't happen quickly. "When people say they can get waste, fraud, and abuse as a big one-year item in the budget, they're just misleading folks. . . It takes you time to get rid of it. But it must be done."

The Democratic platform, crafted chiefly by Clinton forces, reflects his plan almost verbatim. In addition, it states: "We must also tackle spending, by putting everything on the table."

The Libertarians: To ask Libertarians about government waste is to raise an even deeper question: Why is our government involved in so many aspects of our lives? As their platform states: "We oppose all interference by government in the areas of voluntary and contractual relations among individuals." Consequently, Libertarians consider wasteful nearly every activity of the federal government as we know it today.

Libertarians have identified \$162.7 billion in savings for the next fiscal year. In addition, they want to reduce the \$1.5 trillion 1993 federal budget by a total of \$523.26 billion—a full 35 percent below currently planned levels. How? By profoundly shrinking the federal government. They would slash the budgets with the hope of closing the Department of Agriculture and other cabinet-level agencies, privatize the U.S. Postal Service, replace the Civil Service with "the Jeffersonian principal of rotation of office," and repeal Social Security after a transitional period of voluntary participation.

Bitter medicine? Perhaps. But as long as Republicans and Democrats continue to allow government largesse to consume a growing share of the American economy, such drastic Libertarian measures may become more inevitable than novel.

Deroy Murdock is a New York City-based writer and president of Loud & Clear Communications, a marketing and media consulting business.

Berkeley Students Honor Big Spenders — Not

Things must be changing at the home base of campus radicalism in the 1960s. Five representatives of Congress who have contributed most to increasing the federal deficit will be awarded "The Last of the Big Spenders Prize" by a group of students from the University of California, Berkeley. Each will receive a handsome certificate suitable for framing, plus a \$2,000 contribution in the winner's name to his or her opponent.

The students decided to take action because they saw few if any incentives for members of Congress to curtail spending. The students argue that congressional cynicism, readily seen in the appropriation of funds for pork-barrel projects to buy votes, is out of control.



Through publicity and humor, the Berkeley students hope to encourage members of Congress to spend less.

"It is hoped that the resulting publicity will make voters aware of why the deficit keeps getting bigger—big spending—and what they can do about it," says Berkeley student Carlos Ayala.

The group hoped to announce the winners in mid-September, soon enough to influence the campaign, but not so early as to get lost by Election Day.

For further information, call Carlos Ayala, (510) 540-6758.

Professors and Students Mobilize Against Waste

The Council for Citizens Against Government Waste (CCAGW) named Dr. William H. Peterson of Campbell University, Buies Creek, N.C., the chairman of Students and Professors Against Government Waste (SPAGW).

"SPAGW will mobilize faculty and students against government waste and mismanage-



ment, an issue many universities have often overlooked," says Thomas A. Schatz, president of CCAGW. "Under the leadership of Professor Peterson, the message against government waste can be transmitted and debated on the American campus through economics and political science departments, student organizations, and clubs."

Peterson's first project will be to organize faculty and students nationwide to join hundreds of rallies against government waste and higher taxes on Taxpayer's Action Day, Oct. 17. Future projects include organizing an annual essay contest for students on the topic of government waste.

According to Schatz, Peterson has "the reputation and the credentials as a fighter for fiscal responsibility to bring the issue of government waste and mismanagement to the attention of the academic community. We are very excited to have him aboard."

For further information, contact: Dr. William H. Peterson, Lundy Chair, Campbell University, Box 1145, Buies Creek, N.C. 27506, (919) 893-4111, or Karen Kerrigan, national field director at the Council for Citizens Against Government Waste, (202) 467-5300.

How the Rich Get Richer while the Poor Get Richer

A paper critical of income equality as a public policy goal was released by two Republican members of the Joint Economic Committee (JEC) of Congress.

Sen. Connie Mack (R-Fla.), with JEC ranking Republican Rep. Dick Armey (R-Texas), released the paper, "Family Income Growth and Income Equality: Progress or Punishment?" which raises serious questions about the desirability of pursuing income equality rather than economic growth. The paper argues that family

income trends show that policies designed to increase economic growth tend to enhance the well-being of those in the lower income brackets more than policies aimed at managing the size of the gap between those currently in the top and bottom income groups.

The paper concludes that pursuing a goal of income equality would ironically concentrate immense economic power in the hands of a tiny group of the population, namely the 535 members of Congress.

According to Rep. Armey, the "immense centralization of economic control and the political power associated with it, should be of the utmost concern to all citizens regardless of political philosophy. By far the largest concentration of economic control is centered in Washington. Over \$1.5 trillion of national income is currently controlled by less than 1/1000 of the top 1 percent of the top 1 percent of households: the 535 members of the U.S. Congress."

Protectionist Legislation Could Pad Pockets of Big Three Auto Makers

Americans will pay thousands of dollars extra for "multipurpose passenger vehicles," such as minivans and four-door sports utility vehicles if a 25 percent tariff now being considered by Congress becomes law. This is the conclusion of a recent study distributed by Citizens for a Sound Economy (CSE). The study says that prices could increase by up to \$3,677 for imports and \$1,331 for domestic models.

According to CSE, domestic automobile manufacturers have been lobbying Congress to reclassify these vehicles from "motor vehicles principally designed for the transport of persons" to "motor vehicles for

the transport of goods." This would make the vehicles subject to a 25 percent tariff, instead of the current rate of 2.5 percent.

"If this protectionist legislation becomes law, it will pad the pockets of the Big Three car manufacturers at the expense of Americans who labor without special government handouts," says CSE President Paul Beckner.

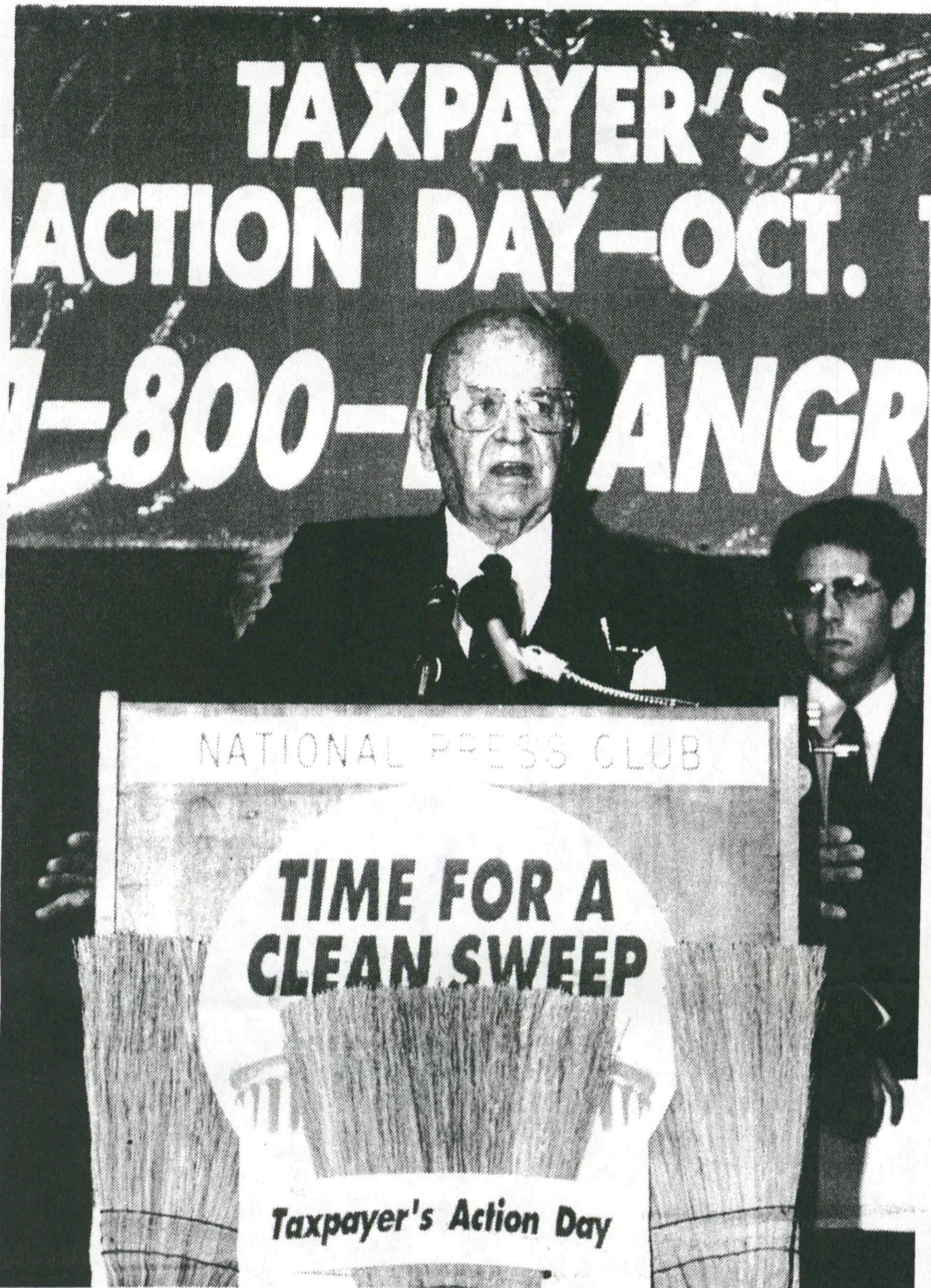
According to previous studies by the Brookings Institution and the Institute for International Economics, a 1 percent increase in import prices allows domestic automobile manufacturers to raise prices by up to 0.4 percent. Therefore, if Congress reclassifies imported multipurpose passenger vehicles and thereby increases their average price by up to \$3,677, domestic manufacturers would increase their prices by up to 9 percent, an estimated \$1,331 per vehicle.

The CSE study examines the history of the truck tariff since its "temporary" imposition in 1963 by President Lyndon Johnson, clearly indicating that high tariffs have priced a number of imported vehicles out of the U.S. market entirely. Similar results could occur with multipurpose passenger vehicles. In each case, U.S. consumers have suffered as prices have soared and selection decreased.

The Big Lie: Social Welfare Programs Need Money

Federal spending under the Bush administration is out of control. A recent Cato Institute paper, *Crisis? What Crisis? George Bush's Never-Ending Domestic Budget Build-Up*, by Stephen Moore, shows that the criticism leveled at President Bush for not spending enough on domestic problems is unjustified. According to Moore, if "there is one thing the Bush administration does not need to be prodded to do, it is to spend and borrow money."

Moore argues that Bush has been increasing real federal domestic expenditures by 8.7 percent per year, a faster rate of growth than under any previous president since John F. Kennedy. The evidence shows that Bush also has run up bigger budget deficits, both in dollars and as a percentage of the gross domestic product (GDP), than any other post-World War II president. "If massive growth of government and multi-billion-dollar deficits were the solution to America's economic problems," says Moore, "the nation would be basking in unprecedented prosperity, and Bush



CCAGW Chairman J. Peter Grace speaks to reporters at the National Press Club in August to announce plans for the 1992 Taxpayer's Action Day. Behind Grace is CCAGW President Thomas A. Schatz. Taxpayer's Action Day is Saturday, Oct. 17. To find the location of a rally near your community, call 1-800-232-6479.

would be widely acclaimed as an economic miracle worker."

According to Moore, the big lie in Washington in the 1990s is that the federal government is underinvesting in infrastructure, education, children's programs, and other war-on-poverty programs. The truth is that since 1989 real spending has risen 8 percent for education, 11 percent for highways, 58 percent for Head Start, 46 percent for food stamps, and 18 percent for child nutrition." The accusation that Bush has neglected social welfare programs is patently false.

Another Washington lie is that President Bush is a victim of a Democratic-controlled Congress. There is no doubt that the 102nd Congress is a freeing one. However, Moore says that the president must take some of the blame for the mess the country is in. In all, his budget for fiscal year 1993 calls for spending increases of more than 10 percent for the Departments of

Education, Housing and Urban Development, Justice, State, and the Treasury. Virtually every domestic program is set to have funding increased above the rate of inflation. Only the defense budget would fall. "In three years, Bush has not vetoed a single spending bill sent to him by Congress because it cost too much," argues Moore.

The other standard Washington lie, told primarily by the Democrats, is that large deficits are a result of President Reagan's defense build up, and tax cuts can no longer be asserted with any credibility. Moore points out that defense spending as a share of GDP is now lower than it was before Ronald Reagan took office, and tax revenues as a share of GDP are now at their 1979 level of 19 percent.

The increase in the deficit in the 1990s, Moore says, is due to President Bush's raising domestic outlays from 13 percent to 16.5 percent of GDP in three years. Yet the economy is still

in recession, and the urban problems persist.

Moore argues that the lesson to be learned is that the road to prosperity is not found in more federal spending. This can only lead to higher taxes, an out-of-control national debt, and economic peril. The road to prosperity is found in cutting federal government spending and reducing the tax burden on American families and business.

Report Says Wealthy Pay Their Fair Share in Taxes

The top 10 percent of income earners paid 53 percent of all federal individual income taxes according to the Tax Foundation, a Washington, D.C.-based nonprofit, nonpartisan research and public education organization operating since 1937. The Tax Foundation based its analysis on the recently released 1990 tax return data from the Internal Revenue Service (IRS).

Recent findings of the Tax Foundation show that the share of the tax burden borne by the upper end of the income scale has steadily increased over the decade, from 48.6 percent in 1980 to 53.9 percent in 1990, despite claims that tax legislation during the 1980s was kindest to those at the top. Their average 1990 tax payment of \$22,342 was 9 percent greater than in 1980 after adjusting for inflation. "The top 10 percent of income earners may conjure up images of high society to some people, but actually the adjusted gross income for this group reached down to \$63,818, not far from 1990's two-earner median family income of \$50,898," said a foundation statement.

At the other end of the income distribution, taxpayers in the bottom half of income earners saw their share of income taxes decline from 7.4 percent in 1980 to 6.2 percent in 1990. The allegations that the benefits of the Economic Recovery Tax Act of 1981 and Tax Reform Act of 1986 went mostly to the wealthy, is highly questionable after reviewing the data.

Pork-fed Catfish Go Belly Up

Thousands of catfish are dying as the \$450 million catfish industry, once hailed as the savior of the rural southern economies, teeters on the brink of total collapse, according to a recent article in *The Washington Post*.

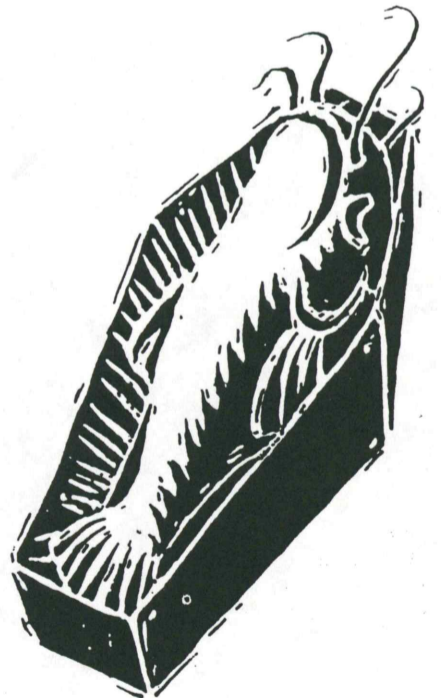
Until recently, the catfish industry was booming with annual increases in production

and consumption. Now overproduction, which characterized the industry for so long, has driven prices down and with them the profitability of catfish farms. Hundreds of farmers stand to lose their investments. Catfish today sell for 60 cents a pound, about 5 cents below the cost to produce a pound of catfish.

The situation is equally grim for the fish. Catfish ponds have become overpopulated as a result of overproduction. "Such abundant life, such breathing and metabolizing can deplete oxygen in hours, killing an entire pond in minutes," writes *Post* reporter William Booth.

The catfish industry is "a victim of capitalism run amok and of a vicious cycle of supply and demand," according to *The Washington Post*. This was not always the case. During the 1980s, the government began to award grants to catfish processing plants and other related areas. In 1991, Sen. Dale Bumpers (D-Ark.) appropriated \$2.7 million for construction and renovations at a catfish farm in Stuttgart, Ark. The industry then was thriving.

As a result of taxpayer-financed government subsidies, the catfish industry experienced a boom, encouraging traditional



farmers to leave land-based crops to dig catfish ponds. Overproduction and overinvestment in the industry means many farmers are likely to go under.

Radical adjustments will have to be made in the future. Large firms will be most likely to survive, discouraging the entry of small time producers. Government intervention has failed once again.

Watch Dogs is edited by Sean Sutton, CAGW administrative assistant.