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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Chief of Staff, White House Office of
Series: Card, Andrew, Files
Subseries:

OA/ID Number: 04012
Folder ID Number: 04012-003c

Folder Title:
AHC General Correspondence October 1990 [3]

Stack:	Row:	Section:	Shelf:	Position:
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Withdrawal/Redaction Sheet

(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01. Resume	Re: Alan Charles Raul; Personally Identifiable Information redacted. (1 pp.)	n.d.	(b)(6)	

Page 1 of 1

Collection:

Record Group: Bush Presidential Records

Office: Chief of Staff, Office of the

Series: Card, Andrew H., Jr., Files

Subseries:

WHORM Cat.:

File Location: AHC General Correspondence October 190 [3]

Pinksheet Number: RML16112

OA/ID Number: 04012-003c

Date Closed: 3/12/2025

FOIA/Sys Case #: 2025-0373-S

Re-review Case #:

P-2/P-5 Review Case #:

THE WHITE HOUSE

WASHINGTON

October 9, 1990

Dear John,

Thanks very much for writing on behalf of Reginald Reeves. I will share your letter with the appropriate staff for review.

I'm glad things are going well for you there in Utah. Please stay in touch.

Sincerely,

A handwritten signature in dark ink, appearing to read "Andy Card".

Andrew H. Card, Jr.
Assistant to the President
and Deputy to the Chief of Staff

Mr. John Gunther
Box 863
Ketchum, Idaho 83340

THE WHITE HOUSE
WASHINGTON

DATE:

TO: General Trefrey

FROM: **ANDY CARD**

For appropriate review.

Thank you.

GUNTHER AND GUNTHER

ADVISORS AND EVALUATORS

INTERGOVERNMENTAL AFFAIRS

AND

INTERNATIONAL TRADE AND INVESTMENTS

September 28, 1990

Mr. Andrew Card
Deputy Chief of Staff
The White House
Washington, D.C.

Dear Andy:

I am enjoying my retirement here in Idaho and can't say I miss Washington. I did spend 42 years there. I do a little teaching at the University of Utah in Salt Lake City and have some international consulting work.

Recently an injustice came to my attention and I write now to ask your help. Reginald R. Reeves is a practicing attorney in the city of Idaho Falls. He is Black. He was one of the first Black attorneys in this state and was admitted to the Bar in 1952. Back then Blacks were not held in high regard in Eastern Idaho. He was very active in the Army Reserve. In 1961 there was a story in the Idaho Falls newspaper to the effect that Mr Reeves was to be promoted to the rank of Major.

Once the story appeared he was summarily discharged from the U. S. Army Reserve for alleged wrongdoing-- although not one witness ever appeared against him.

During the following twenty-nine years Mr. Reeves has sought to have this blemish upon his record removed. At first the Army lost his records. His persistence was rewarded in 1982 when an investigation initiated by the Army Discharge Review Board discovered that back in 1964 the Army General Counsel had determined that the findings in support of the discharge were: 1. Questionable; 2. Based on charges which were not proven; or 3. Made in such a way to be "suggestive of impropriety."

Having thus found the Army General Counsel concluded that there was sufficient basis for a review of the case. The review was done internally by the Board for Correction of Military Records and that Board denied relief. The record of that "review" has been lost by the Army.

The Discharge Review Board in 1982 found that the original discharge was based on "assertions and innuendoes of racial and sexual bigotry." An Honorable Discharge was ordered and awarded.

in ap

An application was promptly made to the Army Board for the Correction of Military Records, requesting action as follows:

- A. Reistatement to reserve status.
- B. Promotion the rank of major, as of the effective date in 1961.
- C. The granting of subsequent promotions to which he would hve been entitled but for the erroneous discharge.
- D. Assignment of retirement credits which would have been accrued but for such improper discharge.

Incredibly, the Board then determined that Mr. Reeves had "slept on his rights," and therefore his claim was denied.

Clearly the Army has done a serious injustice to Mr. Reeves and some in the Army refuse to acknowledge this fact and take the steps to right ths wrong.

Mr. Reeves officers serial number is O 959 139 and his Social Security number is 242 28 8997.

Would you please ask one of your staff to look into this matter? Incidently I am not doing this case for a fee and will recieve no remuneration.

Sincerely,


John J. Gunther



DEPARTMENT OF THE ARMY
BOARD FOR CORRECTION OF MILITARY RECORDS
2ND FLOOR, 1941 JEFFERSON DAVIS HIGHWAY
ARLINGTON, VA 22202-4508



8 NOV 1990

SFMR-RBR
REEVES, REGINALD R.
242-28-8997

Mr. Andrew H. Card, Jr.
Assistant to the President
and Deputy to the Chief of Staff
The White House
Washington, D.C. 20500

Dear Mr. Card:

Enclosed please find a copy of the letter I wrote
to Mr. John J. Gunther whose inquiry you referred to
this Agency.

Sincerely,


David R. Kinneer
Executive Secretary

Enclosure



DEPARTMENT OF THE ARMY
BOARD FOR CORRECTION OF MILITARY RECORDS
2ND FLOOR, 1941 JEFFERSON DAVIS HIGHWAY
ARLINGTON, VA 22202-4508



8 NOV 1990

SFMR-RBR
REEVES, REGINALD R.
242-28-8997

Mr. John J. Gunther
P.O. Box 863
Ketchum, Idaho 83340

Dear Mr. Gunther:

This is in further response to your letter dated 28 September 1990 regarding Reginald R. Reeves. Mr. Matthews, my immediate supervisor, is out of town this week on business. Before he left he asked that I write to you on his behalf and send you some basic information about Mr. Reeves' case.

not sent to AC

Since I did not know exactly what information you were interested in, I prepared a short fact sheet, a copy of which is enclosed. I am also enclosing a copy of this Board's last consideration in Mr. Reeves' case, which was on 6 October 1982, and a copy of a letter he was sent on 23 April 1986, after he had spoken by telephone to Mr. Matthews and Mr. Clark, the Principal Deputy Assistant Secretary. It is the best available copy. But, as you can see, he was invited to write requesting reconsideration. He has not yet done so.

Mr. Reeves' Official Military Personnel File is here and appears to be complete. If there are specific documents that you are interested in, I can arrange to have photo copies made. Since it is quite lengthy and I am not the official custodian of his record, I would prefer not to copy the entire file. In this regard, if you have questions, you may call me at (703) 692-4584.

Sincerely,

(signed) David R. Kinneer

David R. Kinneer
Executive Secretary

Enclosures



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D.C. 20310-1813



18 October 1990

SAMR-RB

FYI

Mr. John J. Gunther
P. O. Box 863
Ketchum, Idaho 83340

Dear Mr. Gunther:

This letter is in response to your September 28, 1990 letter to Mr. Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff.

The subject matter of your letter was Reginald R. Reeves' association with the United States Army.

Please be advised that before I can discuss any aspect of Mr. Reeves' military records with you I must have a notarized release signed by Mr. Reeves specifically authorizing disclosure of his military records to you.

Were I not to require this release, I would be in violation of the Privacy Act.

Sincerely,

(Signed) John W. Matthews

John W. Matthews
Deputy Assistant Secretary
(DA Review Boards and Equal Employment
Opportunity Compliance and Complaints Review)

u 28503

THE WHITE HOUSE
WASHINGTON

October 11, 1990

90 OCT 11 AM 9:30

OSD
WHITE HOUSE LIAISON

MEMORANDUM FOR WHITE HOUSE LIAISON
THE PENTAGON

FROM

JONI STEVENS

Please have a draft reply prepared
for General Trefry's signature.

Many thanks.

W28503

**THE WHITE HOUSE
WASHINGTON**

DATE: October 9, 1990

TO: General Trefrey

FROM: ANDY CARD

For appropriate review.

Thank you.

THE WHITE HOUSE
WASHINGTON

October 11 1961 9:30 AM

GSD
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Assistant to the President
and Deputy to the Chief of Staff

Mr. John Gunther
Box 863
Ketchum, Idaho 83340

GUNTHER AND GUNTHER

ADVISORS AND EVALUATORS
INTERGOVERNMENTAL AFFAIRS
AND
INTERNATIONAL TRADE AND INVESTMENTS

September 28, 1990

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Deputy Chief of Staff
The White House
Washington, D.C.

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Sincerely,



John J. Gunther

THE WHITE HOUSE

10-22-90

Dear Martha -

The Cellucci event you hosted last Friday was a tremendous success. Thank you very much for making it all happen.

Keep in touch. Sincerely,
Andy

Andrew H. Card, Jr.
THE WHITE HOUSE
WASHINGTON



Martha Chayet
24 Commonwealth Avenue
Boston, Massachusetts
02116

THE WHITE HOUSE

10-22-90

Dear Mr. Rogers -

You were kind to open your home
to John de Long last Friday evening.
I appreciate your support of John and
your understanding of my quick drop-by.
Please keep in touch.

Sincerely,
Andy Card

Andrew H. Card, Jr.
THE WHITE HOUSE
WASHINGTON



Mr. Dorothy Rogers
180 Commonwealth Avenue
Boston, Massachusetts
02116

THE WHITE HOUSE

10.22.90

Dear John -

It was great to see you
last Friday in Boston. I hope
Dorothy Rogers didn't mind me
crashing your event at her home.
Good luck on November 6th.

Sincerely,

Andy Card

Andrew H. Card, Jr.
THE WHITE HOUSE
WASHINGTON



John de Jong
50 Commonwealth Ave.
Boston, Massachusetts
02116

THE WHITE HOUSE

10-22-90

Dear Heinz -

Thank you for talking with me last Friday. I appreciate your willingness to help Linda Gambatesa.

Linda worked with me as my right hand. She is truly a superstar. Now that Linda's husband has been transferred to Detroit, Michiganders will benefit by her abilities.

Again, thank you. Please keep in touch.

Sincerely, Andy Card

THE WHITE HOUSE
WASHINGTON

Mr. Heinz Prechter
Chairman and President
ASC Incorporated
One Sunroof Center
Southgate, Michigan 48195

PERSONAL

f. 4

THE WHITE HOUSE
WASHINGTON

October 19, 1990

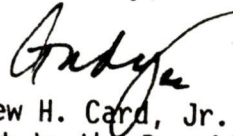
Dear Max,

I just wanted to put in a plug for my former assistant, Linda Gambatesa, who will be in Detroit next week with her husband to start house hunting.

Linda is a real superstar! She worked with me here at the White House for several years, both in my present position and during the Reagan Administration in the Office of Intergovernmental Affairs. She's a valued professional colleague and friend, and would be an asset to any organization. I hope you have the opportunity to meet her.

I hope all is well with you. Keep in touch.

Sincerely,



Andrew H. Card, Jr.
Assistant to the President
and Deputy to the Chief of Staff

Mr. Max Fisher
2210 Fisher Building
Detroit, Michigan 48202

Dictated but not read

THE WHITE HOUSE

10-22-90

Dear Max -

The President said your meeting here today was helpful. I'm sorry I missed you when you were in the building.

Thank you for taking an interest in assisting my former right hand superstar, Linda Lambatesa. She worked with me during all three of my stints at the White House. Linda's husband, a secret service agent, has been transferred to Detroit so Michiganders will now get the benefit of Linda's ability.

Keep in touch.

Sincerely, Andy Card

Andrew H. Card, Jr.
THE WHITE HOUSE
WASHINGTON

Mr. Max Fisher
2210 Fisher Building
Detroit, Michigan
48202

THE WHITE HOUSE

Oct. 24, 1990

Dear Senator McClure -

I thought you might
find the attached interesting. It
is hardly what our President
deserves - especially from a Republican.

Sincerely, Andy Card

Andy Card
THE WHITE HOUSE
WASHINGTON

Honorable James A. McClure
United States Senate
309 Hart Building

PERSONAL AND ~~CONFIDENTIAL~~

Determined NOT to be
National Security Classified Marking
By PW (NLGB) on 03/12/25

GOP HOPEFULS CHOKE ON PRESIDENT'S WAFFLES

George Bush may be remembered as President Flip Flop for having changed positions on taxes, civil rights and gun control, but Republican candidates already are thinking of him as President Albatross.

They say his courting of black voters, like his negotiations with Democrats on taxes and spending, set him up for a fight he can't win.

Even though they think his veto Monday of what he called racial hiring quotas will represent a slight gain with his political base, they say the White House messed up on a number of other fronts, letting the Democrats control the civil rights debate as they did the budget summit.

"There seems to be no sense of strategy, economic or political, in this White House," said Sen. Wallop.

Republican candidates can't be blamed if some of them secretly wish they could tell Mr. Bush: "Ronald Reagan was a friend of mine, and you're no Ronald Reagan."

A secret National Republican Congressional committee poll posed this proposition earlier this month: "If a tax increase is passed by Congress and my congressman supports it, this fact alone would make me vote against him in the next election." Fifty-four percent of all respondents nationwide and 60 percent of Republicans agreed with the statement.

(Ralph Hallow, news analysis, Washington Times, A1)

ELIZABETH DOLE TO RESIGN LABOR POST**Secretary First To Leave Bush Cabinet; Will Head Red Cross**

Elizabeth Dole will announce her resignation as secretary of Labor at the White House Wednesday to become president of the American Red Cross, Administration sources said Tuesday.

There was no immediate indication who would be named to succeed Dole, the only woman in the Cabinet and the first Cabinet officer to leave the Bush Administration.

The Labor Department would not comment Tuesday on the resignation reports and Dole was unavailable for comment.

Administration sources said Dole first discussed resigning with President Bush during an Oct. 10 campaign trip to North Carolina for Sen. Helms.

(Frank Swoboda and Ann Devroy, Washington Post, A4)

HOUSE OKs PAINFUL FARM BILL

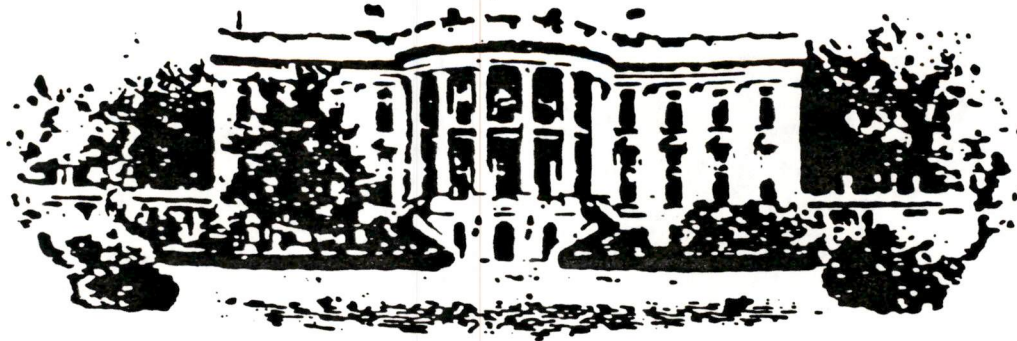
The House, after bitter accusations over who was to blame for the painful cuts, passed a bill Tuesday that would lead to a 25 percent cut in farm spending, but try to make up for it by giving farmers more freedom to look for money-making crops.

The farm policy bill, which now goes to the Senate, also takes new steps to protect water supplies from contamination by farm chemicals as well as creating the first-ever nationwide rules on what can be called organic food.

President Bush was expected to sign the bill. It sets the terms for farm subsidies, export promotion, research and public feeding programs for the next five years. The bill passed the House, 318-100, with opponents mostly being urban Democrats and Midwestern populists.

(Charles Abbott, UPI)

THE WHITE HOUSE
EXECUTIVE OFFICE OF THE PRESIDENT



FACSIMILE TRANSMITTAL SHEET

DATE: October 24, 1990

TO: Mr. John Lindley

FROM: Andy Card

PHONE: 202/456-2533

COMMENTS: Please give me a call about this when
you get a second.

NUMBER OF PAGES, EXCLUDING COVER SHEET Five (5)

TRIP NEWS

VERMONT CONGRESSMAN PUBLICLY DISAGREES WITH BUSH ON CIVIL RIGHTS BILL, TAXES

BURLINGTON, Vt. -- President Bush got a very public reminder Tuesday -- delivered by Vermont Rep. Peter Smith -- that some members of his own party are not behind him on the issues of civil rights and taxes.

Smith, a moderate freshman locked in a tossup battle for re-election, introduced Bush at a GOP fund-raising breakfast, and served up some pointed criticism with the \$125-a-plate apple pancakes.

Smith began with his differences with Bush on the civil rights bill that the President vetoed on Monday. Smith supports the measure.

The congressman then told the gathering, "I believe the people of Vermont are ready and willing to support higher tax brackets on the wealthy as an important part of any package to get this country out of deficit spending." Bush has argued to the contrary.

The President, finishing his pancakes, looked a little puzzled. Then, he clasped his hands together slowly as if in disdain of Smith's remark, perhaps the most halfhearted introduction Bush has received in his presidency.

(John Mashek, Boston Globe)

Agree To Disagree -- President, Smith Air Differences

BURLINGTON -- When he introduced Rep. Peter Smith at the Vermont GOP's fundraiser in South Burlington Tuesday, Sen. Jeffords coyly made the first reference to the differences between Smith and President Bush.

After listing Smith's accomplishments in Congress after nearly one term, Jeffords told the crowd of 700 Republicans waiting to hear the President speak: "He has demonstrated that kind of independence, and I'm sure he gives the President a little bit of anguish then and now. I've been known to do that a little myself."

In his introduction of Bush, Smith continued where Jeffords left off. "My specific disagreements with this Administration are a matter of record -- mostly recently the civil rights bill and some of the elements of our deficit-reduction (package)," Smith said.

Taking the microphone after a 30-second standing ovation, Bush seemed prepared for the focus on Smith's breaks from the GOP, apparently part of a strategy for Republican candidates to distance themselves from Bush's controversial positions on taxes and the federal deficit.

"Like all Vermonsters, he is a man of independent mind," Bush said. "I wish he'd stop reminding that we do have a few differences.... There are 435 of these people serving in the U.S. Congress...but this one votes his conscience.... We need more of that on Capitol Hill."...

In his speech, Bush also reiterated his "no deals" policy on Iraq's invasion of Kuwait and said a budget compromise would be nailed down soon. (Lisa Scagliotti, Burlington Free Press, A1)

-more-

Bush Boosts Candidates Who Often Oppose Him

BURLINGTON -- President Bush blitzed New England Tuesday to send two Mr. Smiths back to Washington, where both oppose him as often as not.

Mr. Bush said he enjoyed the fall foliage tour, but Peter Smith smilingly chastised him at breakfast in Vermont and Bob Smith didn't even show up for lunch in New Hampshire.

At the Vermont fund-raiser, Mr. Bush grinned self-consciously through Rep. Peter Smith's blunt introduction, then allowed, "I wish he'd stop reminding me that we do have a few differences out there."...

"Ask yourselves why did this President last May decide that the issue he had run on and won on now had to be laid on the table as a point of negotiations. We are talking about his pledge on taxes," said Mr. Smith, who has voted against Mr. Bush 49 percent of the time.

"My specific disagreements with this Administration are a matter of record -- most recently the civil rights bill, some of the elements of our deficit reduction," he said as Mr. Bush squirmed at the head table....

Mr. Bush admitted to caving in on some of his strongest stands and blamed in on Democratic control of both houses.

"I've found as President if you want to make something happen, you have to have the votes to make it happen. You can't do it just the way you want to do it, so it means compromise," he said.

(Frank Murray, Washington Times, A4)

WAR PROTESTERS STIR BUSH INTO ROUSING JUSTIFICATION

BURLINGTON -- President Bush resisted protesters' peace signs Tuesday, saying he would never compromise on President Saddam's "crimes against humanity."

"There can never be compromise, any compromise, with this kind of aggression.... Good God, this is 1990 and you see this man starving out small embassies," Mr. Bush said during a political rally. About 100 people carrying peace symbols and protest signs picketed the entrance to the rally.

"I saw the signs coming in that said, 'No War For Oil.' I can understand the sentiments of some of those young people," Mr. Bush said.

The huge banners also said, "Talks Not Troops," "No to Intervention" and "No to War."

"Our concern, far beyond the price of oil, is the fate of sovereign nations and people. There's a moral underpinning, a strong moral underpinning," Mr. Bush said at the Republican breakfast fund-raiser.

(Frank Murray, Washington Times, A4)

TRIP NEWS

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In his speech, Bush also reiterated his "no deals" policy on Iraq's invasion of Kuwait and said a budget compromise would be nailed down soon. (Lisa Scagliotti, Burlington Free Press, A1)

-more-

BUSH CAMPAIGNS IN CITY
President Defends Civil Rights Act Veto

WATERBURY, Conn. -- President Bush defended his veto of the civil rights act while campaigning in Waterbury on Tuesday for Gary Franks and said the veto shouldn't hurt the Republican party's efforts to attract minority voters.

Bush held a brief news conference after a \$550-per-person fund raiser at the Sheraton Hotel Waterbury for Franks, the Republican 5th District candidate for Congress. About 140 supporters attended, including GOP gubernatorial candidate U.S. Rep. John Rowland and dozens of party figures.

"It was a real positive thing for Gary," said Waterbury Republican town chairman Robert Porzio, one of dozens of happy Republicans who attended the private half-hour meeting. "The President said he needed a strong leader like Gary to be in the 5th District. And he said Connecticut needs a strong leader like Rowland."

Although reporters were barred from the closed-door meeting, the President took a few questions after and defended his handling of the civil rights act.

"I was hoping Congress would do what I asked them to do because I am for civil rights but not a quota bill. I am opposed to quotas," said Bush, flanked by Franks and Rowland....

"I, too, oppose the original version of the Civil Rights Act of 1990," said Franks. "Whenever a company can be deemed guilty of discrimination due largely to not having a proper number of minority and females in the proper job classifications, it smells like a quota."...

"I think it (the veto) sends a signal that we are for civil rights and we're opposed to quotas, and I think most citizens will understand that, regardless of race," Bush said. "I do what I think is right and I think I'll have strong support from the people across all racial lines." (Robert Fredericks and Bill Leukhardt, Waterbury Republican American, A1)

BUSH HITS DEMOCRATS ON TAXES DURING NEW ENGLAND CAMPAIGN SWING

STAMFORD, Conn. -- President Bush, stumping for Republican candidates in New England, lashed out at congressional Democrats Tuesday for demanding "soak the rich" taxes as part of a budget package.

"Democrats are out there saying 'Tax the rich, we're going to soak the rich' and what that means is be careful -- every working man and woman in Connecticut, we're after what's in your pocket," he said.

"They've done this over and over again and we are not going to permit them to get further into the pockets of the taxpayers in this country under the guise of soaking the rich," Bush added....

"I'm so frustrated by Congress's inability to do anything. I don't know what I'm going to do," Bush said earlier when asked about reports that rank-and-file Democrats were balking at a tax plan worked out by congressional leaders because they wanted to raise taxes on wealthy Americans even more to forestall proposed cuts in social programs.

(Laurence McQuillan, Reuter)

CAMPAIGNING FOR THE GOP, BUSH DISCOVERS HE'S AN ISSUE

STAMFORD -- It was to have been a routine day of campaigning. Instead, George Bush got an object lesson Tuesday in how the budget crisis has disrupted the Republican Party, and how quickly loyalties can shift when a presidency is weakened and defiance of the White House becomes a political plus.

Stumping through New England on a trip that had been postponed by the budget crisis, Mr. Bush was introduced at a fund-raising event in Vermont by a Republican candidate who made a point of opposing the President's stand on the job-discrimination bill that Mr. Bush vetoed Monday.

The candidate, Rep. Peter Smith, then tried to solve his campaign problems at the President's expense. He broke with the President on taxes by saying he supported higher rates on the wealthy. At the same time, he reminded his audience that Mr. Bush abandoned the no-new-taxes pledge on which he ran in 1988....

Mr. Bush looked grim, wiping the juice of a Vermont apple from his chin and toying with the remnants of his hotcakes-and-maple syrup breakfast as Mr. Smith went on: "Ask yourselves, why did this President, last May, decide that the issue he had run on and won on now had to be laid on the table as a point of negotiations? We're talking about his pledge on taxes. He did it because he understood that the good of this country had to come first."

The President, who was not warned of Mr. Smith's planned remarks but did not seem surprised, tried to laugh them off before the friendly crowd. "Like all Vermonters, he is a man of independent mind," Mr. Bush said. "I just wish he'd stop reminding me that we do have a few differences out there."

(Andrew Rosenthal, New York Times, A1)

FRUSTRATED BUSH TASTES POLITICAL FALLOUT FROM BUDGET MESS

A long, dreary day on the campaign trail has given George Bush a firsthand feel for the political cross-currents sweeping Congress as lawmakers struggle to produce a budget.

Everywhere he went during a three-state swing through rainy New England Tuesday, Bush was reminded of divisions within his Republican Party that have complicated efforts to put together a deficit reduction package.

In Vermont, he tried to drum up votes for Rep. Peter Smith, who is in reelection trouble for supporting a budget plan the President wanted.... In neighboring New Hampshire, Bush stumped for Rep. Bob Smith, running in the race for the Senate, even though he opposed the plan. This Smith continued to distance himself by failing to show up for the event.

And in Connecticut, John Rowland, the Republican candidate for governor, seemed to straddle the budget controversy when he praised Bush for making "tough decisions -- some good, some bad."

(Gene Gibbons, Reuter)

BUSH CAMPAIGNS IN CITY
President Defends Civil Rights Act Veto

WATERBURY, Conn. -- President Bush defended his veto of the civil rights act while campaigning in Waterbury on Tuesday for Gary Franks and said the veto shouldn't hurt the Republican party's efforts to attract minority voters.

Bush held a brief news conference after a \$550-per-person fund raiser at the Sheraton Hotel Waterbury for Franks, the Republican 5th District candidate for Congress. About 140 supporters attended, including GOP gubernatorial candidate U.S. Rep. John Rowland and dozens of party figures.

"It was a real positive thing for Gary," said Waterbury Republican town chairman Robert Porzio, one of dozens of happy Republicans who attended the private half-hour meeting. "The President said he needed a strong leader like Gary to be in the 5th District. And he said Connecticut needs a strong leader like Rowland."

Although reporters were barred from the closed-door meeting, the President took a few questions after and defended his handling of the civil rights act.

"I was hoping Congress would do what I asked them to do because I am for civil rights but not a quota bill. I am opposed to quotas," said Bush, flanked by Franks and Rowland....

"I, too, oppose the original version of the Civil Rights Act of 1990," said Franks. "Whenever a company can be deemed guilty of discrimination due largely to not having a proper number of minority and females in the proper job classifications, it smells like a quota."...

"I think it (the veto) sends a signal that we are for civil rights and we're opposed to quotas, and I think most citizens will understand that, regardless of race," Bush said. "I do what I think is right and I think I'll have strong support from the people across all racial lines." (Robert Fredericks and Bill Leukhardt, Waterbury Republican American, A1)

BUSH HITS DEMOCRATS ON TAXES DURING NEW ENGLAND CAMPAIGN SWING

STAMFORD, Conn. -- President Bush, stumping for Republican candidates in New England, lashed out at congressional Democrats Tuesday for demanding "soak the rich" taxes as part of a budget package.

"Democrats are out there saying 'Tax the rich, we're going to soak the rich' and what that means is be careful -- every working man and woman in Connecticut, we're after what's in your pocket," he said.

"They've done this over and over again and we are not going to permit them to get further into the pockets of the taxpayers in this country under the guise of soaking the rich," Bush added....

"I'm so frustrated by Congress's inability to do anything. I don't know what I'm going to do," Bush said earlier when asked about reports that rank-and-file Democrats were balking at a tax plan worked out by congressional leaders because they wanted to raise taxes on wealthy Americans even more to forestall proposed cuts in social programs.

(Laurence McQuillan, Reuter)

**CANDIDATES SPURN BUSH'S EMBRACE
Taxes, Budget Take Political Toll**

STAMFORD -- In this season of Republican discontent with the President, George Bush has been made to eat from a daily diet of small humiliations dished out by members of his own party. Tuesday, he got another helping.

Bush had arisen in Washington's pre-dawn rain and flown off to embrace Republican candidates for the House and Senate. At the first stop, in Vermont, the candidate asserted his independence from the President on taxes and the civil rights bill. At the second stop, in New Hampshire, the candidate sent his regrets, saying he was too busy casting votes in the House back in Washington.

And at the third stop, in Connecticut, the candidate did show up, but the event with the President was held in private, away from the news media.

For Bush, a fall campaign that started with a 75 percent approval rating and the warm embrace of GOP candidates is ending with a 55 percent approval rating and with candidates running away from him and, sometimes, running against him -- although he is still in great demand as his party's best fund-raiser.

As if this were not enough, Edward Rollins, co-chairman of the National Republican Congressional Committee, has circulated a memo to GOP contenders advising them not to hesitate to separate themselves from the President on a range of issues.

(Ann Devroy, Washington Post, A1)

MAN TO MAN

During a campaign stop Tuesday in Stamford, Conn., President Bush met Jimmy Kilanowski, 8, of Lake Ronkonkoma, N.Y., who's terminally ill from brain tumors. Jimmy had said he wanted to meet the President and shake his hand. Bush invited the family after reading news accounts that Jimmy's hopes of meeting him had been frustrated by a bureaucratic snarl at the White House. Bush hugged the boy, who put his arms around the President's neck and whispered something to him. When the President left, the boy turned to his parents and said, "He still cares."

(USA Today, 4A)

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THE WHITE HOUSE

10-24-90

Dear Jennifer -

Thank you for your letter of October 15th
and the copy of your correspondence of
August 2nd to the President.

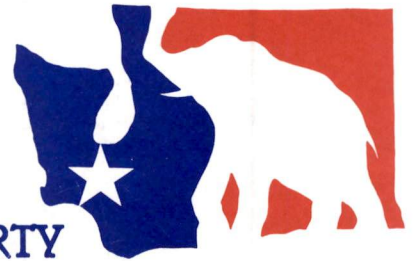
Unfortunately, the President will not
be able to visit Washington State between
now and the end of the year. I'll make
sure your request stays in the active
file for next year.

Keep in touch.

Sincerely, *Andy Card*

THE WHITE HOUSE
WASHINGTON

Honorable Jennifer B. Dunn
Chairman
Washington State Republican Party
9 Lake Bellevue Drive
Bellevue, Washington 98005



WASHINGTON STATE REPUBLICAN PARTY

Jennifer B. Dunn
Chairman

October 15, 1990

Andrew H. Card, Jr.
Assistant to the President
and Deputy to the Chief of Staff
The White House
Washington, D.C. 20500

Dear Andy:

Attached is an updated invitation to the President to visit Washington State during or after the 1990 election season.

If he will be going to California on behalf of Pete Wilson or Hawaii for Pat Saiki or out to the coast for any other visit, it would be terrific if he could stop in Seattle for an event.

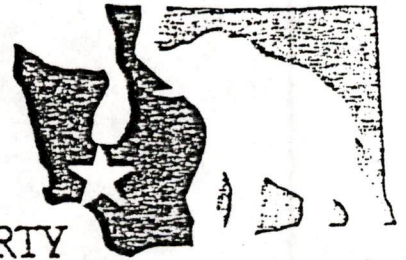
We are flexible in our scheduling and will be happy to work around any time frame.

Any help you can give us with our request is greatly appreciated.

I look forward to hearing from you soon.

Best regards,

Jennifer B. Dunn
Chairman
JBD/lis



WASHINGTON STATE REPUBLICAN PARTY

Jennifer B. Dunn
Chairman

August 2, 1990

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

Dear Mr. President:

On behalf of the Washington State Republican Party, I would like to extend an invitation to you to visit our state on your next scheduled trip to the West Coast.

Mr. President, we would be delighted to host a dinner, reception or other special event in your honor. We have not had the privilege of your company since August of 1988.

Although there are many important races for Republicans around the country, one of the top targeted Congressional races is the Bob Williams race in Vancouver, Washington. This was the closest Congressional race in the nation in 1988 and we have a very good chance of presenting you a victory in 1990.

The State Party appreciated the time you spent with Bob when you visited Oregon last spring, and he received excellent press coverage from that meeting. It would be a terrific boost to your supporters in Seattle to have the chance to see you again, and it would also help us raise money for the voter turnout plan for Bob's race and our races to keep control of the State Senate.

We had a delightful evening when Mrs. Bush visited us in July. It was so good to see her -- everyone had a wonderful time and it reinforced our desire to have you visit us again.

I hope you will consider us on your next trip west. I'll look forward to hearing from you soon.

Best regards,

Jennifer B. Dunn
Chairman
JBD/lis

9 Lake Bellevue Drive
Bellevue, Washington 98005
(206) 451-1988

f.6

THE WHITE HOUSE
WASHINGTON

October 22, 1990

MEMORANDUM FOR ANDY CARD

FROM:

EDE HOLIDAY 

SUBJECT:

August 3 letter from John McKernan

Governor McKernan's letter to you of August 3 concerning the Jackson Lab was a piece of correspondence that apparently slipped through the cracks when Cabinet Affairs had its staff turnover in early September. I apologize for the delay in getting back to you about it.

THE WHITE HOUSE
WASHINGTON

Date: 10-18-90

FOR: *Ede Holiday*

FROM:

ANDY CARD

☐ Action

☐ Your Comment

☐ Let's Talk

☒ FYI

*Why did it take from
August 3 to Oct. 16
to get a response?*

THE WHITE HOUSE
WASHINGTON

October 16, 1990

TO: Andy Card

FROM: EDE HOLIDAY

☒ FYI

☐ Action

☐ Comment

THE WHITE HOUSE

WASHINGTON

October 16, 1990

MEMORANDUM FOR EDE HOLIDAY

FROM: DANIEL CASSE *Dac*

SUBJECT: McKernan-Card correspondence regarding the Jackson Lab in Maine

After consulting with Holly, Michael, and Amy Schwartz of the White House Counsel's Office, I would recommend that we close out this file with no further correspondence.

The attached August 3 letter from Governor John McKernan to Andy Card followed a phone conversation they had regarding the Jackson Lab in Bar Harbor, Maine. The Lab has applied for a waiver of current regulations that prohibit federal research grants from being applied to interest expenses on construction loans.

The White House Counsel's Office informs me that in regulatory decisions of this sort, an inquiry from the White House -- even a call about the status of the decision -- would be inappropriate.

In the last few weeks, however, I have learned through informal channels that the Jackson Lab received a \$14.8 million award from the National Institutes of Health for construction and remodelling projects in September, but the waiver is still pending OMB and HHS clearance.



STATE OF MAINE
OFFICE OF THE GOVERNOR
AUGUSTA, MAINE
04333

JOHN R. MCKERNAN, JR.
GOVERNOR

August 3, 1990

Andrew H. Card, Jr.
Assistant to the President
and Deputy to the Chief of Staff
The White House
Washington, D.C. 20500

Dear Andy:

I am writing to follow-up on our phone conversation earlier today regarding the federal research grants for the Jackson Lab here in Maine. Specifically, I would greatly appreciate your early attention to the possible favorable consideration of an interest waiver for the Lab.

As you may already know, a component of the federal research grants which the Lab receives is allocated to pay for general overhead expenses, which, as indirect grants, currently cannot be applied to interest expenses. Since the Lab is anxious to take out a construction loan and to apply the indirect component of its grant proceeds to fund the interest on that loan, the granting of a waiver in this situation is most important. I understand that federal procedures do allow educational institutions to recover interest costs in this way and thus there is precedent for such a waiver.

The Lab has filed an application, which is currently pending, to OMB for a waiver to the current restriction. They anticipate a decision within the next one-and-a-half to two weeks. Thus, your assistance would not only be appreciated but timely as well.

Thank you very much in advance, Andy, for your assistance in this matter.

Sincerely,

John R. McKernan, Jr.
Governor

JRM/rds



UNITED STATES DEPARTMENT OF
HEALTH AND HUMAN SERVICES
NEWS

FOR IMMEDIATE RELEASE
Friday, September 21, 1990

Public Health Service
Anne Thomas
(301) 496-5787

HHS Secretary Louis W. Sullivan, M.D., and William F. Raub, Ph.D., acting director of the National Institutes of Health, today announced awards totaling \$14.8 million for construction and remodeling projects at seven institutions around the country engaged in biomedical research. This amount includes \$9.5 million for a facility at the Jackson Laboratory in Bar Harbor, Maine, which breeds and provides special laboratory mice for many research institutions conducting studies for the improvement of health.

"Of particular concern to our department and the Congress was the desperate situation at the Jackson Laboratory," said Secretary Sullivan. "A fire swept through the mouse breeding building on May 20, 1989, and virtually destroyed it, drastically reducing the nation's supply of research animals. That facility has been a unique national resource for many years. It supplies inbred mouse strains and special mutants to a broad cross-section of medical investigators throughout the world. This award is the federal response to help restore the facility to full operation within two years." It is being funded through the National Cancer Institute.

"These projects were identified by the acting director of the National Institutes of Health as having urgent national importance and were selected by competition using the peer review process," said Dr. James O. Mason, assistant secretary for health. "They cover facilities for cancer, vision, and heart, lung and blood research." NIH Acting Director Raub said, "I am particularly pleased that we are able to provide funding for facilities in a number of different fields in consonance with the breadth of NIH programs."

Other awardees are:

*Doheny Eye Institute at the University of Southern California in Los Angeles, \$480,938.00 from the National Eye Institute, for converting existing space into a research laboratory and central support facility for its Center for Molecular Biology of Vision.

- More -

- 2 -

*University of Michigan at Ann Arbor, \$1,045,000 from the National Cancer Institute for completing construction to house a cancer genetics research facility and two core laboratories.

*Purdue University at West Lafayette, Ind., \$1,538,185 from the National Cancer Institute for construction to consolidate most of the major programs of the Purdue Cancer Center in the Hansen Life Science Research Building.

*University of Iowa at Iowa City, \$655,358 from the National Heart, Lung and Blood Institute for remodeling existing space to support cerebral vascular research within the Division of Neuropathology of the Department of Pathology.

*Kenneth T. Norris Jr., Comprehensive Cancer Center at the University of Southern California, Los Angeles, \$1,187,686 from the National Cancer Institute for completing a facility for the Center's Division of Cancer Cause and Prevention.

*University of Wisconsin Clinical Cancer Center, Madison, \$384,833 from the National Cancer Institute for construction of a new cancer biostatistics center.

The latter two awards were made earlier this year under the same program.

#

Andy,

The Governor has seen
the letter from Breger
and had Katie send it
to General Scowcroft.

lc

**Document Originally
Attached to
Following Page**



ADMINISTRATIVE CONFERENCE OF THE UNITED STATES
2120 L STREET, NW., SUITE 500
WASHINGTON, D.C. 20037

PHONE: (202) 254-7020
FAX: (202) 254-3077

TO: ANDREW CARD

DATE:
10/25/90

FROM: MARSHALL BREGER

PAGES:
1 + cover

Andy Card

Andy -
any possibilities
here?

Thanks a million.



ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

2120 L STREET, N.W., SUITE 500

WASHINGTON, D.C. 20037

(202) 254-7020

October 24, 1990

OFFICE OF
THE CHAIRMAN

Honorable John Sununu
Chief of Staff
Executive Office of the President
The White House
Washington, DC 20500

BY FACSIMILE

Dear Governor:

I know you have far more important subjects at hand this week but I wanted to let you know that Hernando de Soto, the Peruvian economist who has so excited conservatives concerned with foreign aid and Third World development, will be in the United States October 31-November 7.

De Soto called me to raise the possibility of meeting with the President during his upcoming trip to the States. The President would, I believe, very much enjoy meeting him (as would you) and it would serve as a positive reinforcement to the work his Institute for Liberty & Democracy is doing in spurring private sector entrepreneurship in the Third World. As you know, his work in this area has been enthusiastically praised by the Heritage Foundation, AEI and many others in the field. You may recall that tentative arrangements had been made for de Soto to meet with the President last spring. That was before the Peruvian elections however, and the meeting was cancelled so as not to have the President appear to be taking sides in the election. (Over the past year, I have been doing a good deal of work to assist de Soto in Third World deregulation.)

If there is an opening between October 31-November 7 for me to bring de Soto in, please let me know.

Very truly yours,


Marshall J. Breger
Chairman

MJB/kk



✓

The President's Commission on Executive Exchange
The White House

October 23, 1990

Dear Andy:

Thank you so very much for making opening remarks last week at our Public Policy Seminar. The executives commented that they really enjoyed your "walking them through the White House". It was an eye opener for them.

I appreciate the assistance and support you and others have given us in preparing for meetings and speakers. Your help makes our presentations so much more credible, and I thank you.

Hope things will slow down some for all of you after the budget crisis is over. I can imagine what you have been going through.

Thanks again, Andy, and especially for your friendship.

Sincerely,

Anne



Town of Abington
OFFICE OF
BOARD OF SELECTMEN
33 RANDOLPH STREET
POST OFFICE BOX 98
ABINGTON, MASS. 02351
(617) 878-0805

AC HAS SEEN

October 12, 1990

Commanding Officer, Northern Division
Naval Facilities Engineering Command
Building 77L, U.S. Naval Base
Philadelphia, PA 19112

Dear Sir:

The Abington Board of Selectmen wishes to commend Robert K. Ostermueller, civilian Navy engineer and the consulting firm for a job well done given the time restraints on the DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR BASE CLOSURE/Realignment of NAVAL AIR STATION, SOUTH WEYMOUTH, MASSACHUSETTS. We also wish to commend Captain Kuchinski and the other officers of the South Weymouth Naval Air Station for their assistance to our Board and the Abington Airport Committee during this process. However, we agree with our Airport Committee that there is pertinent information lacking to properly make a determination to access the closing of the South Weymouth Naval Air Station. To better define our comments, we refer to the page number and section.

Page S-2/S. 1.2 "Ranking NAS in the lower third of reserve/active air installation and poorest facility condition of all reserve stations": No information available in draft to compare other bases as far as cost or conditions.

Page S-8/S. 3.1 "The 1887 reservists to find alternative reserve billets within commuting distance": No alternatives mentioned and it was stated at the public meetings that many would be forced to resign.

Page S-8/S.3.1 "Revenue losses to the state of Massachusetts are estimated at about \$3.1 million": These figures should be readdressed due to the drastic decline in the fiscal economy of the State since the draft was completed.

Page S-11 Table 2-3 "NAS South Weymouth - Cost to close ND": To reaffirm the lack of pertinent information to properly evaluate the closing.

Page 4/SW. 3.1 "The number of military personnel in the Boston region in 1988 was estimated at 30,645 or 1.4 percent of all employed persons. Nationally, the 1988 number was 2,771,000, or 2.1 percent of all employed persons." As so stated - this

Page Two

reduction would further widen the gap in the proportion of military personnel to all workers between the Boston region and the national average. How can you justify this percentage gap with regard to defense and economics to our region? Also, the Massachusetts unemployment rate already exceeds the national average.

In lieu of critiquing each base mentioned as alternates, we are in total agreement with John C. Yaney's letter dated Sept. 27, 1990 (enclosed for referral).

Although not certain at this time, the CLT question (Nov. 6th election) pertains to rolling back taxes to the 1988 level (newspaper article enclosed). If this question passes, your compilation should be adjusted accordingly to reflect the current economy and employment. If CLT passes, the estimated loss to the Town of Abington will be \$913,000 during 1990-1991 and \$1,400,000. in 1991-1992. This will be a reduction of 20% of our non-fixed budgets. Even without CLT, all three towns primarily impacted (Abington, Rockland Whitman) have had major budget reductions in the past two years because of reduced State Aid to towns and lower tax revenue due to the declining economy.

The Middle East crisis is now a major impact which should be considered to reflect the importance of the reserves at the Naval Air Station. There are currently over one hundred reservists called to active duty from this base as of this date. The proposed closing would force some reservists into leaving the service. This will damage the morale of other reservists. From the draft and the enclosed letter, it seems unnecessary to close NAS So. Weymouth and actually could cost more to re-locate at other proposed bases. It also does not seem feasible to station submarine reconnaissance planes inland.

You now have a Naval Reserve Airbase with whom the surrounding communities have always had a close rapport and regard as their "Good Neighbors". (The base has been here for almost fifty years!) Why move to an area or areas as outlined where additional airplanes and personnel might not be wanted and create or aggravate overcrowded conditions?

Also, closing of the South Weymouth Naval Air Station, following the closing of many other New England Bases (Pease Air Force Base, Charlestown Naval Shipyard, etc.) will result in less interest and enlistments from the young men and women of our area. At present, the personnel of the Naval Air Station serve as a positive role model for the advantages of the armed services careers.

Page Three

It should also be noted that in our Town Election of May 12, 1990, the voters of Abington voted to support retaining the South Weymouth Naval Air Station by an overwhelming margin of 2447 to 372.

Based on these facts, we believe that the proposed closing would be "false economy" with the actual costs and problems greatly outweighing any potential cost savings.

The Abington Board of Selectmen strongly oppose any closing of the South Weymouth Naval Air Station.

Sincerely,

Susan S. Meier, Chairman
BOARD OF SELECTMEN
TOWN OF ABINGTON

SSM:jd

Enclosures: 2

CC:

Honorable Nicholas Mavroules
Honorable Edward M. Kennedy
Honorable John Kerry
Honorable Brian Donnelly
President George Bush
Mr. Andrew J. Card, White House Assistant ✓
Mr. Richard Cheney, Secretary of Defense
Mr. H. Lawrence Garrett, III, Secretary

State to cut \$310m more from budget

By M.E. Malone
GLOBE STAFF

In a last-ditch attempt to pre-empt plans by Wall Street financiers to rate the state's credit on the level of junk bonds, Gov. Dukakis yesterday announced that his administration will cut another \$310 million from the state's \$13.4 billion budget — the second round of cuts he has ordered this month.

Dukakis and his chief advisers delivered the news yesterday and wrapped it in dire predictions about the state's economic health in the coming year.

"The current economic information is gloomy," said Revenue Commissioner Stephen Kidder, who, over the weekend, revised downward by \$310 million the state's estimate of its revenues for the fiscal year that began July 1.

"This is an estimate that assumes that things will continue to go downhill," Kidder said. "The question is whether they will go downhill faster, or more sharply, than the estimate assumes. That's what's been the case in the recent past."

Kidder said that, by this time next year, the state's unemployment rate will have climbed from its current 6.7 percent to 8 percent and that 80,000 jobs will be lost.

BUDGET, Page 10

Study warns of rollback's local impact

By Mitchell Zuckoff
GLOBE STAFF

A proposed rollback of state taxes and fees has the potential to gut local budgets, with the deepest cuts in funding for schools, police, fire and public works, according to a new state analysis.

The Revenue Department study, which is based on several assumptions on how the cuts would be implemented, estimates a \$435 million loss of local aid if the Citizens for Limited Taxation initiative is approved by voters Nov. 6.

Last year, a drop in local aid half that size resulted in hundreds of municipal layoffs, reduced services and a record number of attempts to increase property taxes through overrides of Proposition 2½.

During the fiscal year that

CLT, Page 53

Study predicts CLT petition in

■ CLT

Continued from Page 1

begins next July 1, communities and regional school districts stand to lose nearly twice as much money as this year, about \$794 million, the study says.

The new figures are likely to add a local element to the heated debate over ballot Question 3, which has been discussed almost exclusively in terms of whether it would eliminate waste or cripple essential state functions.

Based on the analysis, passage of the rollback would mean the largest dollar cost for Boston, which would lose \$70 million of its anticipated \$440 million in local aid. Springfield would be next, with \$21 million cut from \$122 million in anticipated local aid, followed by Worcester, where local aid would fall from \$97 million to \$80 million this year.

Other big losers would be New Bedford, which would lose \$11.6 million from a local aid total of \$67.5 million; Fall River, \$10.5 million of \$63.5 million; Brockton, \$9.9 million

of \$56 million; Lowell, \$9.5 million of \$56 million; and Lynn, \$9.1 million of \$50 million, the report says.

Although they would lose less money, several of Massachusetts' smaller cities likely would feel a greater burden because of their heavy reliance on state aid. Among the cities considered most at risk are Somerville, which the study says could lose \$8 million; Holyoke, \$6 million; Chelsea, \$3.8 million; and Revere, \$3.6 million.

The report, distributed last night to local officials and obtained by the Globe, is based on estimates because the CLT petition does not specify which state programs should be cut to offset the lost tax money. As a result, the Revenue Department made assumptions about where the lost revenues would be absorbed, using previous budget action by the Legislature as a guide. However, several of those assumptions are sure to be disputed by rollback proponents.

Mainly, CLT supporters argue that local aid should be exempt from rollback cuts, and the organization has endorsed a separate ballot ques-

Massachusetts' smaller cities likely would feel a greater burden because of their heavy reliance on state aid.

tion that would guarantee cities and towns 40 percent of certain state tax revenues. It is not clear how passage of that ballot question would affect implementation of rollback-induced cuts.

Targeted budgets at issue

CLT leaders also have challenged the suggestion, contained in the new study, that more than half the state's \$13.4 billion budget would be safe from cuts. Those so-called nondiscretionary budget items, which cost about \$7 billion, include

Impact worst on local budgets

debt service, workers' compensation, employee benefits and entitlement programs such as welfare and Medicaid.

Of the \$6.4 billion the Revenue Department believes is subject to cuts, more than \$2.2 billion is direct and indirect local aid funding. If the Legislature makes cuts based on the assumptions of the Revenue Department, local aid would almost certainly bear a heavy burden of budget cuts.

In fact, the 28-page report states that actual costs to communities might be even higher than projected if the Legislature follows its past practice of cutting local aid to compensate for budget shortfalls.

Moreover, the figures for potential loss of revenue do not include \$115 million in aid that cities and towns lost during the summer. Those reductions were due mostly to a 4 percent across-the-board cut in the state's discretionary spending.

If local aid is forced to absorb a share of lost tax revenues, the impact on cities and towns would be compounded by the rollback's effect

on the date of Jan. 1, 1991, six months into the current fiscal year. At that point, communities would have to squeeze the money out of half-empty accounts.

Another problem for local officials would be their inability to make up the shortfall through savings from their municipalities' nondiscretionary accounts. Those funds are used to pay for expenses that are fixed, such as debt service, pensions and insurance.

Impact on schools

As a result, the analysis predicts the cuts would be absorbed by discretionary municipal spending, an average of 80 percent of which goes to schools, police, fire and public works.

Overall, the report says passage of the CLT initiative would reduce state tax revenues by an estimated \$1.35 billion during the first half of 1991. It would cost the state \$2.45 billion in lost revenues from July 1991 to July 1992, according to the study.

The potential \$3.8 billion drop in

state tax revenues during the rollback's first 18 months is similar to an estimate offered by some of the most vocal CLT opponents. Supporters have confined their predictions to an estimate that passage would mean a tax and fee cut of roughly \$1 billion during the current budget year.

Another element of the Revenue Department's study was CLT's impact on the state's 84 regional school districts. The report said they would lose \$53 million as part of the total \$435 million drop in local aid.

The loss represents an average of 10 percent of regional school budgets. Because the cuts would come in the second half of the fiscal year, regional schools would, in effect, have to cut their budgets between January and June by 20 percent.

Under the rollback plan, state tax rates would drop to levels in effect as of Aug. 2, 1989, unless current rates were lower, and state fees would be reduced to June 1988 levels. For example, the state income tax would fall on Jan. 1 from 5.75 percent to 4.52 percent.

81 West Street
Whitman, MA 02382

27 September, 1990

Commanding Officer
Northern Division, Naval Facilities Engineering Command
Bldg. 77; Attn: Code 09P
Naval Base Philadelphia, PA 19112-5094

Subject: Draft Environmental Impact Statement
For Base Closure/Realignment of
NAS South Weymouth, Massachusetts

Gentlemen:

The purpose of this letter is to offer my comments regarding the Draft Environmental Impact Statement (DEIS) recently prepared for the possible base closure/realignment of NAS South Weymouth. I will begin by first complimenting the preparers of the document for compiling and presenting a large amount of material in a relatively short amount of time. However, I do feel that there are several areas in which the document is lacking necessary detail and which will require additional analysis.

Before presenting specific comments on the document itself, I would like to first discuss an issue which I raised in a letter to NAVFAC - Northern Division dated 9 May, 1990 and which was not acknowledged either in return correspondence to me or in the DEIS itself. Specifically, I am referring to the issue of whether or not the Navy has carried out its obligations as set forth in the National Environmental Policy Act (NEPA) regarding the examination of reasonable alternatives to the proposed action.

Section 1502.14 of NEPA requires the proponent of an action to, among other things, "... Rigorously explore and objectively evaluate all reasonable alternatives..." to the proposed action. A document entitled "Forty Most Asked Questions Concerning the Council of Environmental Quality's National Environmental Policy Act", published in the Federal Register on 23 March, 1981, makes that requirement clear. It states the following: "In determining the scope of alternatives to be considered, the emphasis is on what is reasonable rather than on whether the proponent or applicant likes or is itself capable of carrying out a particular alternative. Reasonable alternatives include those that are practical or feasible from the technical and economic standpoint and using common sense, rather than simply desirable from the standpoint of the applicant."

In my opinion, the DEIS, as presented, does not examine "all reasonable alternatives to the proposed action" nor does it offer any explanation as to why it did not examine such alternatives or why it was believed by the Navy that there were no other reasonable alternatives. I would contend that there indeed may be reasonable alternatives to closing/realigning NAS South Weymouth, such as closing some other Naval Air Station utilized by the Naval/Marine Air Reserve.

I am stressing this issue of reasonable alternatives since I believe that the environmental procedures which have been adopted by the Navy contain a flaw. Let me explain my reasoning. As stated in the text of the DEIS, the Navy will be facing increasing budgetary pressures in the future due to the changing world situation. To respond to those pressures on the budget, the Navy has selected a number of shore installations of various types for possible closure. NAS South Weymouth was one of those installations selected, with the goal of saving, say, "X" dollars by its closure. Theoretically, when NAS South Weymouth was selected for possible closure, the Navy had no idea of what the environmental impacts of that closure would be.

Suppose, for example, that it was subsequently determined that the closure of NAS South Weymouth would cause very significant, possibly irreparable, impacts to the environment. This is where I see the flaw in the Navy's strategy. By not examining alternative bases, the Navy could potentially put itself in the position of being caught between the proverbial rock and a hard place. On the one hand, in order to meet its budget reduction goals, it must close the base, but by doing so it would severely damage the environment. On the other hand, by choosing not to close the base, thus avoiding environmental impacts, the Navy can not meet its budget reduction goals. In essence, the Navy has severely limited its options by relying on the closure of one particular base in order to meet its budget goals.

The U.S. Air Force has avoided being placed in this type of situation by adopting a different strategy than that of the Navy and one which, I believe, conforms with both the requirements and the spirit of Section 1502.14 of NEPA. It, too, has selected certain bases for possible closure. However, in compliance with NEPA, the Air Force has examined reasonable alternatives to those particular base closures, namely the selection of other bases which could be closed in the event that the closure of the bases originally selected would result in significant negative environmental impacts.

Let me give two examples of what the Air Force has done. Eaker AFB in Arkansas, a Strategic Air Command base housing B-52's and KC-135's, was originally selected for closure study and announced as such by Secretary of Defense Cheney on 29 January, 1990. The Air Force has prepared a DEIS which looks at the potential environmental impacts of that closure. However, in that very same document, the Air Force has examined in equal detail an alternative base for possible closure. It selected Wurtsmith AFB in Michigan as a reasonable alternative, since that base also houses both B-52's and KC-135's. This same strategy was used by the Air Force with regard to the possible closure of Myrtle Beach AFB in South Carolina, a base which is home to a wing of A-10 aircraft. England AFB in Louisiana and Davis-Monthan AFB in Arizona, both also homes to one wing each of A-10 aircraft, were selected by the Air Force, in compliance with NEPA requirements, as reasonable alternatives to the proposed action of closing Myrtle Beach.

By complying with the requirements and spirit of NEPA as described above, the Air Force is now in the enviable position in each case of being able to select that base whose closure would cause the least negative environment impacts and the most positive environmental impacts while still meeting the budget reduction goals placed upon it. The same can not be said for the Navy. The Navy and the public does not now know, following the preparation of this DEIS, whether an alternative base other than South Weymouth could be closed with fewer negative environmental impacts and more positive environmental impacts while still achieving the same or similar theoretical cost savings. I contend that the strategy utilized by the Air Force should also have been utilized by the Navy in its study of South Weymouth.

Let me be so bold as to suggest one possible reasonable alternative for NAS South Weymouth. The DEIS for NAS South Weymouth states on page 1-1 the following: "From an operational perspective, a Naval installation with few aviation units and few or no aviation tenants could be easier closed/realigned than a Naval installation with many aviation units and many aviation tenants." Given that statement, let's look at the airfield at NAS Memphis. That base has only three flying squadrons attached to it (as opposed to South Weymouth's four). These squadrons include a Naval Reserve P-3B unit (VP-67) and a Marine Corps Reserve A-4M unit (VMA-124), both types of which are also found at South Weymouth, plus a small transport squadron (VR-60) utilizing C-9B's. While Memphis is home to a technical training school, the operation of that school is not dependent upon the squadrons listed above nor necessarily on whether or not the airfield at the base remains operational. Thus, given the statement above that it is easier to close a base with few units attached to it, why wasn't the airfield at NAS Memphis, having fewer units than South Weymouth, considered for possible closure? The question

becomes even more significant when one considers the missions of the two major aviation units (VP-67 and VMA-124) attached to NAS Memphis. How logical is it to station and operate in the mountains of western Tennessee one squadron (VP-67) specializing in anti-submarine warfare and another (VMA-124) specializing in the air support of Marine Corps ground personnel during amphibious landings? While I have used NAS Memphis as an example that could have been examined in parallel with NAS South Weymouth, other bases also could and should have been studied.

Moving on to another subject, I would like to next discuss the issue of receptor bases as presented in the DEIS for NAS South Weymouth. While most of the bases studied appear to be reasonable, I was very disturbed to read the DEIS and find no mention of Otis ANGB in Massachusetts as a receptor location. The public attending the afternoon and evening scoping sessions held at the Weymouth South High School in 1 May, 1990 were specifically informed both orally and via the slides prepared for the presentation that Otis ANGB would be evaluated as a receptor site. In one of my presentations at the scoping sessions, I stated that New England and Massachusetts in particular had suffered far more than their fair share of base closings when compared with other regions of the country. Once again, it appears that we have been short-changed. There is extensive land available at Otis which could support most if not all of South Weymouth's units if South Weymouth does indeed close. Having those units at Otis would allow reservists currently drilling at South Weymouth to remain in the Navy or the Marine Corps as well as the possibility of even some of the civilian workers keeping their jobs. The Navy must keep its promise to evaluate Otis as a receptor site and, perhaps, also consider other nearby locations such as Westover AFB, which also likely has extensive land available for use by the Navy and Marine Corps.

I would now like to present specific comments on a page-by-page basis on the information presented in the DEIS.

Page 1-2, Section 1.2, 1st Paragraph - The text refers to the Navy's evaluation of its eight air reserve installations, yet in Section 2.3.3.1 on page 2-14, the figure of six air stations is used. This inconsistency should be resolved.

Figure 2-1 - The drawing is inaccurate in that Interstate Route 495 to the east of Interstate Route 95 in the Mansfield area is not depicted.

Figure 2-2 - It would appear that the Base Boundary lines depicted on this Figure are not totally accurate. Land purchased by the Navy as the site of new main gate on Route 18 is not shown, nor is Navy land south of Salem Street used as the site for the Approach Light System to Runway 35. Town line boundaries between Weymouth, Abington, Rockland, and Hingham should be depicted. In addition, there should be separate Figures depicting the location of Navy housing in Quincy and the target range on No Mans Land Island, since these properties are mentioned frequently in the text.

Page 2-2, Section 2.1.1 - Reference should be made somewhere in this Section to the VPMAU, a Naval Reserve unit flying P-3 Orion aircraft which is stationed at NAS Brunswick, Maine but which, I believe, is under the operational control of NAS South Weymouth. If South Weymouth closes, discussion needs to be presented later in this document as to who will gain control of this unit. Perhaps if the rumored closing of NAS Brunswick has merit, the VPMAU could be relocated to South Weymouth, thus increasing South Weymouth's loading and providing further justification for keeping it open. There should also be reference to the U.S. Coast Guard buoy maintenance facility which is located aboard NAS South Weymouth, including the number of military and civilian personnel involved. Again, this facility must be discussed in later Sections of the DEIS as to its fate if the NAS closes.

Exhibit 2-1 - This exhibit refers to NODC going to NAS Memphis. I can find no reference anywhere in the text of the DEIS as to what this unit is.

Exhibit 2-1 - Explanation needs to be provided as to the source and reasoning for the proposed disestablishment of the units listed here. The text of the DEIS provides a minimal explanation for HSL-74 when it states that a reserve SH-2F squadron may be decommissioned in the future. However, there is no justification given that the selected squadron will be HSL-74, as opposed to HSL-84 at NAS North Island or HSL-94 at NAS Willow Grove. What is the justification for disestablishing some of the other units, such as VMA-322, if NAS South Weymouth closes. Who has made the decision that VMA-322 is no longer needed for the national defense? If a decision is made to keep South Weymouth open, is it already decided that units such as VMA-322 and others in MAG-49 DET.A will still be disestablished? Aren't these decisions premature in light of the force restructuring study currently under preparation for Congress? If, in fact, these units end up not being disestablished even if South Weymouth closes, then the cost to provide facilities for these units, particularly VMA-322, at other bases will increase significantly while, on the other hand, keeping them at South Weymouth in already-existing facilities will become more attractive.

Page 2-3, Section 2.3.1.2 - Reference is made to the fact that, "... the basic requirements are as yet undetermined. Further study would be required to identify the specific facility requirements." This is the first of many, many references throughout the text of the DEIS to unknown factors regarding needed facilities at receptor bases and the costs of those facilities, never mind the fact that the cost to close NAS South Weymouth is not known according to the DEIS as depicted on Table 2-3. With all of these unknown costs, including possible land acquisition and transportation costs associated with the need for off-site parking lots at several receptor bases, does the Navy really have any idea how much or even if any money can be saved through the closing of NAS South Weymouth?

Page 2-15, Section 2.3.3.1, Final Paragraph - The statement is made here that NAS Glenview interfaces with four other military installations in the area, while in Section 2.3.5.1 on Page 2-19, there are two paragraphs discussing NAS Willow Grove's relationships with other military installations. Why was not a similar section written for NAS South Weymouth? South Weymouth provides numerous essential services for other military bases. For example, its Ground Controlled Approach (GCA) radar unit provides needed practice approach services to pilots from the Massachusetts Army National Guard at Otis ANGB, the Coast Guard at CGAS Cape Cod, the Rhode Island Army National Guard and Air National Guard at Quonset Point, the Connecticut Army National Guard at Bradley Field, etc. It is the only GCA radar unit in southern New England. South Weymouth also has the only METRO weather reporting/advisory facility in southern New England. It is used by pilots from all of the military services in the area as well as by numerous U.S. military aircraft on transatlantic flights. Pilots from foreign military services, such as the RAF, also contact South Weymouth METRO for weather information when they are in the area. South Weymouth also provides U.S. Customs services for the aircraft of the U.S. military services from many bases. For example, P-3 aircraft from such bases as NAS Willow Grove and NAF Detroit are frequent users of the customs services at South Weymouth when they return from overseas deployments at such locations as NAF Lajes and NS Rota. South Weymouth is used occasionally as an operating site by the EC-130Q's of VQ-4 from NAS Patuxent River. These uses and others, as appropriate, of South Weymouth's facilities should be acknowledged in the text of the DEIS, including discussions as to who will provide these services to these other military units should South Weymouth close.

Page 2-21, Section 2.5, 1st Paragraph - Again, there is a reference to NODC with no explanation as to the meaning of that term.

Page 2-21, Section 2.4 - I must re-emphasize my previous comment that there are many unknown costs associated with the potential closing of NAS South Weymouth and that I can not see how a rational closure decision can be made without knowing these costs.

Page 2-22, Table 2-3 - The information presented in this Table appears to be inconsistent from one base to another. For ~~example~~, the costs to construct a new hangar and apron for VP-92 are included for NAS Jacksonville and NAS Glenview but not for NAS Willow Grove, even though the text on Page 2-20 makes it clear that those facilities would need to be constructed at Willow Grove.

Page 3.SW-1, Section 3.SW.1.1, 2nd Paragraph - Reference is made to No Mans Land Island being located south of Dukes Island. There is no such place as Dukes Island. The Island of Martha's Vineyard is part of Dukes County.

Page 3.SW-1, Section 3.SW.1.1, 3rd Paragraph - I believe the taxiway designations given are long outdated. Taxiways at South Weymouth are designated as "alfa, bravo, etc."

Page 3.SW-12, Section 3.SW.5.1, 2nd Paragraph - Regarding the historical significance of NAS South Weymouth, it should be acknowledged that, in March, 1957, a blimp attached to the Naval Air Development Unit at South Weymouth, took off from South Weymouth and set a record flight of 11 days (264 hours) and 9,448 miles by flying to NAS Key West, Florida via the coast of Africa. This non-stop flight by an airship from South Weymouth still stands as an unbroken aviation record today. The previous record was held by the German airship the Graf Zeppelin.

Page 3.SW-14, Section 3.SW.6.3 - Conrail does not provide freight service on the track adjacent to NAS South Weymouth (and to the base itself!) Freight service on this line is provided by the Bay Colony Railroad, which interchanges with Conrail in nearby Braintree. The Amtrak Station in Stoughton referred to in this same paragraph is not an Amtrak Station in the true sense of the word. No intercity Amtrak trains stop or even pass by the Stoughton Station. The Stoughton Station is served only by local commuter rail trains to and from Boston. This service is operated by Amtrak under contract with the MBTA using MBTA equipment.

Page 3.SW-14, Section 3.SW.6.4, 2nd Paragraph - The Hudson Bus Lines has not provided scheduled service to the Weymouth, Abington, Rockland, Whitman area for several years. This service is now provided by Carey Bus Lines.

Page 3.SW-14, Section 3.SW.6.5, 1st Paragraph - The statement is made that nearby airports do not interface with NAS South Weymouth. This is not true. The control zone for the Norwood Memorial Airport is adjacent to that of South Weymouth. Tower personnel from each facility coordinate the movement of VFR traffic through each others airspace. More importantly, all instrument approaches and departures to and from NAS South Weymouth are presently handled by Boston TRACON, an FAA-manned facility located at Logan International Airport in Boston. The Boston Terminal Control Area (TCA) overlies the South Weymouth control zone. In addition, control tower personnel at South Weymouth assist the pilots of civil aircraft making instrument approaches to various civil airports in the area by providing current altimeter settings, weather observations, etc.

Page 3.GV-3, Section 3.6V.1.2, 1st Paragraph - Reference is made to the Chicago, Milwaukee, St. Paul and Pacific Railroad here and on Page 3.GV-16. This railroad has been defunct for several years. The railroad lines referred to are now likely owned by the Soo Line Railroad, although that ownership needs to be confirmed.

Page 3.GV-17, Section 3.GV.7.2, 3rd Paragraph - Reference is made to information on current noise levels at NAS Glenview being extracted from the 1984 Master Plan. However, absolutely no noise level information is provided in the text!

Page 3.JX-2, Section 3.JX.1.2, 1st Paragraph - Reference is made to the Atlantic Coast Railroad. That railroad has not existed for at least 15 or 20 years. After several mergers over the years, the railroad in question is now operated by the CSX Railroad System.

Page 4.SW-9, Section 4.SW.3.3, 3rd Paragraph - I find it difficult to believe that information on the residences of civilian workers at NAS South Weymouth is not available.

Page 4.SW-17, Section 4.SW.4.1, 4th Paragraph - The statement regarding the Medflight Helicopter which says "This service is only used a number of times a year ..." is meaningless as presented. How many is "a number"? It is my understanding that this service is being used more and more frequently and that the Navy has recently concluded an agreement which allows use of base facilities by the Medflight organization on a 24-hour per day basis.

Page 4.SW-19, Section 4.SW.6 - This Section is one of several which I feel was prepared in haste in order to meet the very short deadlines for preparing the DEIS. The entire section containing six paragraphs is devoted to explaining the assumptions used in estimating the volume of traffic passing through the main gate at NAS South Weymouth. I do not understand why, during a study of this size and importance,

that actual traffic counts were not conducted. In that way, accurate data could have been obtained regarding the number of vehicles passing through the gate, auto occupancy rate, percentage of trucks, etc.

Page 4.SW-20, Section 4.SW.6.1 - My first comment is that, again for a study of this size, the standard evaluation methodology of determining roadway and intersection "Level of Service" (LOS) should have been employed using accurate ground count data. LOS should be determined both under existing conditions and under the assumption of base closure so that the appropriate comparisons can be made. The so-called "conservatively-high assumptions", as explained in Section 4.SW.6 and utilized in Section 4.SW.6.1 are self-serving in favor of base closure. That is, by admittedly over-estimating the volume of traffic through the main gate now, they accordingly over-estimate the benefits to traffic flow (i.e., reduction of traffic) that would result on Route 18 should the base close. I believe that this Section should also contain a detailed discussion on potential traffic impacts that could occur during the closing process itself (if it should happen). These impacts would result from the use of trucks to move base personnel's private property, as well as all manner of equipment owned by the Navy itself.

At this point I will not choose to comment on a page-by-page basis regarding impacts associated with receptor bases. It has been stated in the text of the DEIS that, should South Weymouth close, individual EIS's will be prepared for each receptor base utilized, during which many unknown factors will be analyzed in far greater detail than possible in this DEIS. Nevertheless, I am concerned regarding the magnitude of the unknowns associated with those bases and how the current lack of knowledge of potential environmental impacts and costs associated with the use of those bases may unfairly influence the decision of whether or not to close South Weymouth.

I will, however, present broad comments and comparisons between South Weymouth and the receptor bases in relation to several key environmental categories using information presented in the DEIS and from other sources.

Air Quality

South Weymouth and all potential receptor bases experience an ozone problem. However, both Alameda and Washington also experience a carbon monoxide problem. Thus, in this category, South Weymouth fares at least as good as any of the bases and better than two.

Noise

From the information presented in the DEIS, it appears that NAS South Weymouth does not have a noise problem. Specifically, it is stated on Page 3.SW-17 that the base receives relatively few noise complaints from the public and that very few residential units are within the "normally unacceptable" (>65 Ldn) noise levels. The receptor bases, on the other hand, do not appear to fare so well.

For NAS Alameda, the locations of several off-station "incompatible" land uses with Zone 2 (between 75 Ldn and 65 Ldn) are given on Page 3.AL-16, while on Page 4.AL-8 it is stated that further study of aircraft noise impacts resulting from the transfer of additional aircraft to this base is warranted and that minor increases in vehicular traffic noise can be expected. As a further indication of noise problems at this base, the Department of Defense Enroute Flight Information Publication (FIP) notes that practice approaches to any of the base's runways are not authorized and that after-burner takeoffs are not permitted on one of the runways.

NAF Washington, according to Page 3.DC-14 of the DEIS, has "incompatible" land use activities both to the north and to the south of the base and which both experience the highest Zone 3 noise levels (>75 Ldn). Remarks contained in the FIP for this base caution all pilots about the need to strictly comply with noise abatement procedures.

For NAS Glenview, Chapter 3 of the DEIS failed to provide any information regarding existing noise levels. However, it is stated on Page 4.GV-9 that further analyses will be required to assess noise impacts from the stationing of additional aircraft at this base, particularly helicopters. The text also states that helicopters generate the most noise complaints. (As an aside, I find it somewhat curious that, given the fact that helicopter noise appears to be a problem of some consequence at this base, nevertheless this base was the only one selected as a potential receptor for HML-771, a helicopter squadron.) As to comments from the FIP regarding this base, again all pilots are cautioned to strictly comply with noise abatement procedures, including the requirement to maintain at least 50 feet over all runway thresholds. The FIP also provides a further indication of noise problems at this base when it notes that jet aircraft are prohibited from performing touch-and-go operations or low approaches to any runways.

At NAS Jacksonville, the DEIS informs us that the major administrative, bachelor housing, religious, and station support activities are all "incompatible" land use located within Zone 3 (>75 Ldn) noise levels. Once again, the FIP cautions pilots to strictly comply with all noise abatement procedures.

NAS Willow Grove, according to Page 3.WG-16 of the DEIS, has "incompatible" residential areas both to the north and to the southeast of the base which are in Zone 3 (>75 Ldn) noise levels. In addition, the text also says that there are many residential areas and outdoor recreational facilities both to the north and to the south of the base that are within the Zone 2 (between 75 Ldn and 65 Ldn) noise contour levels.

In summary, it is evident that NAS South Weymouth has the least amount of noise problems when compared with all of the potential receptor bases. The runway configuration at NAS South Weymouth is also very advantageous (two runways at 90 degrees to each other) in that, in addition to being advantageous from a safety point of view with regard to crosswind components, it allows what little noise that is generated to be spread out over a wider area so that the same people are not constantly exposed to noise. This procedure is impossible at such one-runway facilities as NAS Willow Grove and NAS Jacksonville and at NAF Washington, which, although having two runways, are parallel to each other. NAS Glenview does have a crosswind runway, but it is only 5089 feet long, which does not permit many types of aircraft, including those heavily loaded, to operate from it.

In addition, it would appear to me that the discussions in Chapter 4 regarding whether or not increases in noise that would result at the various receptor bases would be significant are an attempt to mask and gloss over serious existing noise problems at those bases. Bases such as NAS Willow Grove, NAF Washington, NAS Jacksonville, etc., where it is admitted in the text of the DEIS that there are many off-base and/or on-base residential units currently experiencing noise levels greater than Ldn 75, have a significant noise problem now. To say that adding more aircraft operations and more noise will not add to the problem is the same as saying that it would not cause a problem to add 6,000 more cars per day to Boston's already tremendously overburdened Southeast Expressway. Just as the issue of the Southeast Expressways' capacity must be addressed before anyone can consider adding any additional traffic to it, so to must the Navy address its existing noise problems at those bases before it considers increasing noise levels at those locations.

Ecosystems

Only NAS Alameda is known to be the site of an endangered species, namely the California Least Tern. All other bases, including NAS South Weymouth, are not home to any endangered species.

Traffic/Parking

In this category, South Weymouth has recently constructed a new Main Gate, including a signalized intersection with Route 18. Although no information is provided in the DEIS, one can presume, because of its very recent construction, that the intersection was designed to operate at an acceptable level of service and does so. Regarding parking, the DEIS states on Page 3.SW-14 that parking does not appear to present a major problem or create traffic congestion.

NAS Alameda is said on Page 3.AL-12 to have several poorly-designed streets and intersections as well as inappropriate traffic control measures. The gate which handles the most traffic requires a circuitous routing of vehicles. In addition, there are parking problems with the layout of the spaces. Up to 800-1000 new spaces are required, even under a no-development scenario.

At NAF Washington, Page 3.DC-11 states that there is traffic congestion on surrounding roadways during morning peak hours to such an extent that people who work on the north side of the complex are forced to use a gate on the south side of the base. Parking is also described as being insufficient at the NAF, with available Air Force parking being situated in remote areas.

Page 3.GV-15 states that NAS Glenview - related traffic deteriorates traffic operations on the streets adjacent to the station and that existing parking facilities are not adequate. Page 4.GV-8 goes on to state that further analysis of heavily-travelled intersections will be required along with 300 additional parking spaces.

For NAS Jacksonville, some traffic congestion is reported at the three gates during peak hours. Parking appears to be at capacity during weekdays, with no problems on weekends.

NAS Willow Grove appears to have significant traffic and parking problems, according to the information presented on Pages 3.WG-11 and 3.WG-13. Specifically, it is stated that local intersections restrict traffic flows during peak hours, there are large back-ups of traffic entering and leaving the station on weekends, and that the parking shortfall on peak weekends can be significant. Page 4.WG-9 goes on to say that there is no room for additional parking on-base and that locations for 400 new spaces would have to be found off-base, necessitating the use of shuttle busses.

Again in this category, NAS South Weymouth appears to be in the most favorable position when compared with the other bases under study.

Land Use

In this category, I would like to quote from Section V of the 1981 Master Plan for NAS South Weymouth in which, on Page 4, it is stated the following: "Generally, except for a very few situations, the relationship of on-station land uses to each other is nearly ideal." Comments on land use from the DEIS for several receptor bases are worth noting. Specifically, it is stated for NAS Glenview on Page 3.GV-2 that "... land at NAS Glenview is encumbered by multiple constraints and few areas are available for development ...". The text goes on to mention the "... need to resolve land use conflicts and develop a more logical and efficient arrangement of recreational and personnel support functions closer to housing areas and more distant from aircraft operational areas." Similarly, on Page 3.JX-2, the DEIS identifies for NAS Jacksonville "... the existence of highly intermixed incompatible land uses and the related concern of station security, e.g., community support facilities near industrial and training areas, fragmentation of regional supply functions resulting in more traffic ...".

Summary of Environmental Comparisons

From the information which I have just reiterated, along with other information presented in the text of the DEIS, it is clear to me that NAS South Weymouth is in far greater harmony with the environment than any of the potential receptor bases. Accordingly, it makes little sense to me to close NAS South Weymouth, where there are few environmental problems, and then create more environmental problems at bases which already apparently are experiencing significant problems today. This reasoning is especially pertinent when it is considered that it is not clear if or how some of the environmental difficulties which these receptor bases are now experiencing in terms of noise, traffic, air quality, land use constraints, etc., can be mitigated, never mind increasing the problems at those locations by adding more aircraft and personnel, along with their attendant facilities.

I hope that my comments will prove useful and look forward to the issues which I have raised being addressed in the Final EIS.

Sincerely,

John C. Yaney



JACK NICKLAUS DEVELOPMENT CORPORATION
OF ILLINOIS

AC HAS SEEN

10/17/90

Andy -

Regrets again for that onslaught
of entertainers that followed Eddie
Rabbitt across the stage in Chicago
yesterday.

Admittedly, there have been
events where I have been guilty
of adding a couple of extra photos,
but yesterday was not one of them.
As I hope you understand that, I assure
you I fully understand that the
stress and fatigue of heavy travel
is further exasperated by such
accidents. It will not happen again.

Enclosed are some Trib and Sun-
Times clips of the visit. Television
coverage was good.

Best Regards,
Bill Albury



JACK NICKLAUS DEVELOPMENT CORPORATION

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TO: Mr. Andy Card
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NATION

Bush vows veto of tax increase for the wealthy

By Jim Merriner
Staff Writer

President Bush, speaking Tuesday in Glen Ellyn, bashed the "tax-and-spend" Democratic Congress and said he would veto a House budget proposal that increases income taxes for higher-income families.

"If it reaches my desk . . . I will veto it because it raises the income taxes of the workingmen and women of this country," Bush said to applause at an Illinois Republican rally at the College of Du Page in the west suburb.

Bush said he prefers a Senate plan that "holds the line on income tax rates." It would impose higher taxes on gasoline and other items.

The House plan, pushed by Rep. Dan Rostenkowski (D-Ill.), would raise the top tax rate from 28 percent to 33 percent, impose a 10 percent surtax on taxable incomes above \$1 million and increases various excise taxes.

Congress faces a Friday deadline for passing a federal budget.

While the White House has indicated disapproval of the House plan, Bush's remarks were his first pledge of a veto, said his spokesman, Marlin Fitzwater.

As Bush strolled from a helicopter landing field to the college gym, he was asked whether attacking Democrats helps the bud-



SUN-TIMES/Rich Hein

GOP gubernatorial candidate Jim Edgar and President Bush wave to the crowd at College of Du Page.

get process. He smiled and said, "I hope so."

In his 15-minute speech, Bush said, "I'll take my share of the hits, but I believe the American people really know that the problem has always been the failure of this one-party-controlled Congress to hold down spending. . . ."

"When you hear this liberal crowd that runs the Congress in Washington talking about taxing the rich, they're going to be after you the next thing you know because that's the way it works—tax and spend, tax and spend."

Bush praised House Minority Leader Robert H. Michel (R-Ill.),

who was "right out there in front" supporting a Bush budget plan defeated in the House Oct. 1.

Interrupted briefly by a few protesters shouting against the U.S. military buildup aimed at Iraq, Bush turned to them and said, "I have put together the strongest international cooperation that we've ever seen in modern times. And with all respect, we will stand up against this aggression in the Middle East."

Bush's appearance for Illinois gubernatorial candidate Jim Edgar was sandwiched between rallies for GOP candidates in Iowa and Michigan.

CAMPAIGN '90

Bush hits Hartigan GOP 'pose'

By Jim Merriner and Mark Brown

Staff Writers

President Bush appeared at a west suburban rally for Illinois Republicans Tuesday and suggested that Jim Edgar's Democratic opponent for governor, Neil F. Hartigan, is "posing" as a GOP look-alike.

Without mentioning Hartigan or the Illinois income tax surcharge issue, he said: "There's a lot of opposition posing as Republican look-alikes these days."

Campaign

Governor's
race

"It's not enough to play for the prime time and deliver the lines. You've got to deliver the results. That's what Jim Edgar has done," he said to about 8,000 people at the College of Du Page in Glen Ellyn.

Hartigan, at a press conference later, called Bush and Edgar "the tax twins."

He said Bush was "trying to raise support for Edgar's plans for the largest permanent tax increase in Illinois history, as well as the president's own tax hike [in federal budget proposals]."

Hartigan declined to take a position on the Democratic tax-raising budget plan.

Asked to respond to Hartigan's comments, Edgar shot back, "The problem we see in the federal government is that we have 535 Neil Hartigans in Congress, and they promise everything to everybody."

Edgar favors making permanent the two-year,

20 percent state surcharge set to expire June 30, but opposes raising taxes above current levels. Hartigan wants the surcharge to end and promises to make up the loss in education funds with budget cuts, but has not pledged to avoid any tax increase.

Appearing with Gov. Thompson, Edgar and his family and other statewide candidates, Bush praised them all, along with U.S. Senate candidate Rep. Lynn Martin, who was in Washington.

Later, Bush presented a Presidential Citizens Medal to former middleweight boxing champion Tony Zale, 78. And upon arriving at O'Hare Airport, Bush greeted Master Sgt. Lorain "Grambo" Kuryla, the grandmother who recently returned from volunteer duty in the Middle East.

Bush also stumped Tuesday for GOP candidates in Des Moines, Iowa, and Grand Rapids, Mich.

Meanwhile, Hartigan won an endorsement and a \$10,000 contribution from the political arm of the Illinois Nurses Association.

SECRETARY OF STATE: Lt. Gov. George H. Ryan, GOP candidate for secretary of state, proposed redesigning drivers' licenses to make them harder for forgers to duplicate.

"Ever-changing photographic technology makes it far too easy for con artists, drug dealers and welfare cheats to obtain false IDs," Ryan said.

He proposed licenses with complex backgrounds similar to the etchings on money and called for tougher penalties for forging other forms of identification, including welfare cards.

Contributing: Charles N. Wheeler III, Tom Seibel.

SPORTS

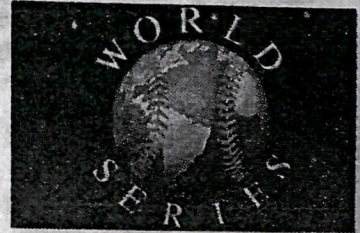
**Lyons girl netters
aim for state title**

West preps, Page 104



**Rijo grand, Reds
set down A's 7-0**

Full coverage begins on Back Page



Chicago Sun-Times

35¢

RAIN Pages 2, 63

WEDNESDAY, OCTOBER 17, 1990

5★ Sports Final



SUN-TIMES/Rich Hein

Bush on campaign trail here

President Bush reaches out to the crowd at the College of Du Page as he campaigns in Glen Ellyn for Jim Edgar, Republican candidate for governor. Coverage of Bush's visit is on Pages 7 and 16.

Bush Library Photocopy

Chicago Tribune

35c

Wednesday, October 17, 1990

**Du Page
Sports Final**

Bush Library Photocopy



Tribune photo by Chris Walker

Face in the crowd

President Bush is nearly lost in a crowd at a College of Du Page rally Tuesday. Bush praised Jim Edgar, who will unveil a plan for policing judges. Story, Sec. 2, pg. 1.

ALAN CHARLES RAUL

17 October 1990

AC HAS SEEN

Dear Andy,

Following up on our last conversation I have spoken with Chase and Bob Kinnitt. I am taking the liberty of enclosing a current resume. I really am eager to stay on President Bush's team. Now more than ever.

Regards,

Alan

ALAN CHARLES RAUL

Office of the General Counsel
U.S. Department of Agriculture
Washington, D.C. 20250-1400
(202) 447-3351

2909 N Street, N.W.
Washington, D.C. 20007
(202) 338-4223

Education

YALE LAW SCHOOL -- J.D. 1980
HARVARD UNIVERSITY, KENNEDY SCHOOL OF GOVERNMENT -- M.P.A. 1977
HARVARD COLLEGE -- A.B. 1975 magna cum laude
HORACE MANN SCHOOL -- graduated 1972

Professional Work Experience

U.S. DEPARTMENT OF AGRICULTURE -- General Counsel from May 1989. Nominated by President George Bush and confirmed unanimously by the Senate. Chief legal officer, and fifth ranking official, for Cabinet Department with around 110,000 employees and approximately \$50 billion annual budget. Special emphasis on: international trade matters involving Foreign Agricultural Service including export credits and GATT litigation and negotiations; natural resources and environmental matters involving primarily the Forest Service; litigation and regulatory matters involving USDA's food safety and health regulatory agencies, as well as Food Stamp and nutrition programs. Management responsibility for supervising approximately 250 attorneys, 22 field offices, and an agency budget of over \$23 million. Responsible for designing and directing Farmers Home Administration Litigation Project involving planned addition of 75 new employees in General Counsel's office to enhance collections on around \$14 billion in delinquent loans. Senior Department official responsible for USDA role in natural resource damage assessment and restoration process relating to Exxon Valdez oil spill. Testimony before Congressional Committees on various matters.

OFFICE OF MANAGEMENT AND BUDGET -- General Counsel from May 1988 through May 1989 under OMB Directors James C. Miller III, Joseph R. Wright, Jr., and Richard G. Darman. Chief legal officer for Cabinet-level agency within the Executive Office of the President. Legal counsel regarding legislation, regulations, budgetary issues, and litigation. Primary responsibility for preparation and coordination of Presidential Executive Orders, including the comprehensive Order implementing the Omnibus Trade and Competitiveness Act of 1988. Active role in inter-agency clearance process for coordination of Administration policy.

THE WHITE HOUSE -- Associate Counsel to the President from March 1986 through April 1988. Appointed by President Ronald Reagan. Special areas of responsibility: international trade issues, litigation involving the White House, federal judicial selections, and advice to Political Affairs Office. From December 1986, responsibilities included Iran/Contra matters: coordinating White House and NSC document production, representing Administration witnesses regarding testimony, and consulting on overall Administration response to all related investigations; supervised inter-agency declassification and document production review committee.

DEBEVOISE & PLIMPTON -- Associate in New York and Washington offices from October 1981 through March 1986. Extensive litigation and corporate experience in securities law, corporate transactions, international trade, and Federal election law.

HON. MALCOLM R. WILKEY, U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT -- Law Clerk from June 1980 through June 1981. Research and drafting opinions for U.S. Circuit Judge.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Resume	Re: Alan Charles Raul; Personally Identifiable Information redacted. (1 pp.)	n.d.	(b)(6)	

Collection:

Record Group: Bush Presidential Records

Office: Chief of Staff, Office of the

Series: Card, Andrew H., Jr., Files

Subseries:

WHORM Cat.:

File Location: AHC General Correspondence October 190 [3]

Date Closed: 3/12/2025

OA/ID Number: 04012-003c

FOIA/SYS Case #: 2025-0373-S

Appeal Case #:

Re-review Case #:

Appeal Disposition:

P-2/P-5 Review Case #:

Disposition Date:

AR Case #:

MR Case #:

AR Disposition:

MR Disposition:

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MR Disposition Date:

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- P-2 Relating to the appointment to Federal office [(a)(2) 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]

Additional Activities

ADVISORY COUNCIL ON HISTORIC PRESERVATION -- Secretary of Agriculture's designate from August 1989 to serve on cabinet-level commission to review historic preservation implications of actions by federal agencies. Chairman of Council Task Force on Science and Technology.

AMERICAN BAR ASSOCIATION -- Chairman of Section on International Law and Practice's Committee on National Security and International Law since 1990; also active on Committee on International Trade.

AMERICAN SOCIETY OF INTERNATIONAL LAW -- Judge for Jessup International Moot Court semi-finals competition (April 1988); active member.

ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK -- Member of Committee on Inter-American Affairs (1983-1989); Chairman of Subcommittee on Central American Issues (1985); moderator of forum on "Human Rights and the Rule of Law in Chile."

COUNCIL ON FOREIGN RELATIONS -- Active member since 1989.

FEDERAL BAR ASSOCIATION -- Deputy Chair of General Counsels Section from January 1990.

FEDERALIST SOCIETY -- Active member.

INTERNATIONAL LEAGUE FOR HUMAN RIGHTS -- Member of three-person fact-finding mission to Chile (August 1985).

"LAWYERS HAVE HEART" RUN -- Co-Chairman of 10K road race to benefit American Heart Association targeted at private sector and government lawyers scheduled for May 1991.

NIKE CAPITAL CHALLENGE -- Captain of USDA team in 3 mile road race to benefit D.C. Special Olympics; individual winner in "Subcabinet Official" category (1990).

USDA GRADUATE SCHOOL -- Member of Board of Directors from June 1989. Vice Chair of Executive Committee. Graduate School is an educational institution affiliated with the Department of Agriculture with over 37,000 enrolled students and offering over 1,000 courses in diverse subject matters.

U.S.S.R. JUSTICE DEPARTMENT DELEGATION -- One of seven members of Attorney General's delegation to discuss Soviet economic reform and role of a federal government in a market economy with Soviet Minister of Justice Veniamin F. Yakovlev during his visit to Washington, D.C. (August 1990).

U.S.-U.S.S.R. JOINT LEGAL SEMINAR -- Vice Chairman of official U.S. delegation to Moscow and Leningrad in September 1989; member of first General Counsels delegation to Moscow sponsored by the U.S. Department of Commerce in September 1988; met with Soviet legal and policy officials regarding the legal environment for trade between the two countries.

Other Data

Born (b)(6) in the Bronx, New York; married to Mary Tinsley Raul; daughter Caroline; admitted to the Bar: New York (1982), District of Columbia (1982); federal Bar admissions include U.S. Supreme Court, D.C. and Federal Circuits, Court of International Trade; fluent Spanish; working knowledge of French; interests include running and tennis.

M E M O R A N D U M

A.G. Edwards & Sons, Inc.
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TO:

FROM:

DATE: 10/16/90

AC HAS SEEN

Andy,

John Fund seems up
my feelings and many others.
I'm fed up with Government
spending. THE PROBLEM is
just that Spending Out of Control.
George just has to take a stand
against it - and STICK to
his CAMPAIGN PLEDGE - "NO
NEW TAXES" The Federal
Government takes in more each
year in revenues - so overspending
is the PROBLEM! Regards,
Wes

Member New York Stock Exchange and Other Principal Exchanges

P.S. I'm putting this in Red because I'm angry!

AC HAS SEEN

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Members New York Stock Exchange, Inc.

WESLEY E. YOUNG
VICE PRESIDENT-INVESTMENTS
BRANCH MANAGER

*Andy, pass
Please to The
President.
Thanks.
Wes*

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BOSTON, MA 02110

A14

THE WALL STREET JOURNAL WEDNESDAY, OCTOBER 17, 1990

REVIEW & OUTLOOK

Bush Library Photocopy

Give 'Em Hell, George, Just Like Harry Did in '48

By JOHN H. FUND

Few presidents have been so ridiculed. He was called "indecisive" and "weak." Even bipartisan support for his firm foreign policy couldn't prevent a sharp drop in his approval ratings. Nonetheless, he and his party triumphed in the next election—the classic political comeback. The president was Harry Truman, and his 1948 campaign against a "do-nothing Congress" holds some strong lessons today for George Bush and the GOP.

Until last month's disastrous budget agreement, Republicans were confident they could hold their House losses to single digits—not bad for the party in power in a midterm election—and even gain a couple of Senate seats. Now GOP strategists report their candidates in open House seats—the only competitive ones these days—are in a "free fall."

Their problem is that the most loyal Republican voters are under age 40, and their major issues are suspicion of big government and opposition to higher taxes. Now that George Bush is seen as having donned the other team's jersey, many are deciding not to vote. Others are taking a new look at those Democratic candidates who all this year have been canny enough to run against Washington and higher taxes.

But the GOP's problems this year are also George Bush's. If Democrats score even a psychological victory, they can peel away enough Republicans to start overriding Bush vetoes, leaving him a crippled president. In addition, state legislatures elected this year will redraw congressional districts for the next decade. If Democrats make major gains, the Republicans will be gerrymandered into continued minority status during any Bush second term.

President Bush has severely compromised his image as a tough negotiator who will stand up for the middle class and "just say no" to new taxes. He is left with only two choices—to again strike the best deal he can with the Democrats and suffer the economic and political consequences or to go on the offensive, just as he did when in similar political trouble in 1988.

"It's time George Bush told the American people, 'Enough is enough. I tried to be reasonable, I moderated my positions, and I got nothing in return from the Democratic Congress. Let's have a referendum on Congress's work product,'" says Republican consultant Doug Watts.

In 1948, Truman was faced with a Republican Congress that had stymied his legislative program. He went on the attack, practicing political jujitsu. First he built up the "do-nothing Congress" as the country's biggest problem, and then used his opposition's superior strength, or weight, to bring it down.

The origins of Truman's successful campaign against Congress can be found in the advice of a key aide, Clark Clifford. In a 43-page memo written in November 1947, Mr. Clifford urged the president to challenge Congress: "The Administration should select the issues upon which there will be conflict with the majority in Congress. It can assume it will get no major part of its own program approved. Its tactics must, therefore, be entirely different than if there were any real point to bargaining and compromise. Its recommendations . . . must be tailored for the voter, not the Congressman; they must display a label which reads 'no compromises.'"

Truman began his attack on Congress by challenging Republican leaders to pass his legislative program during a special session he called in July 1948. When they refused, he declared "the battle lines have been drawn," boarded a special train and began a massive "whistlestop" tour. In those pre-TV days he gave 286 speeches and addressed six million people.

In his speeches, Truman said the special session had been the "test for that worst 80th Congress" and its members had failed it. He realized that as an institution Congress could be attacked in far harsher terms than an individual could be. He held no congressional leader up for public scorn, thus ensuring he would still be able to work with the leadership. But he drove his message home relentlessly:

"There is just one big issue; it is special interests against the people. . . . You now have a special-interest Congress."—June 17, 1948, in Jefferson City, Mo.

"Don't let anybody fool you. If they send a Republican Congress back there it won't be a bit different from the 80th Congress, it will be run by exactly the same men, it will put through exactly the same program."—Oct. 11, 1948, in Cincinnati, Ohio.



Harry Truman

Truman scored an upset victory over Republican Tom Dewey by capturing the most populist states and also those that were growing the most—the same states that George Bush won against Michael Dukakis in 1988. But Truman also swept the Republicans out of control of both the House and Senate. He even helped his party win in states that voted for Tom Dewey—Democrats gained nine House seats in New York and 11 in Pennsylvania. Of course, such massive gains aren't possible today—challengers are now woefully underfunded and straight-party voting much less common.

Still, a three-week Bush campaign against Congress and its attempts to raise taxes on every American could pay political dividends. The country is seething with anger against officeholders, as evidenced by the widespread support for term limits. Normally, the risks in an anti-Congress campaign would lead cautious advisers to argue against it. But those risks no longer exist in the wake of the budget fiasco. For all the current Bush political strategy is worth, it might as well have been designed by a double agent secretly on the payroll of the Democratic National Committee.

Mr. Fund is a Journal editorial writer.

M E M O R A N D U M

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TO:

FROM:

DATE: 10/16/90

AC HAS SEEN

Andy,

I writing you again in
RED to emphasize the crisis
this country is facing if the
President allows Congress to
raise taxes.

The answer is to FREEZE
SPENDING !! Also the

Fed + Treasury as well as
Congress are heading the same
way that Government headed
us in the late 20s. Result - The
GREAT DEPRESSION.

Member New York Stock Exchange and Other Principal Exchanges

Wes

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*Please pass
this along to
The President.
Thanks,
Wes*

Strangling the Economy

By JOHN RUTLEDGE

In their most recent regional report, several of the Federal Reserve banks reported that banks in their regions were seeing a decline in credit demand. That's like the Boston Strangler reporting that he noticed a decrease in the demand for oxygen in his victims just after he had choked them to death. Like the Strangler, the Fed has been too restrictive. Every small business manager in America has thumbprints on his neck. The credit markets today are not open for business, and as a result eight consecutive years of economic growth are now over.

This will certainly be recorded as a recession, since both third- and fourth-quarter GNP growth are likely to be negative. But it looks and smells more like a financial panic than the traditional inventory recession of the textbooks. Consumer durable demand is soft, reflecting a rising saving rate, but capital goods and exports are strong. Steel orders, the traditional indicator of recession, are strong as well. The focus of this downturn is finance, where falling real estate prices have eroded collateral values and brought lending to a virtual standstill.

Not Just the Fed

It's not fair to blame the Fed for the entire problem. Not only is the Federal Reserve Board deflating the economy's balance sheet, but the Treasury Department has dispatched hordes of bank examiners across the country, who have effectively dried up working capital for small business. Meanwhile Congress, after refusing for a decade to restrain its spending, is determined to raise every tax in the book now that it has a president who is soft on taxes. And the president, after campaigning brilliantly two years ago on a Son-of-Gipper (Giplet?) platform, has decided he wants to be leader of the tax-raising pack. With the most anti-growth set of policies since the late 1970s in place, the Middle East crisis is almost redundant.

There's a song now making the rounds of the country music stations called "Saddam Hussein, you're the one to blame." Although he certainly qualifies as greatest villain of 1990 in every other way, Saddam did not create the U.S. recession. The recession had already been built into the economy by July. Forty dollar per barrel oil prices have pushed growth down still further, of course, (by about a half percentage point this quarter and next) and the risk of a shooting war has temporarily raised the real cost of capital in the security markets. But when it is all over, oil will turn out to have been a side show in

this recession.

There is no oil price that is too high or low for an economy. What matters is whether the price is what people thought it was going to be when they built their businesses and organized their lives. When the price of oil jumped in the 1970s, energy inefficient assets suddenly sold at a discount in resale markets, and capital goods producers were encouraged to design energy efficient assets in their place. So, gradually, the finned Cadillacs and single-paned windows of the early 1970s gave way to Hondas, smart thermostats and heat reflective glass, raising the shadow oil price, the oil price embodied in the physical

office buildings and shopping centers.

But these analytical arguments only apply to physical, storable goods, not to services like haircuts and guitar lessons. It is for real goods prices that zero inflation is the right target. Unfortunately, the Consumer Price Index, the deflator and most other price indexes used by the Fed to measure inflation are heavily weighted toward services. More than half of the CPI, for example, is accounted for by service prices. When goods and service prices diverge, as they are doing now, the Fed is misled into crippling the industrial economy.

The problem is the productivity wedge

The Fed should be targeting long-term goods, not services, prices—and not just newly produced goods, but goods in resale markets as well, including real estate.

structure of America's capital stock, from \$3 per barrel in 1973, to about \$24 per barrel today.

It is only to the extent that the economy believes that oil prices will remain above the current shadow price of \$24, that oil prices pose a serious threat to the long-term growth rate of the U.S. economy. Today, of course, prices are temporarily much higher. This has contributed to our current slowdown by causing both consumers and corporate managers to delay planned expenditures and by depressing stock and bond prices. But the economy was already slowing sharply in July for entirely home grown reasons.

In chemistry class you learn that combining otherwise benign ingredients can sometimes blow up the lab. Ironically, it is the combination of three otherwise positive events, the Fed's newfound zeal for zero inflation, the strong productivity performance of U.S. manufacturing companies and the Treasury's desire to shore up the capital structure of our commercial banking system, that have cut the heart out of economic growth.

Zero inflation is a terrific idea. But inflation of what? Analytically, inflation is bad for an economy for the same reasons tax shelters are bad: It distorts investment choices. Inflation artificially subsidizes the real after-tax return on the ownership of tangible consumption assets like cars, boats and houses, relative to the returns on bonds, stocks and other financial assets. Over time, this causes people to rebalance their portfolios toward the subsidized assets, diverting saving flows away from new tools and factories and toward hotels,

between manufacturing and services. For most of the past decade, U.S. manufacturing has turned out an impressive productivity performance, with increases of more than 4% per year. The service sector, in contrast, has had a difficult time raising productivity at all. This discrepancy created the glut of manufactured goods that caused the much-maligned employment shift out of manufacturing and into service sector jobs during the 1980s. (A shift that, as William Baumol has pointed out on this page, has taken place in every major industrial country in the world.) The productivity wedge, in turn, has created an inflation wedge: Real goods prices are consistently falling by 4% to 5% per year relative to service prices.

For the first seven months of this year, for example, the goods component of the CPI only grew at a 1.8% annual rate. But service prices grew at 5.8%, so the CPI came in at 4.1%. The Fed, focusing on the CPI, thinks inflation is too high and is reluctant to provide sufficient credit for growth. It is possible, of course, for the Fed to tighten policy hard enough, for long enough, to bring the CPI inflation rate down to zero. Because of the productivity wedge, that can only be accomplished by a deflation of goods prices of 2% to 3% per year. But the stock of goods makes up the collateral of the nation's banking system. And deflating the banking system's collateral does not make for a healthy economy.

For manufacturing companies this situation implies a chokingly high real interest rate. A steel company I visited last week, for example, had done a great job running

*Growth is answer
not higher Taxes
& Freeze Federal
Spending*

their business during the past year. Real volume had risen by 5%. The price of the company's product, however, had fallen by 7% over that same year. But the company's interest obligations are not falling. The managers must therefore make their payments out of declining dollar revenues and falling inventory valuations. For them, the real interest rate—the difference between the interest rate they pay (10%) and the change in the price of their product (-7%)—is a staggering 17%. For many managers today, the effective real interest rate is much higher than that, because they can't get capital at all.

What the Fed should be doing is targeting the long-term behavior of goods, not services, prices—not just those of newly-produced goods, but those of goods in the resale markets as well, including real estate and commodities. And right now those prices are either flat or falling. It is easy to see that the Resolution Trust Corp. workout, which will force the sale of hundreds of billions of dollars in real estate, is going to put downward pressure on the prices of those assets. That will, in turn, undermine the capital adequacy of the banking industry, of life insurance companies and of corporate owners of fixed assets. These balance sheet problems, and the regulators' response to them, have effectively paralyzed the financial system's ability to provide working capital to our businesses, and led to a steady slowing of the economy all year.

Tax Folly

It is fashionable in Washington these days to despair of the budget crisis, and to talk about the need to raise taxes in order to balance the budget and rescue the economy. But a world that is starving for new capital is not going to allow lower interest rates in the U.S. whatever its budget policy. In an environment like this, where companies are gasping for the capital they need to run their businesses, it is the height of folly to raise taxes.

Higher tax rates will only worsen the cash crunch that has brought the economy to the brink of recession, slow growth further and shrink tax collections. The budget imbalance does need to be solved, but not through a Saturday night massacre of sin taxes. Rather, the U.S. must take steps now to restore the smooth flow of credit to businesses, in order to keep the financial panic from worsening.

Mr. Rutledge is chairman of the Claremont Economics Institute, an investment advisory firm in California.

Soak the Poor

Who speaks for the poor in the current budget drama? The Democrats? George Mitchell? Dan Rostenkowski? Bob Dole? Dick Darman? We suspect the short answer is that no one much thinks about the poor in Washington these days. The battle is over the middle class, because that's where the votes are and that's where the tax money is. The poor and the working poor are along for the ride. Some ride.

The Democrats in Congress, abetted by at least three or four members of the Bush administration, purport to stave off a recession by raising taxes \$149 billion across five years. Yes, we know, they have attached a theory to this: Short-term interest rates will drop maybe 100 basis points and the American economy will climb to the stars. A few folks, however, hold to the view that this game plan is more likely to drive any recession deeper and that the people hit hardest aren't the soaked rich or even the middle class. It's the poor. Both the U.S. Commission on Civil Rights and Jack Kemp are now trying to raise this argument in Washington.

On Tuesday, the Civil Rights Commission voted 6-0 in support of a resolution warning that the current thrust of the budget could cause economic difficulties for minorities, women and the disabled (Commissioner Mary Frances Berry abstained from the vote). "We request on behalf of America's disadvantaged," the commission said, "no general spending increase and no general tax increase." Instead, the commission would freeze spending at the fiscal 1990 level.

It called on the President and Congress to be aware of "the importance of continued economic growth to the advancement of civil rights in this country. In bad economic times, black

and Hispanic unemployment rates rise the fastest."

Of course, none of the current budget incarnations has specifically growth-oriented provisions in the budget. So the Civil Rights Commission proposed one of its own: a capital gains rate of zero for those who "live, work and invest" in the depressed inner cities. This proposal, of course, has zero chance at the moment; the Democrats' soak-the-rich philosophy is colorblind.

No one has attacked the hopelessness of the status quo more than HUD Secretary Jack Kemp, and he did so again in a speech earlier this week, calling on Congress to get growth back into its deliberations. Secretary Kemp would raise the top marginal rate on incomes to 31%, while cutting capital gains to 15%. He also usefully pointed out that the grand plan to cut \$500 billion over five years "began when the economy was stronger and there was no foreign policy challenge as we face in the Middle East today. In my view, its not logical to adopt sharp tax increases in the face of such an uncertain future." He too favors a one-year spending freeze.

As to economic opportunities for the poor, Mr. Kemp pointed out that the number of black-owned businesses grew almost 50% from 1977 to 1982, a period that began with the Steiger Amendment cutting the capital gains rate to 28% from 49%.

We can already hear the solons of Washington pooh-poohing the Kemp and Civil Rights Commission interventions. It looks to us, though, as if the Beltway is giving the poor little more than more of the same. With a recession looming, Mr. Kemp and the commission are at least trying to do better than that.

TO Andy CARD

TO keep you
up to date.



ROBERT L. LASZEWSKI

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Dover, New Hampshire 03820

(603) 749-2600

Ext. 34915

LIBERTY





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Dover, New Hampshire 03820
(603) 749-2600

Robert L. Laszewski, CLU
Executive Vice President

October 15, 1990

Hanns Kuttner
Associate Director
The White House
Washington, DC 20500

AC HAS SEEN

Hanns:

I always appreciate the opportunity to chat with you.

Historically, the health care issue has not been a necessary issue to deal with. There has not been a consensus on the appropriate action, and no great demand from the public, for the administration to act differently.

I will suggest to you that it is deceiving to look at the health care issue by itself. There is a growing cynicism in the country about our deteriorating social infrastructure. We are all frustrated with not only the health care dilemma, but also the problems in education, housing, the environment, crime, etc. I will argue that the administration faces a political threat not so much in terms of the marginal impact of frustration over health care itself, but because of the accumulation of frustration that surrounds a general lack of confidence in the operation of all of these issues.

The recent budget impasse has been a catalyst for the voter to vent this growing frustration. It may be politically viable to dodge health care, housing, or any of the other issues. But, what is building is a strong anti-incumbent sentiment because "nothing" seems to be working very well. This sentiment has been building for some time at the state level. For evidence, witness the myriad number of "proposition" issues circumventing the legislative bodies, including limits on tenure and taxation, as well as the surprising strength of the senatorial candidate in Louisiana. The tidal wave of criticism that accompanied the recent budget summit agreements is also a symptom of the mood in the country that is not trustful of incumbent leadership.

I believe that the President's real exposure is not any one issue, but the accumulation of a number of these issues that taken together add up to a nation ineffective in facing its fundamental social challenges.

There is clearly an anti-tax sentiment. There is no inconsistency in my mind between a public that wants these social issues fixed and a limit on their taxes. Simply, for what we are now spending, people want to see health care, education, etc. "work". There are no calls for "Great Society" programs. There is a sense that these things are not working well mechanically. Better management is the issue - not more money.

Health care has not been high in the polls. I will counsel you not to look at just this one issue. What is important is to realize that the system of health care, plus environment, plus education, plus housing etc. all add up to a general problem of basic elements of our economy and society that are not working. This realization coupled with no clear policy out of the morass for anyone of these will only fuel an anti-incumbency sentiment.

The growth of this sentiment has hit its stride too late for the November elections. It would be a mistake to believe that the return of an overwhelming number of incumbents is reason to believe there is nothing significant happening.

The growing problems with the states only add to the pressure in Washington. State leadership is failing to meet their local needs which only underscores these issues at the national level. Everytime another local mental health clinic closes, another local hospital cuts back on services, more homeless appear on the streets, and unemployment grows, the voter looks toward Washington for a national health policy, a national education policy, etc.

It would be easy for those in power to point at each other over whose fault it is. There is a point when "Mr & Mrs Middle America" won't care about sides and will only want to hold the incumbent accountable.

With the negative political winds blowing in from the hinterland, with deficits growing, programs in retreat, recession gripping us and more and more bad news coming in about the failure of our educational systems, our health care system, etc, it is only a matter of time before the issues are not just specific to these individual issues, but general to the sum of them all.

You suggested to me that it is not yet time to move aggressively on the health care issue because there is not yet the public demand that you do so.

However, it will not be this one or any other single issue that will create a crisis. It will be the sum of them all.

I have the sense that the folks at HHS understand the problems and can offer specific solutions. There is high ground (good Republican high ground) on this issue. I would argue that you need to take this high ground not because you are pressed on this issue for its own sake. Rather, you must move because you want to be seen as acting upon all of these issues in a way that will affect efficiency - make the system work.

There are effective steps that can be taken.

The folks at HHS know what they are.

Many are "revenue neutral."

Key players, the insurance industry, AMA, etc. are ready for many of these.

You need to pre-empt the notion that the administration can't or won't deal with these.

There is an environment necessitating change. There are key players ready for it. You don't want to be playing defense where there is so much open field in front of you.


R.L. Laszewski
Executive Vice President

Dear Andy, F. Y. I. Please help on this. All best
regards,
Roland

AC HAS BEEN
October 20, 1990

Mr. Chase Untermeyer
Assistant to the President
for Presidential Personnel
The White House
Washington, D.C. 20505

Dear Chase,

Please accept my apologies for not maintaining closer contact. Our committee has been concentrating on Congress this summer. You will find enclosed a few of my recent columns that reflect some of my recent thinking.

What has disturbed me most over the past few months is the raising of nationalist issues (language, nationality, etc.) by the Popular Democratic Party in an effort to sow fear of statehood among the people of Puerto Rico.

Currently I am distressed by Senator J. Bennett Johnston's about-face on a plebiscite or referendum for Puerto Rico. I have strong reasons to believe that he is now a captive of the 936 corporations and thus playing their game of delaying the plebiscite until it is too late to have one in this quadrennium.

Johnston's statement (through an aide) that, since we have waited for a change of status for 30 years, another year won't matter, has infuriated the people of Puerto Rico.

I am sure you are aware that politicians in Puerto Rico are already jockeying for position with respect to the 1992 elections. It will be impossible to keep the plebiscite separate from the elections in 1991 unless Congress enacts a bill by the end of this year which sets a plebiscite date in 1991. In January, Malcolm Wallop, who voted against S. 712, will probably replace Senator McClure (who is retiring) as ranking Republican on the Energy Committee.

Which brings me to the Recommended Six-Month White House Strategy on the Puerto Rican Status Question which I sent to you July 5. I enclose a carbon copy.

I have noted that the President, consciously or not, has acted along the lines of my recommendations for July-October to apply discreet pressure on Congress for a bill.

We are now approaching the November-December stage, between adjournment of Congress and the end of the year. You will note that, if no bill is produced by adjournment time, I recommended that the President call a lame duck session for the purpose of enacting urgent bills left pending.

I would like to reiterate that recommendation at this time. Obviously, a Puerto Rican status bill should be included on the President's list of bills which require prompt enactment. (Johnston has stated that it would be possible to pass a status bill in a month.)

I am also sending a copy of this letter to Andy, and I would appreciate it if you could call this letter to the attention of the President, especially the need for a special session.

All best wishes,

Roland J. Perusse
PHG. Condo E1 Monte N.
Hato Rey, P.R. 00918

Dr. Roland I. Perusse

President

National Committee for Puerto Rican Statehood

Penthouse G, Condominium El Monte North

Hato Rey, Puerto Rico 00918

OCT

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PM



Director, Interamerican Institute and Professor of Political Science, Inter American University

By ROLAND PERUSSE

Freedom and equality

Manuel Luis del Valle, president of the Manufacturers Association, has challenged critics of Section 936 of the U.S. Internal Revenue Code to come up with a better economic model for Puerto Rico.

I don't pretend to be an economist, but I have taught courses in political economy. I think I can sum up the economic model Del Valle is seeking in two words: free enterprise.

The new leadership in Eastern Europe, even President Gorbachev, are getting rid of government subsidies and moving toward a free market economy. The transition is painful, but these leaders realize that this is the only possible long-range solution to their economic stagnation.

Section 936 is a U.S. subsidy to the Puerto Rican economy. It worked well in encouraging economic investment on the island in the 1950s and '60s. But it began to sputter in the '70s, had fits in the '80s and is actually an albatross around our necks in the '90s.

Section 936 has created a serious syndrome of Puerto Rican dependency on the United States which is discouraging Puerto Rican initiative, Puerto Rican saving and Puerto Rican enterprise, while encouraging Puerto Rican idleness, Puerto Rican consumerism and Puerto Rican reliance on welfare.

At the time Commonwealth was established, our per capita income was half that of Mississippi, the poorest U.S. state. It remains so today. Unemployment in the past decade has varied from 14 to 15 percent, three times that of the United States.

This lack of economic progress can be attributed principally to lack of initiative and self-confidence on the part of a weak private sector, and to a tendency of citizens to look toward government for the solution of all ailments in our society.

If Fomento had dedicated as much time and energy these past 20 years to the promotion of local industry as it did to the promotion of outside investment on the island, there is no question that we would have a stronger economy today. And local industry would pay local taxes, their profits would remain on the island, and we wouldn't have to worry about their leaving for greener pastures.

In fact, it appears that del Valle has had similar thoughts. The STAR [July 13, 1990] states, "Del Valle said he believes a long-term strategy should encourage local entrepreneurship and consider the global economy."

Three centers of global economic power now exist: The European Community, Japan and the United States, in that order of strength. The United States is seeking to broaden its sphere by including Canada and Mexico. We must not be left out of this expansion.

The United States is sending technicians to the Soviet Union to aid in its transition to a market

economy. Why not a bit of assistance of this kind to Puerto Rico as it makes its transition from a subsidized socialist economy to one of free enterprise under statehood?

It is impossible for me to develop a detailed substitute for 936 in a single column. But guidelines are there in books such as Adam Smith's "The Wealth of Nations," Martin Friedman's "Free to Choose" and Luis R. Dávila's "Breakthrough from Colonialism."

I include the last because this two-volume work explains clearly how each of the 37 U.S. states that entered the union after the original 13 overcame their economic problems and prospered as a result of statehood, without Section 936. We can do the same.

I have not had a chance to read former Governor Romero's eight-page letter to U.S. Senator Lloyd Bentsen protesting the senator's plan to delay Puerto Rican statehood until 1996. The press seems to have emphasized his readiness to sacrifice Section 936.

As I understand the situation, Romero's willingness to give up this tax incentive was in the context of a choice between immediate implementation of statehood and a six-year wait until 936 could be phased out. Under such circumstances, I think he was right in opting for immediate statehood, even at the sacrifice of 936.

In this context, the following questions should be pondered:

1. What is the economic value of voting for the president and vice president of the United States?
2. What is the economic value of two U.S. senators and six U.S. representatives?
3. What is the economic value of immediate integration into the free market economy of the United States?

These values are impossible to quantify. But I wager that they would have more economic value to Puerto Rico than the continuance of 936 investments at a decreasing rate for six years.

I believe that Senator Bentsen's suggestion is unconstitutional. There is at least one U.S. Supreme Court decision that holds that it is not permissible for Congress to deny a territory rights in enabling legislation to which it would be entitled as a state.

The value of decolonization is more political and psychological than economic. It represents liberation of the human spirit, which leads to greater creativity, progress and prosperity in the long run.

Abraham Lincoln would never have liberated the slaves in the United States if he had had first to devise a more cost-effective short-term economic substitute for the subsidy being given to the southern states of that period in the form of allowing slave labor.

The bottom line is freedom and equality.



Director, Interamerican Institute and Professor of Political Science, Inter American University

By ROLAND PERUSSE

Neorican horror show

If there is anyone left on the island of Puerto Rico who still believes that Puerto Ricans on the mainland should be permitted to vote on our political destiny next year, I strongly recommend that they view a recently released television showing of the Neorican horror show which took place in a public high school in the Bronx on June 25.

I call it the Neorican horror show because I can't find words to characterize the event in any other way. It is officially designated as a public hearing on the absentee vote of the Subcommittee on Insular and International Affairs of the U.S. House of Representatives.

It looked more like a *Machetero* rally to me. Pat Buchanan would have loved it. There was material there for a couple more of his columns.

The only member of the subcommittee who attended, U.S. Resident Commissioner of Puerto Rico Jaime Fuster, has no vote on the floor of Congress. Congressman Bill Richardson of New Mexico, member of the full Committee, patiently chaired the rally.

The other Congressmen in attendance were from New York City congressional districts with large numbers of Puerto Ricans: William Greene, Charles Rangel and José Serrano. Greene and Rangel, for the most part, listened in stunned silence. Not so José Serrano. He was an active participant throughout.

One of the first acts was to call for the display of the Puerto Rican flag alongside the U.S. flag. After a bit of search, this was accomplished. It set a nationalist tone for what was to follow.

Witness after witness justified their desire to participate in any island status vote on the grounds that the Puerto Rican people are a nation that transcends the island of Puerto Rico and possess a nationality separate from U.S. citizenship. This is the first time I have heard "nation" and "nationality" equated. "Nation" is essentially a cultural term. "Nationality" is a political term. There is no significant difference between nationality and citizenship.

Witness after witness called for the "liberation of Puerto Rican political prisoners." This "demand" on the U.S. government never failed to generate long and loud applause. By "political prisoners," of course, was meant the *Macheteros* under indictment for the Wells Fargo robbery in Hartford, Conn. It was another sign that witnesses and the audience were out of tune with Puerto Rico. One hardly hears the words, "Puerto Rican political prisoners," spoken on the island today except at Marxist political rallies.

Of course, it would be virtually impossible to convince this hard core that these Puerto Ricans (most of whom are out on bail) are being detained for anything else than their political beliefs. To them, robbery is justified if committed for political ends.

A couple of reverends, self-confessed *independentistas*, drew standing applause, as well as congratulations from Serrano. Their messages were viciously anti-American, and their vocabulary came straight from Fidel Castro's lexicon.

Toward the end, no holds were barred. A huge *independentistas* banner was brought into the hearing room. Serrano held up a T-shirt whose nationalist message will be inserted into the Congressional Record.

I do not want to give the impression that the proceedings were completely dominated by left-wingers. A couple of academic types tried to present an objective legal analysis of the issue on the agenda, but they were largely ignored. Similarly, veteran leader José Ortiz' plea for two Senators and six or seven U.S. Representatives for Puerto Rico fell of deaf ears. A panel of pro-statehood witnesses did testify, but each was roundly booed.

Poor Kenneth McClintock, who had the unenviable task of presenting the New Progressive Party position on the absentee vote (that it is virtually impossible from a logistical standpoint), drew angry words from Serrano.

One point that seemed agreed upon by everyone was that whatever bill is passed by Congress should be self-executing. It was felt that leaving negotiations until the basic option is chosen by the people could lead to strange results.

The raucous proceedings in New York contrast sharply with the decorum of hearings of the Senate Energy Committee, both in Washington and Puerto Rico. The only positive value of the New York horror show has been to educate U.S. citizens, including those on the mainland as well as in Puerto Rico, to the dangers presented by the so-called Puerto Rican leadership in New York.

Clearly the most threatening figure is Serrano, who considers himself the most radical member of Congress. Though he accuses others of knowing little or nothing about Puerto Rico, he, himself, clearly demonstrated that he is completely out of tune with the prevailing sentiment on the island regarding Puerto Rico's political status. Instead of uniting Puerto Ricans, he is dividing Puerto Ricans.

The exercise may also be a measure of the effectiveness of Fidel Castro's propaganda on the New York Puerto Rican community. For a long time, the Cuban Mission to the United Nations has been a center for intelligence and disinformation.

Still, I like to be optimistic about the situation. I'd like to think that the small number who turned out for this rally on June 25 comprise only a fringe element that is not truly representative of the New York Puerto Rican community, nor of their views toward the nation which has given them a better life all these years.

I'd like to think that the 50 New York Puerto Ricans brought without fanfare to the Washington, D.C. March for Equality by Elsie Valés of Toa Baja, president of Puerto Ricans for Statehood, are much more representative of the views of all our sisters and brothers on the mainland.

Anyway, I urge all readers to judge for themselves by asking Channel 6 for the opportunity to see the film. Seeing is believing.



Director, Interamerican Institute and Professor of Political Science, Inter American University

By ROLAND PERUSSE

It's 4765, or no bill at all

p. 1, The San Juan Star
August 24, 1990

Before we realize, September will be upon us, and Puerto Rico will have entered the last round in its battle for a status bill before the 101st Congress.

Congress is scheduled to return from recess on Sept. 5. Twenty-five congressional days later, on Oct. 10, it is scheduled to adjourn.

The time is short for such a momentous decision.

This period has long been regarded as the last, long-shot chance to get a bill out of this Congress.

Pundits have pointed to the difficulties which abound at this stage: the distractions of an election year, the inevitable glut of bills before adjournment, the need for Congress to pass a budget by Oct. 1, and the low priority given Puerto Rico by Congress, even in the best of times.

When Congress recessed August 4 with Puerto Rico bills still at the committee stage in both houses, the odds dwindled further.

Now, the attention of the president and the Congress is further diverted by the crisis in the Middle East.

On the positive side, our three political parties insist that our people have a chance to vote on their political future next year.

Given this set of circumstances, what strategy should we adopt to accomplish our objective?

First of all, our political leaders must pledge to present a united front before

Congress in the few days that remain.

They must avoid squabbles, be willing to compromise and refuse to be diverted by tangential issues.

There will be plenty of time to campaign once we get a bill.

Their common strategy should be to insure quick passage of House Resolution 4765 by both the House and the Senate.

I choose H.R. 4765 over Senate bill S. 712 for only one reason: the time factor. H.R. 4765 is simpler and shorter and will probably generate less controversy. There is no question that S. 712 is a superior bill.

But our choice at this stage is not between superior and inferior.

It is between H.R. 4765 or no bill at all.

H.R. 4765 has been passed unanimously by the House Subcommittee on Insular and International Affairs.

It is now ready for action by the full Interior Committee. We must persuade its chairman, Morris Udall, to hold a vote on H.R. 4765 as soon as possible after Congress reconvenes.

Approval should be little more than a formality in view of the subcommittee's prior work and unanimous approval of the bill.

What may be more difficult is to get the bill scheduled for an early vote on the floor of the House.

This is the responsibility of Congressman Joe Moakley, D-Mass., chairman of the Rules Committee.

But competition from other bills claiming priority will probably require intervention by Speaker Tom Foley.

Fortunately, Delegate Ron de Lugo of the U.S. Virgin Islands has been working closely with Foley on this bill.

He assures us that the speaker wants Puerto Rico to have a bill.

As a courtesy to the Senate, the House should send H.R. 4765 to that body by mid-September, so that it will have equal time to give consideration to the measure.

Now, the big question: Can Senators J. Bennett Johnston, James McClure, Lloyd Bentsen and others who have been working so hard to turn out a model bill on the Senate side, be persuaded to abandon their baby and turn their attention to H.R. 4765?

I think they can, if they are convinced that this is the preference of the parties and the people of Puerto Rico.

The United States is committed before the world to honor a request by the people of Puerto Rico to vote on their political future.

However, to expect the Senate to accept H.R. 4765 intact (thus avoiding the conference committee to reconcile differences) may be asking too much.

But if changes can be held to a minimum, the committee's work will be facilitated. Certainly their task would be simpler than trying to reconcile H.R. 4765 with S. 712.

This strategy should produce a bill

upon which we can vote in 1991.

Further negotiations with Congress will be required in order to implement the winning option, but at least the choice will be made, and we will be on our way to a new future.



Director, Interamerican Institute and Professor of Political Science, Inter American University

By ROLAND PERUSSE

Give us our plebiscite

The rapid movement of a Puerto Rican status bill through the U.S. House of Representatives has now focused attention on the U.S. Senate and given rise to speculation on how it will act.

In this context, the recent negative assessment made by Alan Stayman, principal staff aide on Puerto Rican affairs in the Senate [STAR Sept. 23], takes on particular significance.

According to Stayman, the Senate Energy Committee opposes key portions of the House bill, and chances for Congress to reconcile differences between the House and Senate and approve a bill this year are "remote."

Stayman cites differences on definition of the three status options, and on whether Puerto Ricans who reside off-island should be allowed to vote in the plebiscite.

He also points to the fact that the Finance and Agricultural committees of the Senate have yet to complete their work.

As if to prepare us for a major disappointment, Stayman asserts: "If the bill dies in Congress, it's not the end of the world. Next year there'll be a better chance of passage, and a new Congress

could authorize a meaningful plebiscite in 1993 or 1994."

He estimated that Congress approves only about 10 percent of all legislation discussed in a given two-year session and that most bills take six, eight or 10 years to clear the legislative process.

I think Stayman should be reminded of a few basic facts:

1. The people of Puerto Rico have already served their apprenticeship. Our efforts to improve our political status date from the beginning of this century. Our last major effort, which was rejected, was the Fernos-Murray bill of 1959. Change is long overdue.

We do not to repeat the strenuous exercise of the past two years, next year or in 1993 or 1994. We want congressional action now.

2. On August 3, 1979, in a Joint Resolution unanimously approved by both houses, the U.S. Congress committed itself "to respect and support the right of the people of Puerto Rico to determine its political future by means of a peaceful, open and democratic process." We have been trying to exercise this right for the past two years. Congress is morally committed to carry out its pledge to support us in this effort.

3. Failure of Congress to act amounts

to endorsement of the status quo, which has been condemned each year by the United Nations since 1972. We want to put an end to this annual ritual, which has been humiliating to both the United States and Puerto Rico.

4. At a time when the United States is expending tremendous amounts of time and treasure to try to insure the right of self-determination for the 800,000 Kuwaitis in the Middle East, it is difficult to understand why the U.S. Congress can not find the time and will to insure the right of self-determination for the 3.6 million U.S. citizens of Puerto Rico.

5. Hundreds of Puerto Rican reservists and members of the Puerto Rican National Guard are being mobilized, possibly for Saudi Arabia. Despite their second-class citizenship, they are loyally honoring their commitment to defend the nation, as did their fathers and grandfathers in all U.S. wars of the 20th century.

The least Congress could do for them now is to give them the opportunity, if they so desire, to choose full rights of citizenship within the American nation.

6. The off-shore Puerto Rican vote, which Stayman finds troublesome, is unconstitutional, based on a decision in a similar case by the First Circuit Court of Boston in 1967. It will probably be elimi-

nated from the House bill. If not, it is likely to be eliminated by the federal courts.

7. There is no doubt that the Senate bill (S. 712) is far superior to that of the House. But time is running out. The choice is not between an inferior and a superior bill.

The choice is the bill which stands the best chance of being approved by this Congress in this session. That bill is H.R. 4765. All three Puerto Rican political parties are willing to settle for this bill in order to have something to vote on next year. Doesn't Congress' commitment to support our right of self-determination include an obligation to give us the bill we prefer?

We plead of a bit of understanding and respect for the wishes of our people at this point.

Congress should stop playing ping pong with Puerto Rico. It should do its duty and fulfill its responsibilities to the island.

In my opinion, Congress has no moral alternative but to assure us in 1990 that we will have a chance to determine our political future in 1991.

We expect no less from the world's most prestigious deliberative body.



By ROLAND PERUSSE

Disservice to P.R.

Director, Interamerican Institute and Professor of Political Science, Inter American University

I am sure she means well, but Dr. Mariam Ramírez Ferrer of Mayaguez is doing a great disservice to Puerto Rico in her persistent lobbying of the U.S. Senate in an effort to persuade that body not to accept without change H.R. 4765, the House bill calling for a political status plebiscite in Puerto Rico in 1991.

Ramírez, leader of Puerto Ricans for Civic Action, wants the final legislation to include detailed information on each status option, as provided in the Senate bill, S. 712, and opposes the House bill's provision for a plebiscite vote for Puerto Ricans residing off-island.

Both aims are laudatory. Such changes would represent significant improvements in H.R. 4765. Under ordinary circumstances, most of us, I think, would sympathize with such recommendations.

However, present circumstances are not ordinary. The clock is fast running out on this session of Congress. There just isn't enough time to reopen S. 712 to a long debate in the Senate and for weeks of wrangling by a conference committee in an effort to reconcile two very different bills.

Congress wants to adjourn on Oct. 20. And there is much other urgent business to attend to, such as near-war in the Middle East and an agreement on a new budget.

In this light, Ramírez' recommendations lose much of their relevancy. There is no time to amend H.R. 4765. We are faced with a Hobson's choice of H.R. 4765 with all its warts or no bill at all.

It is important to remember that H.R. 4765 calls for further negotiations with Congress with respect to implementation of the winning formula. Thus, nothing should be ruled out, and nothing should be ruled in, by approval of H.R. 4765. In the negotiation that would follow, the Senate can insist that deliberations be guided by the detailed definitions in S. 712, which have been agreed upon by Puerto Rico's three political parties.

As for the off-island Puerto Rican vote, this should present no problem. Rep. José Serrano no longer insists on it. More important, in 1967 the U.S. Circuit Court of Appeals upheld a ruling by the U.S. District Court in Puerto Rico which decreed that voting by non-residents in a Puerto Rican plebiscite is unconstitutional.

If the Puerto Rican legislature should attempt to

amend our electoral laws to include the off-shore vote, I feel confident that such action would be quickly challenged and just as quickly invalidated by the courts.

The people of Puerto Rico want a plebiscite bill now. All three Puerto Rican political parties are on record as favoring a plebiscite or referendum for Puerto Rico in 1991.

On Oct. 5, President Bush sent a letter to Del. Ron de Lugo, D-V.I., chairman of the House subcommittee in charge of H.R. 4765, urging House members "to act affirmatively and rapidly on whatever measure comes before them to call for a referendum on Puerto Rico's political status.

"I stand ready to sign such legislation when it reaches my desk," he said.

Ramírez is alone in insisting that the momentum of the plebiscite process be halted at this time in order to reopen a debate on two issues that can be taken care of after H.R. 4765 is passed.

Indeed she may be playing right into the hands of those working to stop the plebiscite process in its tracks.

Politics is the art of the possible. Congressional approval of H.R. 4765 by this session of Congress is still possible. By reaching for perfection now, we could lose everything we've gained in the past two years. And who knows when another opportunity like this one would present itself.

A key element in this equation will be the position of Sen. J. Bennett Johnston, D-La., chairman of the Senate Energy Committee and principal sponsor of S. 712. He worked extremely hard in fashioning a model bill to assure that the people of Puerto Rico would know exactly what they would be voting for and could be reasonably sure that their choice, if victorious, would be implemented in accordance to terms spelled out in the bill itself.

How strong will be Johnston's pride of authorship?

There are good indications that Sen. Paul Simon, D-Ill., a co-sponsor of S. 712, would be willing to sacrifice S. 712 if time would allow for passage of only H.R. 4765 in this session.

And it is believed that Sen. James McClure, R-Idaho, the third co-sponsor, is likely to go along with his president's support of H.R. 4765 at this juncture. So, a referendum is still possible.

ANDREW H. CARD, JR.
Holbrook, Massachusetts

October 25, 1990

Dear Joe:

Even though my responsibilities at the White House keep me very busy, I pay close attention to what is happening in the Bay State. We desperately need a change!

I was thrilled to learn that you are running for State Representative because I know that you will bring a change for the better to Beacon Hill. You can help turn things around so the Commonwealth is no longer cited as a fiscal embarrassment led by arrogant politicians.

Having served for eight years in the Massachusetts House of Representatives, I know what a difference good leadership can make. Your desire to serve, your commitment to the people and your new ideas are sorely needed.

The people of the Seventh Suffolk district need you in the Massachusetts General Court as their new Representative.

Again, I am very pleased that you are running for the House. Good luck on November 6th.

Keep in touch!

Sincerely,
Andy Card
Andrew H. Card, Jr.

Mr. Joseph R. Correggio
30 Graves Road
Revere, Massachusetts 02151

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