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Series: Sununu, John, Files
Subseries: Press Files

OA/ID Number: 29200
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Folder Title:
Sununu Press Clips (Pre-1990)

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FOIA Request

FOIA Log Number: 98-0004-F

Book Location:	Row	Section	Shelf	Position	Map Case Location:
Series:	Office of Chief of Staff John Sununu				Box No:
File Folder Title:	Sununu Press Clips (Pre-1990) [OA/ID 01806]				
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ED -

If you could
only see what
didn't get into
the paper.

KEVIN

P.S. Now, what about
baseball cards?

Sununu settles in at the top

Bush's point man growing into job

By Kevin Merida

Washington Bureau of The Dallas Morning News

WASHINGTON — They pulled up chairs around a long oval table in the White House, some of the president's best friends in Congress. None was happy about the administration's ban on imported semiautomatic assault rifles.

Waiting to take their complaints, listen to their suggestions and ease their doubts was George Bush's chief of staff, John Sununu, known for his sharp intellect, sharp tongue and an occasional bit of wit.

"Did you all check your guns at the door?" Mr. Sununu cracked in opening last week's meeting.

Everybody chuckled.

"It came across as, 'I know who you guys are. You're opposed to gun control,'" recalled Rep. Lamar Smith, R-San Antonio.

By the time the session ended, Mr. Smith felt better. Mr. Sununu, he said, had conducted himself with aplomb, even in tense moments.

"He was sensitive to the concerns that were raised by members of Congress," said Mr. Smith, "and I thought that was a good sign. He came across as very politically astute."

The anecdote is one small indication that after 11 weeks on the job, Mr. Sununu is learning his role and becoming increasingly relaxed in it.

As the president's point man and gatekeeper, the former New Hampshire governor has been ridiculed as ignorant of the ways of Washington, maligned for assembling a staff seen as mediocre and tarred for bungling John Tower's nomination as defense secretary.

The jury is still out, but the portly, bespectacled Mr. Sununu appears to have found his own comfort zone.

"Honest," he said in an inter-

Please see SUNUNU on Page 20A.

Sununu settling in as point man for President Bush

Continued from Page 1A.

view, "I'm not going to get in a public debate with folks who are running around outside of the tent without being able to see or hear what's going on inside."

"Really," he added, "I only have a constituency of one."

That one is George Herbert Walker Bush, who has kept his confidence in the 49-year-old Mr. Sununu despite criticism from inside and outside the White House.

Last week, Mr. Sununu took satisfaction in a *Washington Post*-ABC News poll that put the president's popularity rating at 71 percent — even though only one in five Americans indicated they had a good idea of where Mr. Bush was leading the country.

Mr. Sununu also ticked off a list of Mr. Bush's accomplishments — including the plan to bail out the nation's troubled savings and loans and a "very successful" Far East trip — and proclaimed the president's feats to be the true measure of his effectiveness.

In his view, he said, his job is "providing the assistance that the president needs to get these things done."

Others vary widely in their views of John Sununu — who was born in Cuba, grew up Catholic in an exclusive neighborhood in Queens, N.Y., attended a military academy, earned an undergraduate degree in engineering, formed his own engineering design company,

earned a doctorate and joined the faculty of Tufts University, all by age 27.

Interviews with allies and foes alike elicit such descriptions as cerebral and arrogant, technocratic and gruff, bright and optimistic, cagey and confrontational, loyal but vengeful, a man who does not suffer fools gladly.

"He's one of those people who are usually underestimated," said conservative activist Paul Weyrich, "to the person's peril."

"He practices a form of basic politics," Mr. Weyrich added. "He believes in rewarding friends and punishing enemies."

If that's true, perhaps Mr. Weyrich should be concerned. His testimony before the Senate Armed Services Committee that he saw John Tower drunk and with women other than his wife was widely seen as significant in torpedoing the former Texas senator's nomination as defense secretary.

After the fight, Mr. Bush sent Mr. Weyrich a handwritten note, essentially saying there were no hard feelings. Mr. Sununu was not so forthcoming.

"He's been fair," Mr. Weyrich said of the chief of staff, "but he also made it clear he wasn't pleased with the ordeal that the White House went through on this."

Rep. Tony Coelho, D-Calif., the House majority whip, got to know Mr. Sununu during last year's presidential campaign. Mr. Coelho often

served as a surrogate for Democratic nominee Michael Dukakis, while Mr. Sununu did the same for Mr. Bush.

"He was tough, and he was aggressive," said Mr. Coelho. "But the more we debated, the more we talked, the more I got to like him. I like people who know who they are and are tough about it."

Now the two talk at least once a week. It has become a pivotal relationship, one that Mr. Sununu has nurtured. And it has sensitized him to Democratic concerns.

Although Mr. Coelho believes Mr. Sununu is growing in the job, he notes: "His weak point is he doesn't know the company town. He doesn't know the major players. He doesn't know the players behind the scenes."

As examples, he offered what many other Washington political players have cited: the handling of the Tower nomination and the quickly scuttled proposal to charge savings and loan customers a fee on their deposits.

After Mr. Bush's election last November, some of his top advisers apparently objected to the choice of Mr. Sununu as chief of staff. But the president was impressed by Mr. Sununu's intelligence, loyalty and trustworthiness.

He also had ingratiated himself with Mr. Bush at the toughest point in the 1988 campaign. After Mr. Bush's surprisingly poor third-place finish in the Iowa caucuses,

Mr. Sununu played a key role in helping him win New Hampshire, which turned the campaign around.

During the campaign against Mr. Dukakis, Mr. Sununu, as leader of a neighboring state, proved to be instrumental in attacking Democratic assertions that the Massachusetts governor had worked an economic "miracle" in his home state.

While Mr. Dukakis came home to economic problems in Massachusetts, Mr. Sununu is now being blamed by some in New Hampshire for leaving projected budget deficits behind when he went to Washington.

Meanwhile, so embattled were Mr. Sununu and those under his command during the early weeks of the Bush presidency that depression set in among many in the White House.

"There was definitely a period when it was low and he was taking a lot of hits and staff morale was down," said a senior White House aide.

According to this aide, the turnaround in morale began in mid-March. First, the president nominated Dick Cheney as defense secretary March 10. Then, two days later, a lengthy story on Mr. Sununu in *The Washington Post* proved not to be especially damaging.

White House staffers, it seemed, were consumed by rumors that *The Post* was working on a story that was "going to be beating up" on

Sununu, in the aide's words.

In New Hampshire — where Mr. Sununu served one term in the Legislature, ran unsuccessfully for a U.S. Senate seat and served three two-year terms as governor — he was known for being overly sensitive to press criticism and intolerant of reporters and others who didn't see things as he did.

"He did not like to be challenged," said Dayton Duncan, who was chief of staff for former New Hampshire Gov. Hugh Gallen, a Democrat whom Mr. Sununu defeated in 1982.

Today, Mr. Sununu brushes aside the knocks he has taken in the national news media since arriving in Washington. "I don't read that much of it," he said. "I'm not one to sit down and judge all these introspective analyses about what's being done."

Mr. Sununu is the first former governor to be a presidential chief of staff since Sherman Adams served under Dwight Eisenhower in the 1950s. Coincidentally, Mr. Adams also had been a New Hampshire governor.

By many accounts, Mr. Sununu has broadened the scope of the job, making himself much more accessible to outsiders than his predecessors were. On a typical day, he will spend a third of his time with the president, a third in outside meetings and with White House staff members, and the rest handling paperwork and making phone calls.

Mr. Sununu is at the White House by 6:45 each morning to preside over his senior staff meeting. He rarely leaves before 8:30 p.m. He has two official meetings with the president each day — one at 8:15 a.m., the other a session to review the day, at 4:45 p.m.

About 7 p.m., Mr. Sununu will wind down his day, leaving time for casual chats with staff members who may want to share advice.

"I'll be walking around with my usual blank expression and Sununu will look up to me and say, 'Smile!'" said James Pinkerton, a White House senior policy adviser.

Mr. Pinkerton recognizes that it has not been a completely smooth ride for the White House staff under Mr. Sununu's direction.

He noted, however, that Mr. Sununu has shown an interest in building coalitions to craft public policy and has not tried to impose his own judgments on administration decisions.

It is a course unlike that followed by Ronald Reagan's former chief of staff, Donald Regan, who, like Mr. Sununu, had no Washington experience. The former Wall Street executive was criticized for injecting himself into the public limelight and maintaining poor relations with those the president needed to cultivate.

"The million-dollar question was, would he be another Don Regan," said Mr. Pinkerton. "And the answer to that question is no."

Rowland Evans
And Robert Novak

George Bush's Abortion Crisis

In suppressing revolt on the right against Dr. Louis Sullivan, President-elect George Bush revealed how he really regards abortion and previewed his presidential style by barring a meeting between right-to-life leaders and his candidate for secretary of health and human services.

Chief of staff John Sununu suggested such a meeting. But Bush was not about to demean himself by subjecting the politically naive medical school administrator to a grilling by what transition officials called a "special-interest group." Instead, anti-abortion members of Congress were talked into interviewing Sullivan and giving him a semi-clean bill of health.

The incident shows Bush will not be an easy president to roll. Conservatives counting on Sununu to carry the day for them in the White House were disappointed. But the president-elect also displayed insensitivity on an issue more important than he may imagine.

The 72-hour crisis was Bush's own. Sullivan, president of Atlanta's Morehouse School of Medicine, was his and Barbara Bush's selection. There is no sign that the Bush transition delved into his record or that the president-elect questioned Sullivan closely on abortion.

Those omissions are remarkable on both ethical and practical grounds. A hard line against abortion has been enshrined in the last three Republican platforms. Not only did Bush campaign as a pro-lifer but his issues adviser, James Pinkerton, had assured the anti-abortion lobby that Bush's choice for HHS would make them happy.

The most rational explanation is that abortion was not on Bush's mind when he interviewed Sullivan. With his Cabinet filling up and Jack Kemp named for Housing and Urban Development, Bush was running out of slots for black appointees. Although he did ask Sullivan about abortion, he asked the wrong questions—revealing his own late conversion to the cause.

Rep. Newt Gingrich, unlike Bush a pro-lifer and movement conservative, also misfired when he interviewed Sullivan. He saw in his fellow Atlantan a black Harvard graduate professing conservative values and providing a wedge into the monolithic Democratic minority vote. When Gingrich OK'd Sullivan at a Washington meeting of conservatives, one veteran right-winger snapped that no doctor could be trusted on abortion. That reflected the movement's woes with Dr. Otis Bowen, Reagan's third and final HHS secretary.

Suspensions heightened when Reagan enemies lined up to endorse Sullivan: Planned Parenthood, Children's Defense Fund, homosexuals. They peaked when Atlanta Journal and Constitution reporter Kevin Sack interviewed Sullivan and proclaimed him "pro-choice." Incredibly, Sullivan compounded the damage two days later in a confirming interview with Sack, saying "there should be that right" of a woman to abort.

With the right demanding Sullivan be dropped, the non-wimpish, presidential Bush took charge. He would not throw his only black Cabinet choice to the pro-lifers or even permit them to interview him. There was also the temptation to play to the liberal news media in a post-election profile in courage.

But transition co-director Robert Teeter, the clearest pro-choice voice in Bush's inner circle, is shrewd enough to perceive the pro-life movement's rising power. Instead of forcing through Sullivan, Teeter wanted to ease him into office.

Private promises were made that Sullivan, unlike Bowen, would be surrounded by pro-lifers at HHS (including assistant secretary for health). Coached by Teeter and co-director Craig Fuller, Sullivan was grilled by anti-abortion Sen. Orrin Hatch of Utah, Rep. Vin Weber of Minnesota and Rep. Chris Smith of New Jersey. He declared belief that life begins with conception and supported the Human Life Amendment to the Constitution—incompatible with pro-choice policy.

Sullivan gave the impression of an intelligent man befuddled by a strange environment. But since Bush was determined to name him, the legislators argued with pro-life activists that they would be better off working with Sullivan to make sure he would not be another Doc Bowen. Weber, who had supported Kemp for president, reminded pro-life activists who signed on with Bush during the campaign that they had made their commitment and had better stick with it.

That it will not be a comfortable bed was shown by the 72-hour Sullivan crisis. Bush's selection very nearly violated a solemn political commitment. Though the statements and promises softened opposition, the new president's honeymoon with the right ended this week in disorder though not divorce.

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===== INSIDER COMMENTARY. =====

*41 CHRISTMAS CAROLS

In the HOTLINE tradition of Campaign Reports, the following carols of 200 words or less are reported exactly as we have received t

reme on the political d rest ye merry liberals
We've nothing left to lose,
You offered Jimmy, Fritz and Mike
Gee, thanks, but we refused,
You took the shirts right off our backs
And now you want our shoes.
Oh, tidings of taxes and crime, taxes and crime
Oh, tidings of taxes and crime.

FROSTY THE SNOW JOB

Frosty the snow job
Was a budget flexi-freeze
Made of rubber lips and paper clips
With weak and wobbly knees.

Frosty the snow joaie began to squirm
Onn Day.

There must have been some voodoo
In that supply side hat they found
For when they placed it on his head
It began to trickle down.

Frosty the snow job
Made the voters smile and dance,
Till they found new fees underneath their trees
And their revenues enhanced.

KINDER NIGHT, GENTLER NIGHT

Kinder night, gentler night
All is male, all is white
Blessing a thousand points of view
Just not the card of the ACLU
Serve with noblesse oblige,
Serve with noblesse oblige.

JINGO BELLS

Dashing through the clouds
In a foreign-made prop plane,
Pouring gasoline
To prop up my campaign,

Talking tough on trade
Posing with thagank
But governing's a drag.

Oh, jingo bells, jingo bells
Jingo all the way
We've got fees for the Japanese
Made in the USA.

Oh, jingo bells, jingo bells
Jingo all the way
Here's our crew for '92:
Me and Enola Gay.

STARS OF WONDER, STARS OF NIGHT

Ahead in the polls, they traveled afar
More than a pair, a troika they are
Lloyd the Southern
Jesse the Northern
Michael the Eastern Star

Oh-oh, Stars of Wonder, Stars of Night
How could you blow what seemed so bright
You would not heed, and
Lost the lead, and
Turned out our thousand points of light.

SUNUNU CLAUS IS COMING TO TOWN

You better watch out, you better not cry,
GOP moderates needn't apply,
Sununu Claus is coming to town.

He's making a list, checking it twice,
You want to see George? Isn't that nice,
Sununu Claus is coming to town.

He knows if you've been leaking, he knows if you're a fake,
He knows if you're a pussy cat like a good Sununu-flake.

Oh, Fuller is sad, he wanted the job,
Now he'll be rich, but what about Bob?
Sununu Claus is coming to town.

HART, THE HERALD PAGES SING

Hart, the Herald pages sing,
Horny is the Yuppie king
Divinity student, Bimini wild
God and sinner reconciled.

He found his beef
When we tailed him.
First the press, then
the people failed him.

Hart, the Herald pages sing,
Horny is the Yuppie king.

THE LITTLE DUMMER BOY

Come, George told me, duh-dum duh-dum dum,
A newborn veep-to-be, duh-dum duh-dum dum,
He'll fly the handlers in, duh-dum duh-dum dum
To make me Dr. Spin, dm duh-dum dum,
dum duh-dum dum, dum duh-dum dum.

I'm just like Kennedy, duh-dum duh-dum dum,
Dad will take care of me, duh-dum duh-dum dum,
I am the V.P. now, duh-dum duh-dum dum
My wife will show me how, duh-dum duh-dum dum
dum duh-dum dum, dum duh-dum dum.

Leaders will visit me, duh-dum duh-dum dum,
I'll take them out to tee, duh-dum duh-dum dum,
I'm friends with big strongmen, duh-dum duh-dum dum,
George will not talk to them, duh-dum duh-dum dum,
dum duh-dum dum, dum duh-dum dum.

He'll send me instead, duh-dum duh-dum dum,
When they are dead.

I'M DREAMING OF A WHITE CHAIRMAN

I'm dreaming of a white chairman
Just like the ones I used to know,
A TV flacker with mainstream backers,
Like Bruce and.

I'm dreaming of a white chairman
To keep the Jackson people down
We'll put someone up against Brown
Like a rich corporate lawyer in town.

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^Bush Staff Consulting with Executive 'Headhunters' <

^Eds: SUBS 10th graf, 'When he,' to CORRECT inauguration date to Jan. 20. <

^By JOAN MOWER=

^Associated Press Writer=

WASHINGTON (AP) President-elect Bush's transition aides are soliciting advice from professional 'headhunters' in determining how best to recruit people for hundreds of high-ranking jobs.

Transition personnel director Chase Untermeyer said Tuesday that employees of leading executive search firms have advised Bush aides on things such as 'finding sources, finding references and interviewing.'

Untermeyer's office is charged with sifting through thousands of resumes that have been submitted for jobs in the new administration. He said it is easy to learn the recruiting techniques used by private industry recruiters, who are commonly called 'headhunters.'

But while government and industry both aim to fill jobs with the most qualified people, he said, Bush's nominees also 'must have a feel for the politics of the situation, ... what the president's programs are, what the mandate of the election was.'

The No. 1 priority so far has been choosing Cabinet members who will have a say in filling the sub-Cabinet jobs, Untermeyer said. Several Cabinet vacancies remain including the secretaries of Health and Human Services, Transportation, Energy, Interior and Labor.

Key sub-Cabinet jobs number several hundred. They include the assistant secretaries and undersecretaries at the agencies, commission members, ambassadorships and judgeships.

The new administration will have about 4,300 full-time patronage jobs out of a federal bureaucracy of about 3 million, Untermeyer said.

In selecting nominees to high positions that require Senate confirmation, Untermeyer said he and his six assistants pore over resumes and perform preliminary background checks before selecting a 'good grouping' of about three people for each job.

Those people will be interviewed by John Sununu, the designated White House chief of staff.

'When he is satisfied that we have a good package, off it will go to what will be a regular meeting with the president,' Untermeyer said. Bush, who will be inaugurated on Jan. 20, will make the selections, he said.

Those selected will be subject to various congressional and FBI examinations and will have to provide financial information before the president submits the nominations to the Senate. An appointment is final only after Senate confirmation.

Untermeyer made his comments at a briefing on the transition sponsored by the National Press Foundation.

John Trattner of the non-profit Center for Excellence in Government approved of using management techniques similar to those employed by business in recruiting.

He said that by using such methods, the Bush administration should cut down on inappropriate hirings based solely on friendships and other non-professional criteria.

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Bush Choice for HHS Cabinet Post Meets With Abortion Foes, Blunting Objections

By MICHEL MCQUEEN
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Aides to President-elect Bush appeared to have blunted an outcry over the abortion views of Mr. Bush's reported choice to head the Health and Human Services Department after a lengthy meeting with prominent abortion opponents.

The prospective nominee, Dr. Louis Sullivan, accompanied by transition officials Craig Fuller and Robert Teeter, met yesterday with three leading congressional opponents of abortion, Sen. Orrin Hatch (R., Utah), Rep. Vin Weber (R., Minn.) and Rep. Chris Smith (R., N.J.), as well as Kay James, an official of the National Right to Life Committee.

Although the group later issued a statement saying it still opposes Dr. Sullivan's nomination, all three lawmakers said they are satisfied that Dr. Sullivan shares their desire to outlaw abortion in most cases.

Sen. Hatch issued a statement, saying: "I think he would make a fine Secretary of Health and Human Services, if he is nominated." Sen. Hatch is the ranking GOP member of the Labor and Human Resources Committee, which will likely evaluate the HHS nomination before it goes to the full Senate, which must approve all cabinet secretaries.

Source of Outcry

The outcry arose after Dr. Sullivan, president of the Morehouse School of Medicine in Atlanta, said in an interview in Sunday's Atlanta Journal and Constitution that he privately supports a woman's right to choose abortion but opposes federal funding for the procedure and would uphold the president-elect's position. Dr. Sullivan subsequently wrote a letter to the newspaper that appeared yesterday, saying he wished to "clarify" his position, which is in opposition to abortion.

The controversy has created the sharpest political dilemma so far for Mr. Bush, who has generally received high marks for his handling of the transition. Dr. Sullivan would be the first black and second minority group member appointed to Mr. Bush's cabinet.

But leaders of the pro-life movement are said to believe that Mr. Bush had promised to appoint one of their number to the HHS job. The controversy appears to force the president-elect to choose between satisfying a key element of his conservative constituency and making good on an oft-stated pledge to diversify his cabinet and work to attract more blacks and other minorities to his Republican party.

Rep. Weber, who along with Rep. Smith is a member of the Congressional Pro-Life Caucus, said that on the basis of his discussions with Dr. Sullivan he would urge the grass-roots groups that oppose abortion "that they should not simply go into an opposition mode" but evaluate Dr. Sullivan's background and statements.

Pro-Life Position

"I have been convinced and am convinced that his position on the pro-life issue is fully consistent with Vice President Bush's," said Rep. Weber, namely that Dr. Sullivan, a hematologist, opposes abortion except in cases of rape, incest and to save the life of the mother and that he supports a so-called "human life amendment" to the Constitution.

Yesterday, lawmakers who met with Dr. Sullivan said he told them the controversy resulted from his inexperience with the press. "He used the phrase several times that he 'stumbled badly,'" Rep. Weber said in an interview. "I think what you've got here is a good man with a good position who has never given much thought to the abortion position and who was plunged naked into the boiling cauldron."

Asked whether someone whose lack of Washington experience would lead to such difficulties should be appointed, Rep. Weber said, "You can debate whether or not you want an outsider or an insider but the vice president expressed a desire to go beyond the Beltway in making some of these selections. I think that's a perfectly reasonable approach. When you do that, sometimes these things happen."

It remains unclear, however, how far the grass-roots organizations will follow the lawmakers' lead in re-evaluating Dr. Sullivan. The NRLC, which earlier this week sent a letter to Mr. Bush opposing Dr. Sullivan's appointment, issued a statement late yesterday after a lengthy staff meeting, saying the group remains opposed to the nomination. But the group appeared to leave the door open by noting that "there have been a number of developments today...there are many questions remaining."

Tooth-and-Nail Fight

Another group, the Ad Hoc Committee In Defense of Life, also reiterated its opposition. "We're going to fight it tooth and nail," said Jack Fowler, head of the group's Washington office.

Another reported Bush cabinet choice, Chicago transportation official Samuel Skinner, encountered criticism yesterday when Sen. Howard Metzenbaum (D., Ohio) vowed to press an inquiry into Mr. Skinner's actions while he was a U.S. attorney in Chicago. Sen. Metzenbaum said that Mr. Skinner, who is set to be named Transportation Secretary, should be asked by the Senate why he "failed to pursue allegations of fraudulent testing of Nutrasweet." The Food and Drug Administration, which initially requested a grand jury probe in 1977, later dropped the investigation. Sen. Metzenbaum said he learned of the issue during a 1986 congressional hearing.

Edward Murnane, a spokesman for Mr. Skinner, said, "Mr. Skinner conducted himself in accordance with Department of Justice guidelines in the matter mentioned by Sen. Metzenbaum. He'll be happy to answer any question that the Senate has for him regarding this matter."

Bush transition officials said they didn't expect the matter to pose problems for Mr. Skinner.

Mr. Bush's chief of staff-designate John Sununu also rounded out his White House staff with the selections of David Demarest, a Bush campaign aide, as White House communications director, and Frederick McClure, a lobbyist for Texas Air Corp. and former Reagan aide, as assistant to the president for legislative affairs.

—Laurie McGinley
contributed to this article

Photo Copy Preservation

sought in 1980 and 1984: "The reason, Mr. Yeutter told friends, was that he felt 'just burned out' by the brutal pace of the trade job ..." (Farnsworth, N.Y. TIMES. 12/15). WASH. POST editorial says Yeutter's goal of dismantling agricultural price supports will not likely be realized in the near future (12/15).

*3 CONSERVATIVES CRITICIZE TOWER CHOICE

Fossedal in today's N.Y. POST quotes David Packard: "The way they've treated John Tower sort of makes you wonder whether it would be worth it to be in the Bush administration anyway." Fossedal says, "Of the possible candidates, only Former Defense Secretary Donald Rumsfeld is the sort of man who could make a difference" (12/15). Today's WASH. TIMES looks at rumors concerning Tower's personal life (Aynesworth, 12/15). WASH. TIMES Hallow reports that "A coalition of 25 conservative leaders that met Saturday at the Free Congress Foundation was generally critical of the expected appointment, it was learned yesterday." Henry Walther, president of the U.S. Defense Committee: "Having John Tower run the Defense Department is not a good idea. When we invited members of Congress and others to our reception each year, we were in a quandary as to whether Tower was good enough to invite. He ranked 34th in the Senate in voting right on defense." Retired Lt. Gen. Daniel O. Graham, former head of the Defense Intelligence Agency: "The FBI might say he has never broken any laws, but they said the same thing about Ed Meese. And he spent an awful lot of time defending himself." Graham recommends either Martin-Marietta head Norman Augustine or Rumsfeld (12/15). Fuller told reporters yesterday that the FBI check is "just about completed" and a recommendation should come by the end of this week (Dunham, DALLAS TIMES HERALD, 12/15). Tower associate Paul Eggers: "John Tower's main problem is that his first is very supportive of him becoming secretary of defense, while his second wife -- as an understatement of the day I would say she's less supportive" (Kiely/Lewis, HOUSTON POST, 12/15).

*4 POTPOURRI: ENERGY, WH STAFF, HUD, HHS, LABOR, VET AFFAIRS

ENERGY: HOUSTON POST's Kiely and Lewis profile former Bonneville Power Administration head Peter Johnson who was interviewed Monday by the Bush transition team concerning the DOE post. Johnson headed the BPA "in the early 1980's at a time when the agency was embroiled in an ill-fated network of nuclear power plants planned by the Washington Public Power Supply System. Johnson is widely credited with putting the brakes on the plants -- an action that many observers believe may have saved the federal taxpayers from having to underwrite several of the system's bankrupt plants" (12/14).

HHS: N.Y. POST, L.A. TIMES, WASH. POST and W.S. JOURNAL all say Morehouse School of Medicine president Dr. Louis Sullivan is a leading candidate (12/15).

WHITE HOUSE STAFF: "Sununu has asked former Rep. Tom Loeffler of Texas to become head of his congressional relations staff. In addition, Edie Holiday, a former Bush campaign aide who is now an assistant secretary of the treasury, has been offered a new post as director of White House outreach operations, which

includes political affairs, intergovernmental relations and some communications tasks ..." (Seib/McQueen, W.S. JOURNAL, 12/15).

VETERANS AFFAIRS: Retired three-star Army Gen. Julius Becton, who now heads the Federal Emergency Management Agency, is "the top contender" says the WASH. POST's Devroy and McAllister. Becton "is given credit for revamping the scandal plagued FEMA after he was named director in 1986" (12/15).

LABOR: FCC Member Patricia Diaz Dennis is on the short list (Devroy/McAllister, WASH. POST, 12/15).

HUD: W.S. JOURNAL's Seib and McQueen quote Bush transition officials who say that Kemp has a "better than even" chance of becoming a Cabinet member (12/15).

*5 POTPOURRI CONTINUED: NATL. ECONOMIC COMMISSION, NJ'S COLEMAN

Bush said at yesterday's press conference that he expects to name two new members to the National Economic Commission by the end of next week (mult., 12/15). Another potential black cabinet member: NJ's Len Coleman, an adviser to Gov. Kean (N.Y. POST. 12/15).

*6 COMMITTEE.WATCH

BILLINGS GAZETTE's Gransbery reports that Sen.-elect Conrad Burns has been assigned to the Energy and Natural Resource Committee and the Commerce, Science, and Transportation Committee (12/14).

===== NATIONAL BRIEFING =====

*11 STATE REPORT

CONNECTICUT

"BUDGET CUTS, TAX INCREASE DUE IN STATE": With that headline, HARTFORD COURANT's Jacklin reports top aide Milano "said budget officials will devise proposals in coming weeks aimed at drastically reducing the shortfall" of \$882 million for fiscal 1989-90. Milano said that "except for state employee layoffs, everything is 'on the table' ... [and that] the hastily called press conference was at the behest of Gov. William A. O'Neill, who was not available to answer questions." On the revenue side, Milano and O'Neill have already "targeted" the corporate income tax and will "study elimination of some sales-tax exemptions," but Milano "ruled out a state tax on earnings and said raising the state's highest-in-the-nation sales tax of 7.5 percent would be an option, but an unlikely one" (12/14).

DISTRICT OF COLUMBIA

Mayor Barry's new budget "calls for all city employees to lose a promised 2 percent pay bonus" and may require 28,000 District employees to "face nine payless workdays" (McCraw/Caughron, WASH. TIMES, 12/15). A federal judge "struck down a congressional command that the city council pass a new law that would have taken away the protection that an existing local law gives gay students against discrimination at Roman Catholic colleges" in D.C., thereby pulling the city "back from the brink of a complete shutdown ... Congress had said that if the city

Ed.

14 Dec 88

file

To: Gov. Sununu

FYI.

Chase

(A potential stocking-
stuffer!)

Sean is getting
the book

The Modern Presidency and How It Grew

THE RING OF POWER
The White House Staff and Its
Expanding Role in Government
 By Bradley H. Patterson Jr.
 Basic Books. 382 pp. \$19.95

By George E. Reedy

BRADLEY H. PATTERSON has written what may well be the definitive text on the bureaucratization of the White House. To the modern breed of management consultant it will be a thing of joy and beauty. But it has something of value for everybody—the politician, the social scientist and even the clinical psychologist who may note the relevancy of the lives of executive assistants to Pavlov's experiments with white mice in a maze.

The author, himself a "career" White House staffer for 14 years under Presidents Eisenhower, Nixon and Ford, has a basic thesis which is almost certainly correct. Every president, prior to his inauguration, pays solemn tribute to the concept of "Cabinet government" and frequently vows to cut down the size of the swarming multitudes who inhabit the Executive Mansion and the adjacent buildings. Every president then makes the early discovery that the Cabinet is virtually useless as a collective instrument of governing and then, in accordance with the natural forces in a bureaucratized society, proceeds to add to the numbers of those who serve him. It is Patterson's belief that the process of growth is inevitable because it is essential.

Cabinet officers are parochial and lack a view of the nation's problems as a whole, in the author's view. They defend their own turf and serve specialized constituencies that absorb so much of their attention that they cannot look at the issues of the moment from the perspective of the president himself. Furthermore, the Cabinet is an unwieldy body for joint meetings that can take up the time of the secretary of education on problems raised by the rebels in Afghanistan and the time of the secretary of state on a drought in the Midwest. Under those circumstances, it is natural for the president to turn to high level advisers who only have him as their constituency.

What this means is that a mansion originally designed for one man's family, a

George E. Reedy, Nieman Professor of Journalism at Marquette University and author of "The Twilight of the Presidency," was press secretary to President Lyndon Johnson.

The Ring of Power

Continued from page 1

few secretaries and a few servants now encompasses a full-time staff of 3,366 and a part-time, volunteer staff of 3,000, according to Patterson's figures. Of course, that figure includes all kinds of maintenance and protective personnel but the dividing line between them and the advisers is difficult to locate.

THIS BOOK leads us through the various rings of power surrounding the president with the same, meticulous detail that characterized the famous Baedeker guides for tourists in Europe. The issue of a "chief of staff" as opposed to a "staff coordinator" is explored exhaustively as are the different roles of the press secretary and the communications director. Students of the government management process would be well advised to keep a flow chart before them and fill in the various blanks as they go through the important chapters. This is not a book for the casual reader, even though it contains some interesting anecdotes.

There is, for example, the story of President Kennedy urgently ringing the White House operator late one night because he could not find a can opener. There is also a charming account of President Ford telling his chief of staff, who had proposed eliminating some of the first lady's staff positions, to take it up with Betty himself and not both-

er the chief executive. There are also some occasional judgments of top people which have some bite to them. Of Spiro Agnew's vice presidency he remarks: "the man shrank but the office expanded." Of Vice President Nelson Rockefeller he says: "He had good personal access to the President, but strode into the Oval Office more as a salesman than an analyst." He seems to believe, however, that President Carter and Vice President Mondale had a meaningful working relationship.

To Patterson, government is basically a management problem and

The book raises a few problems but dismisses them without exploration. For example, in reference to the Watergate and Iran-contra scandals he says: "Of course there have been staffers who were heavy handed, boorish, on the take, even criminal . . . Greatly outnumbering the dozens whose misdeeds have sullied their presidents . . . with self-effacing commitment." In response to charges that the staff act as a barrier between the president and unpleasant reality, he says: "Often it is just the opposite; the Chief of Staff must insist that dissenter

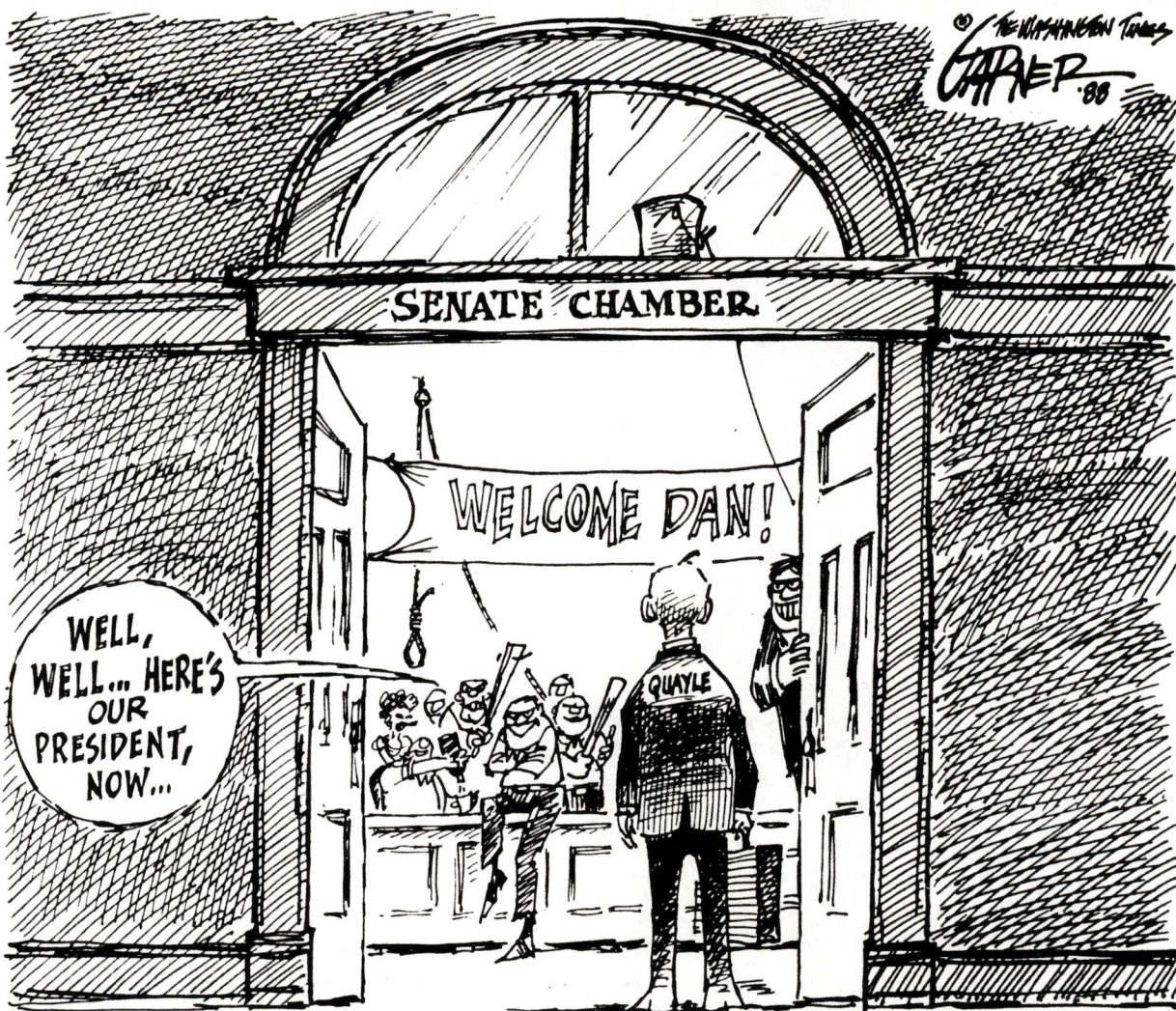
"To Patterson, government is basically a management problem and therefore he discusses the White House staff chiefly in terms of efficiency."

therefore he discusses the White House staff chiefly in terms of efficiency. He does not go into some of the disturbing questions of the impact upon the chief executive of an action staff oriented solely towards him in a divided-powers government. Should he be forced to rely for more of his close advice on advisers with other constituencies? Is it possible that such huge staffs reinforce the process that tends under any circumstances to isolate the president from the political realities of a democratic society?

be heard . . ." On charges that there are sycophants on the staff he says: "sycophants and crusaders if tolerated briefly, are not long we come."

Obviously, Patterson's observations do not always accord with those of others who have served presidents. But the book is a basic study of the rings of power—unchecked by either Congress or other constituencies—that have grown around the modern presidency. For the student of the office, it is an indispensable handbook.

Photo Copy Preservation



Letters

Times editorial off base on ADL's Sununu stand

The Washington Times' Nov. 18 editorial, "Big Brother in the ADL," was off base on two major counts — the Anti-Defamation League's position on Gov. John Sununu and the significance of Mr. Sununu's refusal to sign a proclamation condemning the U.N. resolution equating Zionism with racism.

To set the record straight on count one, the ADL has neither denounced Mr. Sununu nor opposed his appointment as the new president's chief of staff. Our public statement simply noted that his designation raised some concerns. To compare us to Orwell's Big Brother for expressing concern is uncalled for and highly offensive, especially when there is a legitimate basis for concern.

As for count two, is there not

something discomfoting about a governor who refuses to sign a resolution on Zionism as racism be-



cause he sees it as "an attempt to influence foreign policy"? In our view, equating Zionism as racism has become a contemporary euphemism for anti-Semitism which war-

rants forthright condemnation. It is noteworthy that 49 other governors, Republican and Democrat, had no problem proclaiming opposition to this sinister equation.

We believe Mr. Sununu erred in not signing the Zionism/racism proclamation, and we are gratified that he has since endorsed the Republican Party platform's language proclaiming opposing the U.N. resolution. As the new president's chief of staff, we hope and trust he will meet his responsibility for facilitating the implementation of the new president's policies as reflected in that platform.

ABRAHAM H. FOXMAN
National Director
Anti-Defamation League of B'nai B'rith
New York

Bush Plans to Name at Least One Black To Cabinet, Possibly a Health Educator

WSJ 12/15/80
By GERALD F. SEIB
And MICHEL McQUEEN

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON — President-elect Bush plans to name at least one black to his cabinet, with the leading candidate being health educator Louis Sullivan, and Bush aides said Rep. Jack Kemp has a better than even chance of becoming a cabinet member.

Mr. Bush, as expected, named U.S. trade representative Clayton Yeutter to become agriculture secretary. Mr. Yeutter, an agricultural economist who owns a farm, had long been the favorite candidate of Bush aides, but it had been uncertain whether he would accept the post or take a job in the private sector.

Dr. Sullivan, the 55-year-old president of the Morehouse School of Medicine in Atlanta, is a close friend of Mr. Bush and his wife, Barbara. He is "very high on the list" of job candidates, one Bush aide said, and is being considered in particular to become secretary of health and human services.

Mr. Kemp, a New York Republican who unsuccessfully sought the presidency, has indicated he is interested in becoming secretary of housing and urban development. A senior Bush adviser said odds now are "better than 50-50" that a post will go to Mr. Kemp.

Mr. Kemp, a voluble and energetic politician, harbors some doubts that he wants a Cabinet post, the aides said, and Mr. Bush's transition team still has to work out some details of a job offer.

Meanwhile, Mr. Bush's new chief of staff, John Sununu, has begun filling out his White House staff. Mr. Sununu has asked former Rep. Tom Loeffler of Texas to become head of his congressional relations staff. In addition, Edie Holiday, a former Bush campaign aide who now is an assistant secretary of the treasury, has been offered a new post as director of White House outreach operations, which would include political affairs, inter-governmental relations and some communications tasks, transition aides said.

Mr. Bush's aides also indicated that the transition team is moving closer to a decision about the possible appointment of former Texas Sen. John Tower as secretary of defense. The aides indicated that the Federal Bureau of Investigation has nearly finished a full field investigation of Mr. Tower, whose nomination has been held up in part by concerns about his two failed marriages and other aspects of his personal life.

"I would expect by the end of this week we will have reached a final conclusion about whether we can go forward with fi-

nal recommendations to the vice president on defense," said Craig Fuller, co-director of the presidential transition. "I still have been informed of nothing that would in any way make him (Sen. Tower) unable to be nominated or confirmed."

Mr. Bush and his aides would like to appoint a black and possibly another woman to the Cabinet soon, to blunt criticisms that the Bush team is becoming dominated by white males. Of the 15 top administration appointments announced so far by Mr. Bush, one is a woman and another a Hispanic.

Dr. Sullivan is a long-time friend of Mr. and Mrs. Bush, aides to the president-elect said. For instance, he recently attended a small Christmas brunch at the Bush house, and Mrs. Bush is a member of the board of directors of the Morehouse School. Bush aides indicated Dr. Sullivan might be considered for jobs other than the human services position.

Mr. Bush and his aides also want to reassure conservatives, who are growing restive about the moderate cast of the Bush team, and naming Mr. Kemp would go some way toward meeting that goal. But Bush aides said that Mr. Kemp, who is retiring as a member of Congress after 18 years there, isn't convinced he wants an appointive post.

As the new agriculture secretary, Mr. Yeutter will face several major challenges early next year, including the beginning of the congressional debate on the 1990 farm bill.

In addition, he'll have to deal with mounting pressure to cut farm subsidies by as much as several billion dollars. The government currently is dispensing \$12.5 billion a year in farm price supports and other subsidies, down from a record \$26 billion in the fiscal year that ended Sept. 30, 1986. But if farms rebound strongly from last summer's drought, as expected, prices will fall. Unless Congress intervenes, farm subsidies will rise accordingly, conceivably up to \$18 billion by some estimates.

An equally daunting challenge will be to break an impasse over agricultural trade issues in international trade negotiations. As trade representative, Mr. Yeutter has been leading the U.S. team in the talks.

In announcing Mr. Yeutter's appointment, Mr. Bush stressed, as he did during his campaign, that the U.S. should fight to knock down barriers to American farm exports. Mr. Yeutter yesterday reiterated that the U.S. will continue pushing West European nations to reduce "trade-distorting" agricultural subsidies.

Bush Plans to Move Slowly On Strategic Arms Talks

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — President-elect Bush said he plans to move slowly in talks with the Soviet Union on cutting strategic nuclear arms.

Mr. Bush said he hasn't decided whether he will agree to resume talks on a Strategic Arms Reduction Treaty, or START, on Feb. 15 as scheduled. But he warned in a news conference that "there is no way that we are going to have, by Feb. 15 or 16, a detailed, point-by-point program on arms talks. We're not going to have it."

U.S. and Soviet negotiators in Geneva have been discussing a possible treaty under which both superpowers would cut their strategic nuclear arsenals by 50%. Mr. Bush's designated national security adviser, Brent Scowcroft, previously expressed worries that the cuts being considered might leave the U.S. with an inadequate mix of nuclear forces.

Mr. Bush also indicated he wouldn't rush to respond to Mr. Gorbachev's announcement last week that he will cut Soviet armed forces by 50% and move some troops and conventional military equipment out of Europe and Asia.

"I welcome the flexibility and the innovative steps that Mr. Gorbachev has taken, but he understands that we are not going to rush into some proposal, just to be hitting his bid," Mr. Bush said.

Teeter offered two hats in Bush White House

By Ralph Z. Hallow
THE WASHINGTON TIMES

WT 12/12/94

President-elect Bush has paved the way for settling a power struggle between two top aides by suggesting that Chief of Staff-designate John Sununu share direct Oval Office access with Robert Teeter.

Mr. Teeter, who was Mr. Bush's campaign pollster and strategist, would also hold the twin titles of deputy chief of staff and counselor to the president if he decides to join the incoming president's White House staff, Mr. Sununu said in an interview Friday.

Mr. Teeter and vice presidential Chief of Staff Craig Fuller lost the initial battle with Mr. Sununu over power-sharing.

Mr. Teeter and Mr. Fuller had wanted a "troika" arrangement similar to the three-man leadership team of James A. Baker III, Edwin Meese III and Michael Deaver that ran the White House operation at the beginning of President Reagan's first term.

Mr. Baker, who is secretary of state-designate, supported the arrangement. But Mr. Sununu, backed by Mr. Bush, nixed that proposal, whereupon a disappointed Mr. Fuller announced he would return to the private sector after Mr. Bush is sworn in Jan. 20.

Mr. Teeter, who with Mr. Fuller is transition co-director, was offered the deputy chief of staff post but has yet to say if he will take that or any other formal position in a Bush White House. He was unavailable for comment.

A senior Bush transition official said Mr. Teeter wanted both the counselor title Mr. Meese held in Mr. Reagan's White House and the Oval Office "walk-in" rights that Mr. Meese and Mr. Deaver, Mr. Reagan's deputy chief of staff, had.

Mr. Bush suggested "it would be useful" for the deputy chief of staff to have such access, and Mr. Sununu agreed it would be useful, said the official, who asked not to be identified.

"I suggested that the title be deputy chief of staff and counselor to the president," Mr. Sununu said in the interview. "The title doesn't really affect access because I had felt it was appropriate for him to have access all along."

Besides Mr. Sununu and Mr. Teeter, National Security Adviser-designate Brent Scowcroft and White House press secretary Marlin Fitzwater also will have direct access to Mr. Bush in the White House.

Other aides may too, Mr. Sununu said, suggesting expansion and contraction of such access would be "seasonal," depending on such factors as whether Congress is in session and whether someone has been assigned a special project by Mr. Bush.

Asked if he saw a managerial problem with Mr. Teeter's being able to talk with the president privately and at will, Mr. Sununu, who was Mr. Bush's New Hampshire campaign

chairman and liaison with the Republican National Convention's platform committee, answered indirectly.

"Bob Teeter and I are old friends," he said. "We have worked very well on the campaign [and] are going to work together no matter what the White House [organizational] charts look like."

"I'm very comfortable with Bob personally and professionally, and we're going to make the thing work," Mr. Sununu said. "We both want to serve a president we admire."

Nonetheless, Mr. Bush, initially pleased with the fast start he made in filling top positions in his incoming administration, is known to be unhappy with the way his transition has been going recently.

Not only has Mr. Teeter been a holdout, but there have been stories of conflict between him and Mr. Sununu and criticism from fellow Republicans in Congress over the delay in announcing the expected appointment of former Texas Sen. John Tower as defense secretary.

Mr. Sununu defended the delay in appointing Mr. Tower, in naming a White House communications director and in finding a mutually acceptable position for former Transportation Secretary Elizabeth Dole and Rep. Jack Kemp, rumored to be under consideration for secretary of housing and urban development.

"I don't think you get extra credit for doing it early," Mr. Sununu said. "Thoroughness is much more important than speed. And on a couple of these appointments that are very critical, to the credit of the transition [staff members], they are being very thorough and insisting that the FBI checks be very thorough."

Mr. Bush has made a number of Cabinet and other appointments, however, before the completion of an FBI check as thorough as the one being conducted into Mr. Tower's activities.

Mr. Sununu revealed that Mr. Teeter wanted to have a say in choosing the communications director and that, in any case, the eventual appointee would report directly to Mr. Teeter.

Mr. Sununu, whose term as New Hampshire governor does not expire until Jan. 3, has been dividing his time between Washington and his home state, spending some of his time here in search of a house. He said he plans to keep his New Hampshire home but not to seek a Senate seat in 1990 or 1992, thus contradicting his own words as reported in an interview with the Boston Globe last week.

"I am here for as long as the vice president asks me to stay," he said. "I intend to be here for eight years with a successful administration."

• Jeremiah O'Leary and Frank J. Murray contributed to this report.

By John H. ...
Boston Globe

Gov. John H. Sununu hinted Wednesday that he might run for the U.S. Senate in 1992 or 1994, setting a limit on his term as chief of staff to President-elect George Bush.

In an interview that provided new details of the planned operations of the Bush White House, a relaxed and confident Sununu said the next president will be intimately involved in policy details and implementation. Sununu's role he said will be as a strong doorkeeper deeply involved in domestic policy, so powerful that he will set the day's agenda and act as a "tough critic" of the federal budget drawn up by Richard Darman. Bush's choice for the Cabinet-level job of budget director.

Sununu, always unpredictable, defied conventional political wisdom by hinting that he might seek a Senate post in 1992 or 1994. Such an announcement could reduce his power by making him a "lame duck" before he is sworn in. But he retains a political war chest of \$250,000 and spending reports filed with the secretary of state say Sununu's campaign paid \$12,000 for voting lists Bush compiled for the 1990 New Hampshire primary on June 15, a month after Sununu said he would not seek a fourth term as governor.

Asked what he would do with the political money, Sununu said, "I may run again. There are Senate seats coming up in this state, and I am not going to shut my door on running again at all."

Both of New Hampshire's senators are like Sununu: Popular conservative Republicans.

Sen. Gordon J. Humphrey, R-N.H., said in the past that he would leave office after his term ends in 1990, but in the past year has given signals that he might seek reelection. "The up-to-the-minute thing is no decision," Humphrey press secretary Bill Anthony said Wednesday. Sen. Warren B. Rudman, R-N.H., has often expressed frustration with the Senate's deliberative processes but has given no indication of quitting when his term ends in 1992.

He issued a Christmas-eve and said, "Well, that's an interesting when the dates of the Senate elections were pointed out to Sununu. Point, part 1111

More important point, Sununu stressed, was "I am not going down to Washington to be there forever. I want to do this job for the vice President, the President-elect, as long as he needs me to do this job. ... We are keeping our home in New Hampshire and I intend to come back to New Hampshire."

He told the new Bush administration and his role in it, Sununu said, the President-elect's foreign and domestic agenda was revealed in detail in the platform adopted by the Republican Party in New Orleans, and Sununu said that more than Bush's commitments on the stump, will be the guiding force for the budget. Bush was criticized by politicians including some within his own party for spending so much time stressing emotional issues and attacking Gov. Michael Dukakis, his Democratic opponent, instead of describing programs that would become a mandate for governing.

"We went out of our way to write a 100-plus-page platform that virtually completely defines the kinds of things we want to do, whether it's a focus on child care, added health care for handicapped individuals, whether it's the emphasis on education or some of the foreign policy initiatives he's outlined.

The platform called for these new programs, a firm pledge not to raise taxes, and "rapid and certain deployment of the strategic defense initiative." Said Sununu: "We are going to put together a budget that implements the platform."

Sununu said his White House function will be to set up an operation responsive to a deeply involved Bush; a President quick to pick up the telephone; a President who plunges into the details of his administration. He said one staffer may be assigned to log Bush's calls and follow up on promises or requests.

This is a President that I think is just going to have a much more day-to-day involvement in not only setting policies and priorities, but I suspect he's going to want to know how the implementation is running on a much more involved basis," Sununu said of Bush.

The agenda is going to be set by George Bush and I can't overstress that," Sununu said, but he added that he intends to perform the politically sensitive job of setting the "morning line" that aides James Baker and Michael Deaver did in President Reagan's first term. Limiting the day's "message" helped the President communicate successfully and enhanced Reagan's power.

Although he objected to the term "morning line," Sununu said, "The agenda for the day is certainly one of my responsibilities." Sununu even suggested he will be able to review the federal budget before it gets to the President, although the director of the Office of Management and Budget holds Cabinet rank.

Dick Darman is the principal architect of the budget, but I am going certainly to be a tough critic on approaches they take," Sununu said. "That's one of my jobs, I think, before it gets to the President."

(EDITORS: STORY CAN TRIM HERE)

Sununu said that being Governor of a state with a \$2.67 billion budget over two years could be a model for tackling a federal deficit that will be \$155 billion in fiscal 1992. In six years, Sununu was able to turn a \$44 million deficit into a \$13 million surplus and conduct a massive state building program at the same time.

Bush's strengths are generally in the fields of national security and foreign policy, and Sununu said his experience as Governor will give him a strong voice in domestic affairs. "That's an area that I think I will be asked to do more than just pass information through, but occasionally comment on policy and make recommendations on policy," he said, listing education, health care, child care, and environmental issues as typical areas. Sununu said his political experience will help him communicate with members of Congress.

"There is sort of a fraternity of elected officials, or a sorority of elected officials, in which you deal with someone who has been through the wringer," he said, "and I think that's a plus that I would hope to use for the President."

He did not mention his oft-mentioned temper and aggressiveness that many Washington insiders say could harm his relationships with Congress, but Tuesday night in Nashua, Sununu seemed to apologize to those in the state who felt the sting of his tongue-lashings.

"You have to solve problems in the environment in which they exist," he told more than 750 people who attended a \$75-a-plate tribute. "I know much has been said about temper and being a little quick here and there, but people forget I made a living as a problem-solver. Most of the press here understands that there really is a kinder, gentler person underneath the brusqueness."

(Boston Globe reporters Christine Chinlund and John Aloysius Farrell contributed to this report.)

11/28

Washington Times

KEN ADELMAN

Tips for the chief of staff

"How do you talk a president out of a darn fool idea?" John Chancellor asked the former White House chiefs of staff. "Very gingerly, if your president is Lyndon Johnson," Harry McPherson quipped.

Ted Sorenson would handle a crazy idea by President Kennedy by telling him, "That sounds like something Dick Nixon would have suggested." Bob Haldeman, President Nixon's head honcho, mused how this tack wouldn't have worked in his case.

Such banter, and the serious lessons which arise from it, can help make the Bush presidency a success. It can help Mr. Bush's chosen chief of staff, John Sununu, wrap his arms about that blob called the executive branch.

Lacking it now, Mr. Sununu can gain years of "Washington experience" simply by picking up one book: "Chief of Staff — Twenty-Five Years of Managing the Presidency," edited by Samuel Kernell and Samuel L. Popkin. It holds decades of distilled wisdom.

For this delightful, insightful tome records a January 1986 discussion among eight ex-White House chiefs of staff, spanning Dwight D. Eisenhower to Jimmy Carter. First televised, this singular session still sings, and teaches, years later in print.

Here is a tale of the joys of power and suffering of the powerful. Mr. McPherson tells how Mr. Johnson was caught in Vietnam, "desperately trying to find the best way out of a tragic situation, very much like Oedipus wishing he'd never met his father along the road."

Here is a tale of devising a good staff system only to abandon it when most needed. "I wish we had kept the system intact through the greatest crisis that did hit us," Mr. Haldeman said of Watergate. "The system was not followed." Had it been, "within a few weeks we would have resolved that matter satisfactorily."

Here is a tale of human fallacies. Alexander Haig recalling President Johnson's involvement during the Gulf of Tonkin incident, opening a wider Vietnam War: "He was engaged much too early, when we just had very fuzzy intelligence."



John Sununu

And here is a tale of trying to control what's grown topsy-turvy. Once the White House was more a home than an office building. Teddy Roosevelt governed with a couple of senior aides and a handful of clerks in the White House.

Since then, the onslaught. Harry S. Truman's staff was twice that of Franklin D. Roosevelt's; Ronald Rea-

see ADELMAN, page D4

Ken Adelman is a nationally syndicated columnist.

ADELMAN

From page D1

gan's more than three times Harry S. Truman's. A dozen "senior" White House aides now lead armies of staffers.

Ted Sorenson told of the headaches this population explosion brings: "More important than who gets a White House parking permit or who eats in the White House mess is who is able to invoke the president's name, use his telephone and stationery. That's serious. If you have hundreds of people doing that, there is no way you can keep them out of mischief."

Don Rumsfeld, among the canniest of chiefs, described the job as

taking the threads of this huge canopy, the government, and seeing "that those threads get through the needle's eye in a reasonably coherent way."

Process is fine, but politics is people, people, people. John Sununu now needs to forget what he learned by earning an engineering doctorate from the Massachusetts Institute of Technology. Governing is not engineering.

Back to Mr. Chancellor's question, "How do you talk a president out of a darn fool idea?" No one answer applied to all, but each answer amuses.

Andrew Goodpaster told Mr. Eisenhower that the president's decision to withdraw some U.S. troops from Europe "isn't quite our policy."

Mr. Sorenson mused how Mr. Kennedy was "from time to time coming up with damn fool ideas, like going to the moon." On a real cockamamie notion, Mr. Sorenson would suggest a meeting and "make sure the people at the meeting were all against the idea."

Mr. Haldeman stiff-armed Mr. Nixon, nodding when assigned and then leaving the assignment undone. Alexander Haig, ever the courtier, would say "Right, boss. I wish I had thought of that," and then let the idea simmer in order "to protect him from some of these bumptious ideas that presidents get."

Don Rumsfeld resorted to "taking this idea and putting it into the staff system" — in essence, deep-sixing it under an ocean of paper. "I would call it professional staff work. But

sometimes it takes very, very long."

Dick Cheney, also from the Gerald R. Ford presidency, said that the worst problems came when a Cabinet officer leaving the Oval Office would "turn around and say, 'Oh, by the way, Mr. President,' and then bring up a totally unrelated subject, get a decision on it and run with it. That's when you really get into big trouble." Mr. Cheney would have to walk it back.

President-elect George Bush said last Monday how he will "continue to work in a hands-on fashion with the members of the Cabinet." After reading "Chief of Staff," he'll know not to make "Oh, by the way" decisions. And, among the scores of lessons hard experience teaches here, Mr. Sununu would know not to let him.

No, no, Sununu

The record of a *real* hatchet man

by Scot Lehigh
and John Medearis

New Hampshire Governor John Sununu, selected last week to be White House chief of staff for George Bush — the man who campaigned on a promise to be the environment president — repeatedly tried to trample the state and federal environmental-protection process in behalf of a ski-area developer who had given him \$1550 in gubernatorial-campaign contributions.

Sununu's attempt to bypass environmental safeguards for the Loon Mountain ski area's proposed expansion is not an isolated occurrence in the record of the Granite State governor, who was George Bush's national-campaign co-chairman.

In fact, a *Phoenix* investigation has uncovered a pattern of incidents in which Sununu tried to circumvent the environmental regulatory process to speed up favored developments across the state.

Among them:

- Sununu excoriated the federal Fish and Wildlife Service's New England supervisor last spring for insisting on an environmental-impact study of the massive Loon Mountain project, which would have stripped acres of federal forest land for new ski trails and endangered an Atlantic-salmon restoration project in the nearby Pemigewasset River. Sununu tried to intervene with the Fish and Wildlife Service bureaucracy to prevent the environmental-impact study — formally called an environmental-impact statement (EIS) — and to

The Boston Phoenix
11/25-12/1

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Continued from page 1

have the New England supervisor fired. Sununu's intervention came just six months after his campaign had accepted \$1550 from Philip Gravink, the president of the Loon Mountain Recreation Corporation.

- Sununu solicited White House help in an attempt to push the Federal Emergency Management Agency to speed up its review of questionable evacuation plans for communities within the Seabrook nuclear plant's emergency-planning zone.

- Sununu fought attempts to require the state to prepare an EIS on a major state

highway-expansion project even after the Army Corps of Engineers had caught the state illegally filling wetlands and issued a cease-and-desist order to prevent further environmental damage.

- Sununu ordered his state attorney general to prevent the New Hampshire Fish and Game Commission from testifying to the Federal Energy Regulatory Commission about the harmful effects of a proposed hydroelectric-dam project on the Merrimack River.

Asked how Sununu's repeated attempts to thwart the environmental-protection process squares with the

AP/WIDE WORLD



president-elect's promise to be an environmental president, Bush spokesman David Prosperi said, "He picked John Sununu not just because of his record, pro or con, on the environment, but because of his overall ability to serve as a good manager. . . . The president-elect has a lot of confidence that Mr. Sununu will provide him with good advice on not only the environment but a lot of other issues as well."

* * *

Nowhere has John Sununu's contempt for environmental protections been more apparent than in his intervention in

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behalf of the Loon Mountain Recreation Corporation's attempt to expand its northern New Hampshire ski area. In March of 1986 Loon announced a plan to add as much as 350 acres of trails and increase snowmaking capacity for its ski resort in the White Mountain National Forest, near Lincoln, New Hampshire.

In April of 1987, the US Forest Service, which oversees the national forest, asked the US Fish and Wildlife Service to evaluate the project and offer an opinion on whether a full-scale environmental-impact statement would be required.

Gordon Beckett, Fish and Wildlife's supervisor of the New England area, became concerned about Loon's plans to draw an additional 15 cubic feet a second of water from the East Branch of the Pemigewasset River for the new snowmaking; Loon already used two cubic feet a second, and the added draw could nearly dry up the river at times. That, in turn, would endanger a program to restore the Pemigewasset's Atlantic-salmon population.

Beckett decided that the project's effect on the river, as well as the increased traffic, residential water use, and sewage that would result from an estimated 25,000 additional weekend skiers a day, dictated that a complete environmental review be done. Early in 1988 Beckett recommended that the Forest Service require Loon to complete such a review.

In August and September of 1987 Philip Gravink and his wife donated \$1550 to John Sununu's re-election campaign. (One Loon Mountain-area condominium developer also contributed a total of \$320 to Sununu's political warchest.) Gravink, who admits discussing the Loon Mountain project "in general" with Sununu, nevertheless claims that "it is utterly ridiculous" to say that Sununu put on any "special pressure" in behalf of his project.

Gravink's opinion notwithstanding, last April Governor Sununu called Beckett. One source familiar with the exchange says Sununu began the conversation "by breathing fire on him." Although reluctant to discuss the particulars of the conversation, Beckett told the *Phoenix* that it would be accurate to say, "He read me the riot act." "I would basically say he was concerned that my proposal to do an EIS would delay the project and he didn't feel that

that was warranted, and that he would be taking whatever steps necessary to influence the decision that one not be done," Beckett said.

According to Beckett, Sununu demanded that the project be left in the hands of state regulators. But the governor apparently didn't intend for the state to undertake any comprehensive review. Gordon Wilder, a Sununu appointee to the New Hampshire Fish and Game Commission, said he remembers that when the commission also suggested that an EIS was in order, Sununu "was very upset. He didn't want us to stick our noses into it or do

anything to stop the Loon Mountain project."

Meanwhile, according to a number of reliable sources, Sununu took additional steps to prevent an EIS. Among those Sununu called was Mike Hathaway, the forest supervisor for the White Mountain National Forest. "He asked if I was going to go ahead with the EIS," said Hathaway. "I said yes, and he expressed some displeasure."

Other sources said that Sununu then tried to intervene with Earl Gjelde, the undersecretary of the Department of Interior — the cabinet agency within which Fish and Wildlife is located — as well as with a number of other federal officials. "He [Gjelde] doesn't recall having Sununu make any request for firing or going over the heads of people at the local level," says Andrei Bogolubov, Gjelde's press secretary, who adds, "That doesn't mean it hasn't happened. He does say that Sununu has been vocal and energetic in pursuing the interests of the people of New Hampshire as he sees them. He is not shy about picking up the phone and calling federal agencies. He is known for that, and he has been in touch with Mr. Gjelde on a number of occasions on a wide range of issues." (Efforts to reach Sununu were unsuccessful. His office did not return *Phoenix* phone calls.)

But another well-placed source affirms that Sununu did try to intervene with other federal officials to prevent an EIS and to have Beckett removed. "He called higher-ups in Washington to try to have him fired," said this source. "This is a government of laws, and not men. The problem here is that there's a pattern of John Sununu trying to exercise his will over people who feel they are enforcing the law."

Ultimately, Sununu was unsuccessful — in his efforts both to remove Beckett and to prevent the Forest Service from requiring an EIS. The impact study, which is in progress now, will be the basis for a final decision, in July of next year, on Loon's expansion.

The battle over Loon exemplifies Sununu's anti-environmental attitude, says Emily Bateson, a staff ecologist for the Conservation Law Foundation. "There is nothing subtle about this case," Bateson said. "The requirement for the EIS is a cornerstone of environmental law. To push forward projects with no comprehensive review violates the most important environmental law in this country."

Sununu's zeal for development without apparent concern for the environmental cost also found expression in his efforts to get the Seabrook nuclear-power plant into operation. "He has done extraordinary things for Seabrook," says Manchester attorney Robert Backus, one of the plant's leading opponents. And the nuclear industry has done extraordinary things for John Sununu. According to an October 1986 *Boston Globe* report, Seabrook executives gave Sununu a total of \$33,350 for his three gubernatorial campaigns.

Sununu's most extraordinary involvement in the arduous process of getting the plant licensed came in late 1985 and early 1986, when he enlisted White House help in trying to stifle the concerns of the nation's top safety agency, the Federal Emergency Management Agency (FEMA), about protecting people in the vicinity of Seabrook.

Since Congress overhauled nuclear-safety regulations in the aftermath of the partial meltdown at the Three Mile Island plant in Pennsylvania in 1979, the federal government has required that nuclear plants have tested emergency-response plans capable of protecting nearby residents — those within 10 miles — in the event of an emergency. Since Seabrook is within two miles of the state border, plans to protect the public are needed in parts of both New Hampshire and Massachusetts. The agency charged with evaluating and testing plans for New Hampshire and Massachusetts is FEMA. Without the safety agency's conclusion that the emergency plans of both states are workable, it would be virtually impossible for Seabrook's owners to get an operating license.

FEMA's views about the emergency planning for Seabrook first began to attract attention in late 1985. For years, though, Edward Thomas, who as the director of FEMA Region I Office of Natural and Technological Hazards was

the federal official responsible for reviewing Seabrook's emergency-response plans, had contended that no Seabrook plan would be complete unless it included means for actually sheltering the thousands of summertime bathers who flock daily to beaches within a few miles of the oceanside plant. In contrast, the state of New Hampshire's "plan" for protecting the swimmers and sunbathers in case of an emergency was simply to close the beaches and encourage people there to leave.

Thomas believed he was simply doing his job. But Sununu thought Thomas was standing in Seabrook's way. In late 1985, with Thomas insisting a better plan was needed, Sununu and Seabrook officials were worried that FEMA's higher standards would upset their timetable for getting Seabrook approved and running.

That sparked Sununu's efforts to steamroll Thomas's concerns. According to an affidavit by a

former high-level FEMA official, Samuel Speck, Sununu in late 1985 or early '86 undertook a concerted campaign to bring presidential pressure to bear on Thomas. According to Speck, he was told Sununu had called the White House to complain that FEMA wasn't "discharging its responsibilities ... in an expeditious fashion." Speck scheduled a meeting with Sununu in Washington in April 1986. At the meeting Sununu was clearly annoyed, according to Thomas (in testimony given at an April 1988 hearing before the Atomic Safety Licensing Board on the emergency plans), he was told by a FEMA staffer present at the meeting that Sununu had sprinkled his complaints about FEMA's insistence on the letter of the law with references to Thomas's "parentage" — a euphemism, of course, for a common slur. According to Speck's affidavit, Sununu called the White House at least one more time after that meeting, again to complain about "the performance of FEMA staff in Region I" — in other words, Thomas. In June 1987, according

Continued on page 16

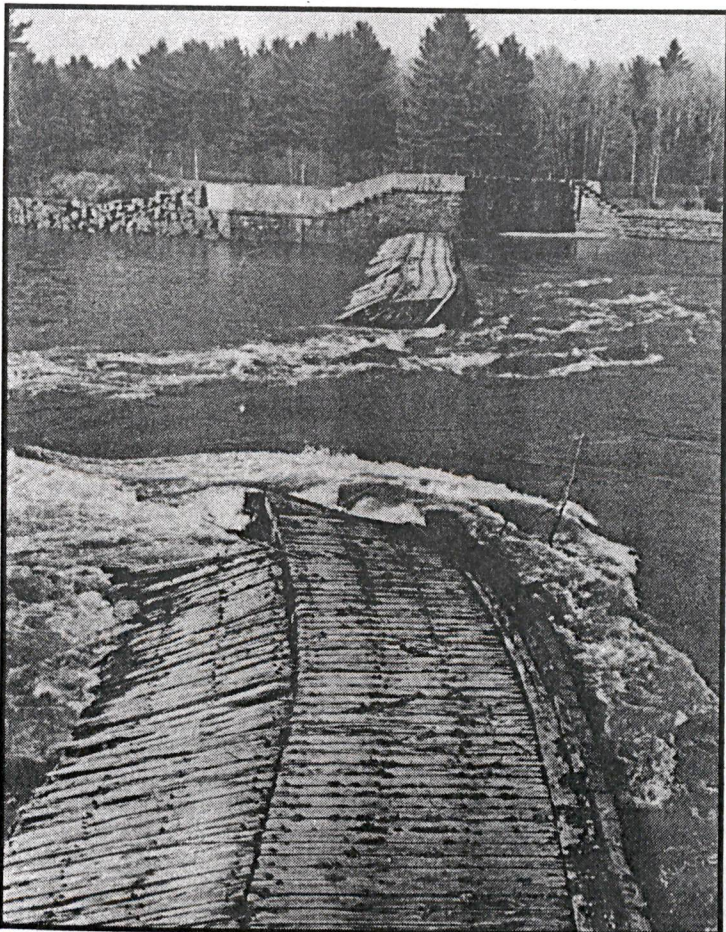


PHOTO BY KEN WILLIAMS/CONCORD MONITOR

Sununu on Sewall's Falls: dam the process.

Continued from page 15

to testimony compiled by Massachusetts Attorney General James Shannon, Sununu called FEMA's director to say yet again he was "very unhappy" with the agency's position.

The effort seemingly served its purpose. In early 1988, under continuing pressure from Sununu and the Nuclear Regulatory Commission (NRC), FEMA essentially took Thomas off the Seabrook case and reversed its long-standing position on emergency-response plans for the beaches near the plant.

The Army Corps of Engineers is yet another federal agency with which John Sununu has done battle in his campaign against environmental regulations — in this case over the New Hampshire Department of Transportation's destruction of wetlands. The dispute arose over the Sununu administration's plans to widen parts of Route 101, which runs between Manchester and Hampton. Pursuing a complaint filed earlier this year, the Army Corps of Engineers — the federal agency responsible for enforcing the nation's wetlands-protections laws — discovered that the state was in the process of illegally filling wetlands to build a bridge in Brentwood as part of the 101 construction. Under federal law, the corps must be notified beforehand of any wetlands fillings in excess of an acre, which limit the Brentwood filling would have exceeded had the state been allowed to complete it.

The New Hampshire Department of Transportation already had a history of ignoring federal wetlands law; the corps previously had discovered violations in a bridge-repair project on Route 1 in Portsmouth and in the construction of a new exit off the Everett Turnpike in Nashua. This time the agency decided to take action. On February 24 of this year the Corps of Engineers issued a cease-and-desist order to halt the Brentwood-bridge wetlands filling. Discussions have begun over a possible consent decree that, sources said, will most likely involve fining the state for the Sununu administration's violation.

Meanwhile, because the Route 101 project could affect between 50 and 70 acres of wetlands, the corps, the Fish and Wildlife Service, and the Environmental Protection Agency have pushed for an environmental-impact statement. Federal law requires a specific permit for the filling of any wetlands larger than 10 acres. The New Hampshire Department of Transportation, according to sources familiar with the project, hoped to divide the highway construction into a number of small sections and in that way to avoid the permitting process — an attempted evasion federal courts have found illegal in other cases.

Nevertheless, Sununu tried to prevent the Army Corps from pushing for an EIS. "Sununu tried to raise the 101 issue to the colonel's level [the corps's top regional official is typically a colonel]," said one source familiar with the wetlands-protection program. "They have turned up the heat to pretty much avoid the regulatory process, to shorten it, cut corners." According to three well-placed federal sources, Sununu has "ranted and raved" at federal administrators trying to enforce the wetlands laws. According to one source, Sununu initiated a conversation with one such official by "cursing him like a dog." Added another federal source, "His position is that he doesn't care to have the federal government involved in things he sees as state prerogatives, and highways are one thing he puts

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in that category."

If Sununu bristles at federal interference, he simply won't brook any dissent within state government. From his first inauguration, in 1983, he was the state's strongest supporter of a plan to build a small hydroelectric dam on the Merrimack River in Concord. The plan called for the restoration of an old abandoned dam at Sewall's Falls, which would back up water for seven miles along the river. Initially, the state's Fish and Game Commission — whose members are appointed to five-year terms and charged with reviewing such proposals for their ecological impact — didn't oppose the plan. Because a primitive dam already existed on the site (though it hardly altered the Merrimack's flow), the commissioners felt they had no legal grounds for opposing its rehabilitation. Said Fish and Wildlife Commissioner Jim Paine, "We were asked to okay the project and not get in the way of it." For some period of time, they did what they were asked.

In 1984, however, a flood washed out the old dam and the Merrimack returned to its natural state. The federal Fish and Wildlife Service held out the promise the river could sustain salmon once again. But a dam would ruin the river's natural series of rapids and pools, and make salmon restoration impossible, environmental groups pointed out. Instead of a dam, they urged, the state should put a park on the site, a place where Concord residents could fish and canoe right in the city. Looking at the altered situation, the state Fish and Game Commission changed its position and decided to oppose the new dam.

When the commission requested permission to air its views of the proposal before the Federal Energy Regulatory Commission (FERC) — which has approval power over dams like the one at Sewall's Falls — Sununu reportedly hit the roof. Seeing the governor on the warpath, officials who opposed his stand on the project feared for their jobs. Meanwhile, the governor ordered his attorney general to argue to FERC that the commission's appointed members should be excluded from hearings on the dam. "They said the state should speak with one voice," said Paine. "The problem was we weren't allowed to be part of the decision-making process in the first place." Eventually, Sununu's intransigence moved a citizens' group, Friends of the Merrimack, to file a suit against the state to unuzzle the commission. Sununu had to abandon his own hard line, when, faced with that suit and mounting opposition to the project from the city of Concord and New Hampshire's congressional delegation, the dam's proposed developers dropped the project in 1986.

But the defeat must have outraged him. According to one environmentalist who sparred with the governor over the dam, "He feels that something that isn't cut down or mined or dammed just isn't worth anything."

Bush spokesman Prosperi argued that Sununu's environmental perspective won't guide the Bush administration. "I think George Bush is going to make some very conscious efforts toward the environment and that probably will be reflected in his choice of people for those positions involving the environment," Prosperi said. "[They will be] relaying those decisions to the president." Through his White House chief of staff, John Sununu, that is. □

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11/28/88

The Washington Times

Sununu's 6 children sustain his tie to Tufts

MEDFORD, Mass. (AP) — John Sununu remains on the faculty of Tufts University six years after he last taught there, an arrangement that has allowed his children to receive tuition waivers and aid from the school.

The New Hampshire governor, who is President-elect George Bush's choice as White House chief of staff, has had two children enrolled in Tufts since he left the university.

The children attending Tufts are granted full tuition waivers and children at other colleges receive tuition subsidies from Tufts as part of faculty benefits Mr. Sununu has received while on leave from the school, according to Tufts officials. Tuition at Tufts in the 1987-88 school year was \$11,750.

An official who oversees faculty benefits at Tufts described Mr. Sununu's arrangement as "extremely rare," and said general school policy is to grant leaves for up to two years.

In announcing that he would not seek a fourth term as governor, Mr. Sununu cited his \$68,000-a-year salary as too small. His wife specifically said college tuition bills were a factor in her husband's decision to leave his post.

As White House chief of staff, Mr. Sununu can earn up to \$89,500, according to government pay scales.

Tufts officials confirmed Mr. Sununu remains on leave from his tenured post as an associate professor of mechanical engineering.

Mr. Sununu said last summer he intended to eventually return to teaching at Tufts, but had not discussed a date with school officials. "Why not?" he answered when asked if he believed it was appropriate for his children to continue to receive tuition waivers and assistance from Tufts.

Children of Tufts faculty members are al-

lowed to attend that school free of charge. Tufts policy also allows children of Tufts faculty to receive \$1,250 a semester for a maximum of \$2,500 a year to help pay their bills at any other accredited college, according to Bernice Segal, academic affairs officer at Tufts.

Mr. Sununu said he believed his children at Stanford and MIT received \$1,250 a year from Tufts. He said he did not believe, as Ms. Segal said, that they were eligible for \$2,500.

Ms. Segal said all benefits are available to faculty on full leaves, including health and disability insurance. Mr. Sununu does not receive a salary from the school.

She termed it "rare" for a faculty member to be granted a leave of more than two years and "extremely rare" for a leave to be approved for five years or more.

Tufts spokeswoman Rosemarie Van Camp said extended leaves are "routinely" given to faculty members who enter the Foreign Service. But she could not recall any current or former faculty member except Mr. Sununu who had been granted an extended leave while holding elective office.

Mr. Sununu joined the mechanical engineering faculty at Tufts in 1967 and remained in the post until he was first elected New Hampshire governor in November 1982.

His daughter Cathy graduated from Tufts in 1982, while Mr. Sununu still was teaching there.

Another daughter, Elizabeth, graduated in 1983, the first year of her father's leave of absence and first year as governor.

A third daughter, Christina, a graduate of the University of Vermont, is currently enrolled in a graduate program at Tufts.

Mr. Sununu's son, John, attends MIT and his son, James, attends Stanford.

LIVING/TV

N.H. first family's anxious about D.C.

Busy Sununu brace for their big move

By LINDA TISCHLER

AS PRESIDENT-ELECT George Bush's newly appointed chief of staff, New Hampshire Gov. John Sununu is rumored to be engaged in a vicious battle with Washington insiders for control of access to the Oval Office.

But back in the sleepy border town of Salem, N.H., his wife, Nancy, 49, has more pressing issues on her mind than the fate of the transition team.

Where, for example, can a weary mother find "Double Dragon," a popular — and largely out-of-stock — Nintendo game that's high up on 9-year-old son Peter's lengthy Christmas list?

"I'm a little behind this year," said the soft-spoken Mrs. Sununu, although the family's festively decorated seven-bedroom home would seem to belie her words.

Garlands of greens trim the banister, tiny elves perch at precarious angles from lamps and picture frames, masses of poinsettias fill the foyer and a total of 14 wreaths with red velvet bows adorn the front windows and doors of the two-story house.

This is the house the Sununus built to accommodate their growing family nearly 20 years ago. This is the house they refused to leave for the governor's mansion when John Sununu was elected in 1983. This is the neighborhood where their kids could have a normal childhood and not be known as "the governor's children," Mrs. Sununu said.

So it's clearly not without trepidation that the Sununus leave the friendly New Hampshire woods for the treacherous turf inside Washington's Beltway.

"It's going to be tough," she admitted. "We haven't been there, but there's a whole different attitude there. People put themselves

before the good of the country or the good of other people. I have no use for that. It bothers me a lot. I would like to think that people would be above that." If there's been pillowtalk at the Sununus' home about the governor's recent wrangles with Bush's longtime advisers, Mrs. Sununu isn't saying.

"Johnnie doesn't bring his problems home. He comes home happy and that makes us more supportive of what he's doing. He doesn't complain," she said.

Mrs. Sununu thinks the fact they're outsiders to the Washington scene may even be an advantage.

"We're not associated with one group of people, business or political forum," she said.

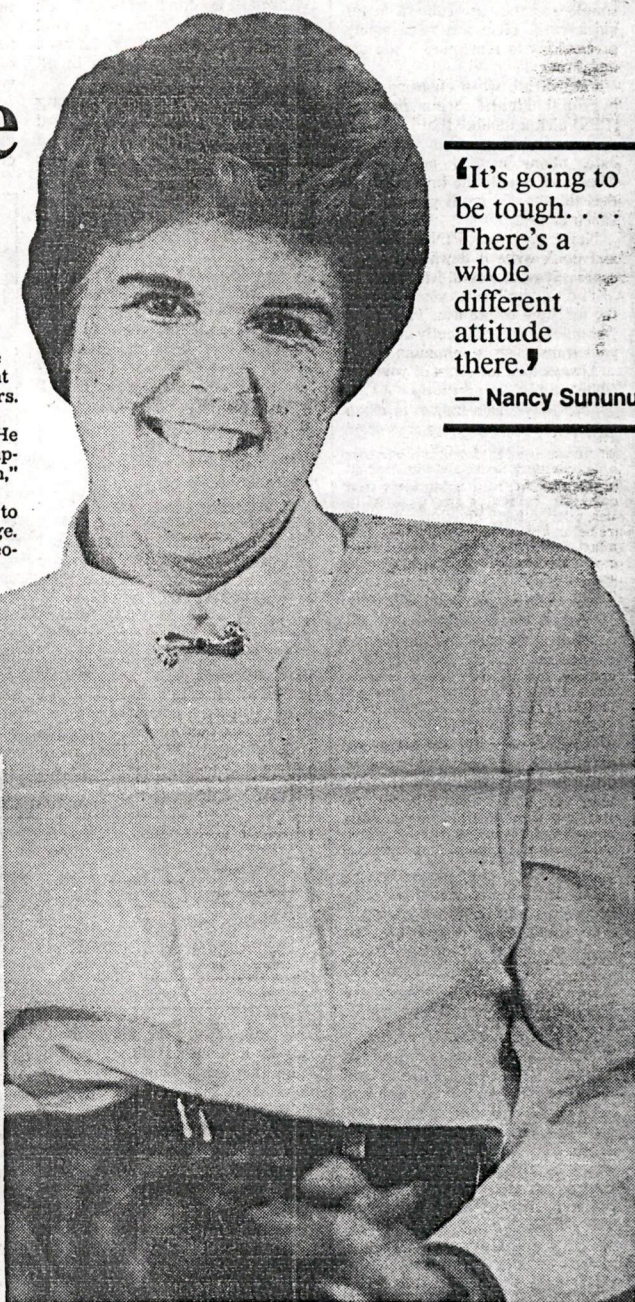
"We come in with a different perspective and without any bias. Johnnie and the vice president get along very well. They complement each other. If they didn't have such a good relationship, Johnnie wouldn't have taken the job. You need

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CROWD: Nancy Sununu (top right) says she runs the family while husband John toils as New Hampshire governor. In photo above, the couple (center) sits with family: (back row, from left) James, John, Christina, Michael and Elizabeth. (front row, from left) Christopher, Catherine, Peter and Elizabeth.

Staff photos by Ted Anchor



"It's going to be tough. . . . There's a whole different attitude there."

— Nancy Sununu

AIDS special 'Remembers' personal stories of pain

THERE is no upside to AIDS, which becomes evident in a sad and moving special tonight titled "Remember My Name." The hour-long program, airing at 8 p.m. on Channel 4, is part of WBZ's "AIDS Lifeline" series.

This show is not entertainment, though. It is pain. Ostensibly, the program was designed to trace the cross-country journey of the Names Project AIDS Memorial Quilt, but in actuality it is a biography of 11 Americans who have struggled with the deadly virus.

"Remember My Name," nar-

rated by actor Edward James Olmos, is sad in the extreme. A tearful young boy, who contracted the virus through transfusions, pleads with his mother not to give him another painful injection.

A brave, mourning father walks through his late son's bedroom, and recalls how he told him to "just let go" because he'd suffered enough.

Shocked sisters of a deceased victim remember the pain their brother felt when their parents not only refused to visit him, but moved out of the family home so they

TELEVISION

By DYKE HENDRICKSON

couldn't be contacted.

To deal with their sense of loss, families of victims have created panels for the Names Project quilt. The huge, colorful quilt, now weighing over 16 tons, has moved through many cities, including Boston. In each city more panels are added, creating a unique memorial to those who have died.

"Remember My Name" starts as a documentary about

the quilt, and viewers will see it being loaded, unloaded and enlarged by new panels. Then the program develops into vignettes about almost a dozen who are represented by panels.

The stories are divided into categories: children, religion, family and private lives/public attitudes. From here it becomes one painful story after another. Some are compelling, such as the husband-wife ministerial team in Louisiana who must fight not only the disease but the concern of their parishioners. And a young lawyer is seen in a taped lecture as he

instructs students how to avoid the sexually transmitted disease. He died 10 days after he made the film.

"Remember My Name" is a high-quality production, but it is so sad, so painful that it is difficult to watch.

It is the story of death, over and over, and as such is about as far from light Friday entertainment as one can get.

This program, produced by station KPIX in San Francisco, should come with a "buyer beware" label: Prepare to feel profound sorrow — or don't watch.

Photo Copy Preservation

Sununu gear up for D.C.

From Page 31

to be close and frank with the person you work with."

"Frank" is one of the nicer ways Sununu's been described. He's also been called abrasive, arrogant, impatient and stubborn and once called a member of the national press corps "stupid." But he calls himself "a pussycat."

"He is," said Mrs. Sununu. "He has an unbelievable sense of humor. Sometimes it's cutting, sometimes it's just plain funny. I don't think there's anybody in a room with him who doesn't laugh a few times at him — or with him."

However, "he doesn't stand long for people who don't do their jobs well," she warned. "You don't have to be on the same side of the fence. If you do your job, you'll never have a problem."

Mrs. Sununu knows what her job is. Above her cluttered kit-

The Sununu built their house in a quiet neighborhood of spacious but unpretentious homes in Salem, minutes over the Massachusetts border, and an easy jaunt to Tufts, where he had quickly become associate dean of the College of Engineering.

In 1973, Sununu was elected to the New Hampshire House of Representatives. After losing several other races, he returned to Tufts until 1982, when he scored a narrow victory in the gubernatorial election.

He was re-elected to the two-year, \$66,000 post again in 1984 and 1986, but declined to run in 1988, saying he needed to "get a real job" to pay his children's tuition bills.

The Sununu have two children in college — Michael, 21, a junior at MIT, and James, 19, a sophomore at Stanford — with two in the wings.

"It was a real tough decision," not to run again, Mrs. Sununu said. "We weighed the possibility of me working. There was a financial concern that really hasn't been totally eliminated."

"It's not so much how much he makes today or tomorrow or this week. Our concern was with retirement — having to draw on our savings. We've not had a chance to put away any money. He hasn't worked in a system where he gets any retirement benefits. That was more of a major concern than what his paycheck was going to be next week."

The governor came under fire recently when it was revealed that daughters Elizabeth, 27, and Christina, 25, had gone to Tufts for free as children of faculty, even though Sununu had been on leave from the university since he took office in 1983. Eldest daughter Catherine, 28, had also gone to Tufts, but while her father was on the faculty.

Tufts also contributes \$1,250 toward tuition for faculty members' children who attend other colleges. Despite that aid, the Sununu still face a \$35,000 yearly tuition tab, Mrs. Sununu said.

Sununu will make \$90,000 a year as Bush's chief of staff. Had he returned to Tufts he would have earned his teaching salary plus any income he could generate by consulting.

There has been recent speculation that Sununu will run for the U.S. Senate in 1990, but Mrs. Sununu said that supposition is "totally unfounded. Johnnie never decides what he's going to do two years from now. It's always a possibility, but it's probably the furthest thing from his mind right now."

For now, the Sununu plan to shop for a small house in the Washington area, but will keep their home in New Hampshire.

"We all have mixed emotions about leaving."

— Nancy Sununu

chen desk is a sign: "Behind every successful man is an exhausted woman."

For 28 years, while John Sununu has whirled through life founding companies, running for office, and dealing with budget deficits and anti-nuke activists, Nancy Sununu has been the family's mission control — sewing draperies, serving on the local school board and tending to their lively brood's 1,001 demands.

Asked if the governor helped out over the years with the couple's eight children, Mrs. Sununu had a terse reply:

"Not in this house."

It's not that he doesn't spend time with his children, she said.

"He likes to play basketball with the boys, and he plays computer games with the kids. He's really a computer buff."

And he and eldest son, John, 24, share a passion for collecting baseball cards and stamps.

"I've seen them come home with shopping bags (of stamps) and go through them until 2 or 3 o'clock in the morning."

But when it comes to major child-rearing chores — the shopping, the schlepping, the disciplining — the responsibility has fallen largely to Mrs. Sununu.

It's been that way since the Sununu married 30 years ago while he was an undergrad engineering major at MIT and she was studying political science at Boston University.

"By the time we graduated we had two children," she said. "Johnnie started a business while he was in school, and worked between classes and on weekends."

Sununu stayed three years as chief engineer at that company, Astro Dynamics, and then returned to school for a Ph.D. — a feat he accomplished in typically whirlwind fashion in one year.

In 1966, Sununu was hired by Tufts University and embarked on a career that began with teaching and ultimately led to the governor's office.

By then they had six children, and space was getting cramped at the family's Concord house. The Sununu decided to move to New Hampshire, where land was cheaper and there were no sales or income taxes.

"We won't take the children out of school until the end of the year," Mrs. Sununu said of Peter and 13-year-old Christopher.

"We all have mixed emotions about leaving. This is the home we hate to leave, but this is a new and exciting challenge. The little ones recognize that. They hate to leave their school and their friends, but once they make that break in the summer it won't be so hard."

"You can put up with anything," she said, "as long as you know it's temporary."

Holiday Shopping Tips

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By BARBARA KEAN

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Bush Plans to Name at Least One Black To Cabinet, Possibly a Health Educator

WSS 12/15/80
By GERALD F. SEIB
And MICHEL McQUEEN

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON — President-elect Bush plans to name at least one black to his cabinet, with the leading candidate being health educator Louis Sullivan, and Bush aides said Rep. Jack Kemp has a better than even chance of becoming a cabinet member.

Mr. Bush, as expected, named U.S. trade representative Clayton Yeutter to become agriculture secretary. Mr. Yeutter, an agricultural economist who owns a farm, had long been the favorite candidate of Bush aides, but it had been uncertain whether he would accept the post or take a job in the private sector.

Dr. Sullivan, the 55-year-old president of the Morehouse School of Medicine in Atlanta, is a close friend of Mr. Bush and his wife, Barbara. He is "very high on the list" of job candidates, one Bush aide said, and is being considered in particular to become secretary of health and human services.

Mr. Kemp, a New York Republican who unsuccessfully sought the presidency, has indicated he is interested in becoming secretary of housing and urban development. A senior Bush adviser said odds now are "better than 50-50" that a post will go to Mr. Kemp.

Mr. Kemp, a voluble and energetic politician, harbors some doubts that he wants a Cabinet post, the aides said, and Mr. Bush's transition team still has to work out some details of a job offer.

Meanwhile, Mr. Bush's new chief of staff, John Sununu, has begun filling out his White House staff. Mr. Sununu has asked former Rep. Tom Loeffler of Texas to become head of his congressional relations staff. In addition, Edie Holiday, a former Bush campaign aide who now is an assistant secretary of the treasury, has been offered a new post as director of White House outreach operations, which would include political affairs, inter-governmental relations and some communications tasks, transition aides said.

Mr. Bush's aides also indicated that the transition team is moving closer to a decision about the possible appointment of former Texas Sen. John Tower as secretary of defense. The aides indicated that the Federal Bureau of Investigation has nearly finished a full field investigation of Mr. Tower, whose nomination has been held up in part by concerns about his two failed marriages and other aspects of his personal life.

"I would expect by the end of this week we will have reached a final conclusion about whether we can go forward with fi-

nal recommendations to the vice president on defense," said Craig Fuller, co-director of the presidential transition. "I still have been informed of nothing that would in any way make him (Sen. Tower) unable to be nominated or confirmed."

Mr. Bush and his aides would like to appoint a black and possibly another woman to the Cabinet soon, to blunt criticisms that the Bush team is becoming dominated by white males. Of the 15 top administration appointments announced so far by Mr. Bush, one is a woman and another a Hispanic.

Dr. Sullivan is a long-time friend of Mr. and Mrs. Bush, aides to the president-elect said. For instance, he recently attended a small Christmas brunch at the Bush house, and Mrs. Bush is a member of the board of directors of the Morehouse School. Bush aides indicated Dr. Sullivan might be considered for jobs other than the human services position.

Mr. Bush and his aides also want to reassure conservatives, who are growing restive about the moderate cast of the Bush team, and naming Mr. Kemp would go some way toward meeting that goal. But Bush aides said that Mr. Kemp, who is retiring as a member of Congress after 18 years there, isn't convinced he wants an appointive post.

As the new agriculture secretary, Mr. Yeutter will face several major challenges early next year, including the beginning of the congressional debate on the 1990 farm bill.

In addition, he'll have to deal with mounting pressure to cut farm subsidies by as much as several billion dollars. The government currently is dispensing \$12.5 billion a year in farm price supports and other subsidies, down from a record \$26 billion in the fiscal year that ended Sept. 30, 1986. But if farms rebound strongly from last summer's drought, as expected, prices will fall. Unless Congress intervenes, farm subsidies will rise accordingly, conceivably up to \$18 billion by some estimates.

An equally daunting challenge will be to break an impasse over agricultural trade issues in international trade negotiations. As trade representative, Mr. Yeutter has been leading the U.S. team in the talks.

In announcing Mr. Yeutter's appointment, Mr. Bush stressed, as he did during his campaign, that the U.S. should fight to knock down barriers to American farm exports. Mr. Yeutter yesterday reiterated that the U.S. will continue pushing West European nations to reduce "trade-distorting" agricultural subsidies.

Bush Plans to Move Slowly On Strategic Arms Talks

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — President-elect Bush said he plans to move slowly in talks with the Soviet Union on cutting strategic nuclear arms.

Mr. Bush said he hasn't decided whether he will agree to resume talks on a Strategic Arms Reduction Treaty, or START, on Feb. 15 as scheduled. But he warned in a news conference that "there is no way that we are going to have, by Feb. 15 or 16, a detailed, point-by-point program on arms talks. We're not going to have it."

U.S. and Soviet negotiators in Geneva have been discussing a possible treaty under which both superpowers would cut their strategic nuclear arsenals by 50%. Mr. Bush's designated national security adviser, Brent Scowcroft, previously expressed worries that the cuts being considered might leave the U.S. with an inadequate mix of nuclear forces.

Mr. Bush also indicated he wouldn't rush to respond to Mr. Gorbachev's announcement last week that he will cut Soviet armed forces by 50% and move some troops and conventional military equipment out of Europe and Asia.

"I welcome the flexibility and the innovative steps that Mr. Gorbachev has taken, but he understands that we are not going to rush into some proposal, just to be hitting his bid," Mr. Bush said.

DAVID NYHAN

Sununu: He can do no wrong

Having lost more political bets than he can count, the proprietor of this space has very shrewdly dropped his stakes over the years.

But he'd have bet the limit last winter that at some point in calendar '89, John Sununu would have flamed out as White House chief of staff. As irascible as he is industrious, as stubborn as he is smart, as tendentiously confrontative as he is technologically competent, the former New Hampshire governor was my prime nominee for early ejection.

Wrong again, Dave. Sununu is master of all he surveys. His Buddha-like visage, spectacles framing a don't-give-anything-away look, pops up in nearly every photo of Bush at work, Bush at play, Bush at home, Bush abroad.

After an early stumble over the rejected nomination of John Tower (nobody ever said G. Bush doesn't know how to cut his losses), the White House staff operation has become a model of efficiency, especially when compared to the last days of Pompeii in the agonizing wind-down of the Reagan operation.

Some Reaganauts still harbor the suspicion that the president is but a pale imitation of the Gipper. One Reagan man dismisses Bush this way: "He's his own chief of staff." But Sununu has created a Stealth White House: It defies enemy radar and slips through the atmosphere unscathed.

Never mind that the S & L ball-out will cost each taxpayer \$1,500, that the drug crisis careens along unhandled, that so much of what George promises floats in the air, like the space missions, unanchored by price tags. If the real job of the White House chief of staff is to ensure, insofar as possible, that the president is not *blamed* for anything, Sununu is a genius. So far.

Bush is halfway through his first year, and things are going swimmingly for a rookie president. OK, he hasn't done much of anything. So what? The presidency is a job for show, not for go. People don't want exhilarating roller-coaster rides from their elected leader. They want safe-and-sane, easy-round-the-bends, no-news-is-good-news leadership.

The Washington press corps purrs with the stroking applied by Bush, who personally writes, we learn in a New York Times account, as many as 200 personal notes or letters a week. Giving George two days off for fishing or travel — have we ever had a presi-

dent who fished or traveled as much as this one? — that averages 40 notes a day, five every working hour.

I mean, who *hasn't* gotten a note from Bush? Let's raise our hands. Whatever you think of Bush as a leader, he's got no competition as a pen pal. And presiding over this idyllic White House, peopled by frisky puppies, handsome grandchildren, a wildly-popular First Lady, is none other than Sir John, the major domo, who came to be regarded as Surly John in his three terms as governor of New Hampshire.

Maybe it's something they put in the water in Washington. A couple of years ago, after Sununu only narrowly defeated a Democrat for his third term, a Boston Herald poll had Michael Dukakis running ahead of Sununu on favorability in *New Hampshire*. Now, the Duke is in the soup, and Sununu rides high as the second-most-important man on Air Force One (OK, if you don't count the pilot).

Sununu has serviced all the Bush accounts with his customary dexterity and diligence. But he's done it without getting into hot water for demonstrating all those A-to-Z traits we'd seen him display in New Hampshire, to wit: Arrogance, bluster, calumny,

dishing, end-running, fricassee-ing, ganging-up-on, harassing, ignoring, jumping-all-over, knocking, lowering-the-boom-on, making-an-example-of, nuking, over-killing, pulverizing, revenge-seeking, stomping (as in on), testily-denouncing, undercutting, (e-)viscerating, (over-) whelming, X-ing (as in double-crossing), yanking (as in by-the-hair) and zinging, which is what one does to one's enemies.

With characteristic efficiency and uncharacteristic anonymity, Sununu helped Bush consolidate the conservative movement's credentialing in obscure federal postings, neutralize the ultra-right, protect the nuclear power industry's precarious position, and in general carried out the boss' orders to a "T."

I'd have bet the farm (fortunately, I don't have a farm to bet) that, by now, Sununu would have ticked off the congressional Democrats, alienated the press, thumbed his proboscis at the public, and in general made himself persona non grata. Like many, I envisioned him coming home, defiant and snarling, to run for (and probably win) Gordon Humphrey's Senate seat.

But John's made a monkey of me again, hopping niftily from one lily pad to the next in Wash-

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AP photo

John Sununu and President Bush: on his side and at his side.

"Sununu: He Can Do No Wrong"

Photo Copy Preservation

ington's steamy political swamp, evading all the gossip, gaffes and ganging-up-on that did in others who held that job (see Donald Regan's absorbing memoir, "For the Record," for a richly-detailed account of just how much of a snake pit is the office next to the president's).

There is only one number that is bottom-line for a president, and it is his favorability at the moment. By that measure, Sununu is a smashing success. Bush at around 70 percent favorable has got to be pleased with his man.

Now, the New England Council, a regional lobbying outfit, names him its "New Englander of the Year." I don't care if the lady who used to run the council now works in Sununu's White House. I just look at his citation: The "quintessential New Englander: citizen, scientist and public official." There he stands, New England: a combination of Daniel Webster, Ben Franklin and Calvin Coolidge. Why, that's almost enough to qualify as a member of the Adams family. It's August, and John Sununu is still there at the president's side. Beats the hell out of me.

David Nyhan is a Globe columnist.

Litmus Test

Right-Wing Zealots Still Wield Power Over Bush Appointees

Nomination of Robert Fiske,
Hailed by Most, Is Victim
Of Conservative Activists

Thurmond Pounds the Table

By GERALD F. SEIB
And KENNETH H. BACON

Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON — Among President Bush's high-level appointments, Robert Fiske seemed unlikely to ignite controversy. A respected New York corporate lawyer, Mr. Fiske had also handled a string of celebrated criminal cases as U.S. attorney for New York and seemed ideally qualified for the No. 2 job in the Justice Department.

He seemed an equally eminent choice by Republican standards. He was appointed U.S. attorney by a Republican president, Gerald Ford. More recently, he had thrown his support behind two of the conservative, controversial favorites that President Reagan had nominated to the federal bench, Daniel Manion and James Buckley.

But Mr. Fiske won't be working in the Bush administration. His selection triggered intense opposition in Congress and was doomed before the White House had a chance to formally submit his nomination.

Mr. Fiske wasn't ambushed by liberals, or even Democrats. He was done in by conservative members of his own party.

His crime? He once was chairman of the American Bar Association's judicial nominations panel, which conservative activists have long suspected of torpedoing their candidates. Worse, he acknowledged that his ABA committee sounded out liberal groups about potential judicial appointees during the Reagan years. Already aroused, the conservative activists began an investigation and found Mr. Fiske had contributed \$1,000 to the campaign of a Democratic Senate candidate in Vermont.

No matter that the Vermont candidate was an old friend who lost the race in any event, and the contribution probably reflected friendship more than ideology. Mr. Fiske spent three months in a political nether world in which he never got a formal chance to answer charges. Conservative Senators were energized, the White House was put on notice, and the nomination died.



Robert Fiske

WALL STREET JOURNAL
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Such are the humiliations of seeking political appointments these days. Even for well-respected nominees, the privilege of public service now includes not only the inspection of Congress and the scrutiny of the press, but the possibility of attack by ideological groups—from within their own party. Mr. Fiske's experience is a case study of how single-minded political activists can distort Washington's nomination-and-confirmation process.

Robert Fulton, an Oklahoma state official, is another such casualty. Fearing that he wouldn't oppose abortion aggressively enough, well-organized activists ignored the strong GOP credentials of Mr. Fulton, blocking him from a top post in the Department of Health and Human Services.

Acting on Suspicions

On grounds that were tenuous at best, anti-abortion groups seized on Mr. Fulton as the embodiment of their concern that President Bush and HHS Secretary Louis Sullivan might not be tough enough on abortion. At one point, Mr. Fulton was told by Colorado Republican Sen. William Armstrong: "They are suspicious of Bush. They totally distrust Sullivan. And you, Fulton, have become their enemy."

Even though Democrats rallied to oppose Sen. John Tower, it was a staunch conservative, Paul Weyrich, who first raised ethical objections to Mr. Tower's nomination as secretary of defense.

Conservatives aren't the only groups that wage these fights, of course, and they don't win every one. But they have a surprising degree of leverage in what is generally perceived as a moderate Republican administration. When conservatives support a nominee, the White House can count on strong backing. And President Bush needs the support of conservative Republicans in Congress—especially powerful senators like Strom Thurmond—on a broad range of issues.

So when conservatives attack a nominee, even for reasons that seem unfounded, the White House may have to quietly back off. Conservatives appear to have an ally in John Sununu, the White House chief of staff and President Bush's most powerful aide. Mr. Sununu played a key role in derailing the Fiske and Fulton nominations despite active support from their cabinet sponsors. Mr. Sununu's influence was evident in his successful promotion of Richard C. Breeden, selected by Mr. Bush to be chairman of the Securities and Exchange Commission, and Mr. Sununu's backing may help protect Mr. Breeden from conservative attack.

Mr. Sununu plays down the role of ideology in the Fiske and Fulton setbacks. "The reason they never got to the president is that they had issues involving qualifica-

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Litmus Test: Right-Wing Zealots Still Wield Power

Continued From First Page

tions and performance that prevented them from being the best choice for the president," he says.

Nowhere have conservatives better illustrated their ability to overrule the administration than in the fight over Mr. Fiske, a well-known and respected partner in the Manhattan law firm of Davis Polk & Wardwell.

An Ideological Bell

Word began seeping around Washington last March that Attorney General Dick Thornburgh had asked the White House to name Mr. Fiske his top deputy. Mr. Fiske's name "obviously rang a bell with me and many others" in the conservative movement, says Paul Kamenar of the Washington Legal Foundation, who spearheaded the Fiske attack.

As the chairman of the ABA's 15-member judicial nominations panel from 1984-87, Mr. Fiske had acknowledged that as part of an established panel practice, he sometimes shared the names of prospective nominees with a liberal legal group to elicit reactions to the candidates' records on women's and minority issues. Mr. Kamenar filed suit to force the ABA panel to share the names of prospective judicial nominees with conservative groups as well. The committee then stopped disclosing the names of potential nominees altogether.

Conservatives acknowledge that those specific complaints mattered less than the fact that Mr. Fiske symbolized a part of the legal establishment that conservatives detest. "The ABA judicial selection committee is just absolutely anathema to conservatives in this town," says Daniel Casey, executive director of the American Conservative Union.

The opposition was set in motion largely by Mr. Kamenar, a lawyer who works full-time as a conservative activist. Among other activities, he led a network of Washington conservatives that played a key role in helping the Reagan Justice Department under Edwin Meese locate and recruit conservatives as judicial nominees, some of whom then ran into trouble with Mr. Fiske's ABA committee.

Mr. Kamenar contacted aides to Republican Senators Gordon Humphrey of New Hampshire and Charles Grassley of Iowa, who had previously complained about the ABA's role in judicial nominations. "My fax machine was smoking," says Mr. Kamenar. Soon, the net of conservative opposition widened through the 721 Group, a little-known umbrella organization that was active in the fight over the Supreme Court nomination of conservative jurist Robert Bork.



Robert Fulton

The group discussed its opposition to Mr. Fiske at a spring meeting. Conservatives began looking for more damaging material on Mr. Fiske and uncovered a 1970s Internal Revenue Service investigation of a land transaction. But it seemed so routine, resulting in an assessment of \$1,000, that it never became much of a factor.

Then Mr. Kamenar, acting on a hunch, ran a computer check at the Federal Election Commission and uncovered Mr. Fiske's contribution to the unsuccessful Democratic senate candidate. This revelation helped sway GOP partisans in the White House and the Senate who wondered why Mr. Fiske wasn't loyal enough to resist making contributions to a Democrat.

In April Sen. Humphrey sent a letter of concern to President Bush. Then a key conservative, Sen. Malcolm Wallop of Wyoming, distributed a letter to Mr. Bush opposing the nomination to a group of conservative senators. Crucially, South Carolina Sen. Thurmond—the ranking Republican on the Judiciary Committee, which would vote on the Fiske nomination—signed, in part because he feared continuing conservative opposition would be divisive for congressional Republicans. He was so worked up that he pounded on the table and urged others to sign, conservative activists say. Ultimately, 14 senators signed the June 14 letter.

Slip of Tongue

At about the same time, Sen. Wallop also carried the argument personally to Mr. Bush during a flight aboard Air Force One with the president, who was traveling to Yellowstone Park to make a speech. But Mr. Bush seemed preoccupied with other concerns; back in Washington several days later, reading a line inserted in a speech by an aide, Mr. Bush said he looked forward to Mr. Fiske's arrival.

Finally, Mr. Fiske and his supporters at the Justice Department asked Senate Majority Leader Robert Dole to bring together in his office Mr. Fiske and his conservative opponents.

Sen. Thurmond stood up at the outset and declared that Mr. Fiske's nomination wasn't good for Mr. Bush or the nation and that he should withdraw it, staffers say. Further discussion was futile.

With Mr. Fiske on the ropes, a group of about 20 conservative activists gathered for a previously scheduled meeting at the White House on June 26 and used the opportunity to complain to Mr. Sununu.

He assured them the White House would follow the lead of Sen. Thurmond because of his position as party leader on the Judiciary Committee, says an activist who was there. That afternoon, at a private meeting with the president, according to an aide, Sen. Thurmond said of the Fiske nomination, "Don't send it up. Period."

Political Fallout

White House aides seemed less concerned about the merits of Mr. Fiske's appointment than the political fallout. They say Sen. Thurmond indicated that Republican conservatives were so agitated that they would launch a filibuster to block the nomination, which would embarrass Mr. Fiske and the administration and could ruin the White House's relations with Sen. Thurmond and his committee, which will

"Right-Wing Zealots Still Wield Power Over Bush Appointees"

act on pending and future judicial appointees.

Though the White House didn't order Mr. Fiske to give up, he got the message. On July 6, Mr. Fiske sent Mr. Thornburgh a letter withdrawing his name from consideration. In his letter Mr. Fiske deplored the "inaccurate reports" of his role on the ABA committee; beyond that, he declines to comment.

The effort to block Mr. Fulton from becoming the head of the Family Support Administration in HHS followed much the same course—from conservative interest groups, to Senate staffers and their GOP bosses, to a White House anxious not to offend them. The primary charge against Mr. Fulton was that in 1983, when he was director of the Oklahoma department of human services, he had failed to react vigorously to a report that an Oklahoma hospital had allowed 24 severely handicapped infants to die without surgery.

Mr. Fulton strongly denied the charge. He noted that the deaths had occurred before he became human-services chief and that he had changed the state's system for dealing with handicapped infants, sharply reducing the death rate.

White House Caution

Nonetheless, and even though handicapped infant mortality isn't an abortion issue per se, anti-abortion groups began to mobilize against Mr. Fulton, a recognized welfare expert, shortly after Dr. Sullivan picked him in February to run federal welfare programs. "From then on the White House appeared to be supercautious," Mr. Fulton says. He met with White House officials in early March to answer questions about his record. At their suggestion, Mr. Fulton met with officials of the National Right to Life Committee to refute the charges against him, but to no avail.

On April 18, Dr. Sullivan met with President Bush, Mr. Sununu and others. In response to a comment about conservative opposition to the Fulton appointment, Mr. Bush instructed Messrs. Sununu and Sullivan to resolve the problem. "At that point I think the White House could have helped," Mr. Fulton says, but it didn't.

Like Mr. Fiske, Dr. Sullivan asked Sen. Dole to arrange a meeting with conservative senators so that he and Mr. Fulton could address their concerns. But that meeting was similarly fruitless. The day after, Sen. Humphrey and five other senators wrote Mr. Bush opposing Mr. Fulton.

Support for Fulton

Mr. Fulton did have strong support. Sen. Don Nickles, a Republican abortion foe from Oklahoma, backed him. So did Mr. Fulton's boss, Gov. Henry Bellmon, who had directed Mr. Bush's campaign in Oklahoma. Gov. Bellmon called Mr. Bush at Camp David one weekend to speak up for Mr. Fulton. The President wasn't available, so the governor talked to an aide. Then Gov. Bellmon sent Mr. Bush a handwritten note. Mr. Bush didn't respond to the governor's letter.

The appointment continued to languish, and on June 1, Dr. Sullivan called Mr. Fulton and suggested that he withdraw his name from consideration. Dr. Sullivan had concluded that even if he pushed the Fulton nomination through the White House and the Senate, the price of victory would be too high. "He would have incurred the wrath of the right-to-life movement, and I would have been the enemy," Mr. Fulton says.

Looking back, Mr. Fulton says, "You've got right-wing politics taking precedence over everything else. I really believe that Sununu and some of the others at the White House are disregarding those who are running the departments."

—Paul M. Barrett contributed to this story.

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WHITE HOUSE WATCH

SUNUNU AND IMPROVED

By Fred Barnes

John Sununu made friends with Tony Coelho the hard way. Sununu, then governor of New Hampshire, and Coelho, the House Democratic whip, were surrogates in last year's presidential campaign. They debated on television ten times, Sununu for George Bush and Coelho for Michael Dukakis. For the first three debates, they were in separate cities (connected by satellite), but they got together at the CNN studio in Washington for the fourth one. They chatted. Both of them, it turned out, are fans of Zamfir, the pan flute player whose records and tapes are sold on CNN ("Call 1-800-..."). When their debate in Washington was over, Sununu said, "Let's keep in touch."

They did. A few days after the election, Coelho called Sununu. They talked warmly. A more crucial conversation occurred on January 19, the day before Bush's inauguration. Coelho telephoned Sununu, who'd already been designated as Bush's White House chief of

staff. Coelho said he knew Bush would extol bipartisanism in his inaugural address. Great. But he didn't like what he'd heard Bush would do after that, namely announce his budget negotiators on January 21, then zing Democratic leaders in Congress three days later for not appointing theirs. "This isn't the way to develop the trust we've been talking about," Coelho complained. Sununu heard him out, and the ploy was canceled. Weeks later, Bush and Democratic honchos named their negotiators simultaneously.

My point in mentioning Sununu's friendship with Coelho is not that it led directly to the budget agreement. It didn't. Rather, it's interesting for what it tells about Sununu: as chief of staff, he's not what he was cracked up to be. The early rap on Sununu was that he'd never get along with Congress, that he's smart but also arrogant, that he's overbearing, even tyrannical, and that he's so obsessively ideological that he'd never make it in Washington. And this wasn't just what Sununu's enemies thought. Practically everyone in the political community, especially reporters, figured Sununu would be among the first to leave the Bush administration.

Don't hold your breath. Sununu has turned out to be an effective chief of staff, but not in the way folks came to expect in the Reagan era. Under Reagan, the fellow in charge of the staff ran nearly everything. He was deputy president. Under Bush, Sununu runs the staff, and not even all of it. Bush doesn't go through Sununu to deal with aides and Cabinet members. He talks to them directly (unlike Reagan). Sununu has taken this in stride. What he's done, says Sununu, is "structure the system to reflect the needs and the personality of the president—his working style." It's a system where the chief of staff is an administrator and implementer first, a policy-maker second. Sununu has adapted to Bush, not vice versa.

Sununu isn't exactly a eunuch. He spends roughly one-third of his time in Bush's presence. So he has influence. And there are no rivals for his job. Sununu has worked hard to prevent factionalism from cropping up. Probably the only person on the White House staff with enough smarts, experience, and political skill to challenge him is Richard Darman, the budget director. But Darman and Sununu are allies. Before the senior staff meeting at 7:30 a.m., they get together in Sununu's office for a strategy session. "I turn to Dick Darman for advice across the board," says Sununu. Darman was happy to find a kindred, brainy spirit, and one so willing to listen. "They recognized that each can help the other be successful," says a senior White House official.

To survive in Washington, a senior administration official needs cordial—or at least not openly hostile—relations with Congress and the press. Sununu has courted Congress, and he's just beginning to schmooze the press. In the first 14 weeks of Bush's presidency, Sununu traveled to Capitol Hill 11 times, often to House GOP whip meetings. "He's met with more members of Congress and conservatives than any chief of staff during the Reagan years," says Paul Weyrich of the conservative Free Congress Foundation. During the fight over John Tower's nomination as defense secretary, Sununu forged a close relationship with Senator

Bob Dole. Still, Sununu says "the hardest thing" about his job is getting "an intuitive feeling of how to interpret commitments by members of Congress." He was burned on Tower. "I thought we had more votes than we had. In six years as governor of New Hampshire, I'll bet I can count on the fingers of one hand the times someone told me they'd vote our way and then didn't." Live and learn.

Sununu is leery of the press, and the feeling is mutual. Reporters regard him as (eminently) assailable. And why not, given the recent history of chiefs of staff and Sununu's reputation as, in the words of James Gerstenganz of the *Los Angeles Times*, "a short-tempered autocrat"? The press is ready to believe the worst about Sununu. When he encountered Coelho at the swearing-in of Richard Cheney as defense secretary, Sununu asked, "How's my socialist friend?" It wasn't funny, but Coelho took no offense. However, reporters were soon pursuing a story that Sununu had viciously attacked Coelho. In any case, Sununu is highly accessible and even informative. He told me that he gives his opinion on a policy issue to Bush "only when asked." Well, on what issues were you influential when asked? To my surprise, he ticked off four specific issues. That's the kind of stuff reporters love.

Sununu's amiability is now legendary at the White House, if only because it was totally unanticipated by most of his colleagues. "One of the amazing things is everybody I know likes him," says Marlin Fitzwater, the press secretary. Fitzwater likes Sununu, too. There's a Dale Carnegie quality to Sununu's charm—he's being nice because it pays to be—but it works. "He's quite witty. He loves puns," says a senior official. Maybe that's what prompted Bush to say that he picked Sununu as his chief of staff because his name rhymes with "deep doo-doo."

Sununu hasn't thrown his weight around. His style at meetings is to let others speak before he wades in to make his points. When Bush invited economists to Camp David for a weekend of discussions in late April, Sununu was deferential. Every time he spoke up, he began, "I'm not an economist, but..." Then he made

it clear that he disagreed with Paul Volcker, Herbert Stein, and others on the virtue of raising taxes. Sununu has been careful not to step on the toes of Brent Scowcroft, the national security adviser. He's been particularly kind to Vice President Dan Quayle, including him in important meetings. Sununu has also arranged for senior staff members who don't see Bush regularly to have lunch with him occasionally.

Sununu is the closest thing to a hard-core conservative on Bush's staff. "He does advocate our issues internally," says Weyrich, the New Right leader. "That's what he tells us." That's what he actually does.

"He doesn't rant and rail in meetings the way Pat Buchanan used to," Fitzwater says. "In this setting that makes him more effective." Sununu was pivotal in getting full-blown administration support for Star Wars. At the behest of pro-lifers, he blocked, temporarily at any rate, the nomination of Robert Fulton as assistant secretary of health and human services. Fulton is HHS Secretary Louis Sullivan's choice. Sununu has been tireless in pushing Bush's "no new taxes" pledge. He brokered the deal that led to Bush's pledge to veto a boost in the minimum wage past \$4.25. And so on.

But while Sununu hasn't lost his ideological zeal, it's been curbed. On April 30 he went out of his way on "Meet the Press"

to distance the White House from Cheney's prediction that Mikhail Gorbachev would fail in his reform efforts in the Soviet Union. "I don't think that's the president's view," he said. Conservatives, including Sununu's pal Weyrich, were outraged. Sununu didn't have any choice. The day before, he'd been with Bush in the White House living quarters when the president spoke to Cheney by phone. So he knew what Bush had told Gorbachev last December in the New York summit. Gorbachev had said that American leaders were hoping his reforms would fail. Bush and Reagan insisted they want him to succeed. Now, Bush doesn't want anyone in his administration suggesting otherwise. Sununu may have disagreed, but he carried the message anyway. •



DRAWING BY VINT LAWRENCE FOR THE NEW REPUBLIC

THE NEW REGIME

Trying to a Hitch A Ride With FRA

Susan M. Coughlin, the deputy administrator of the Federal Railroad Administration (FRA), has a friend in high places, according to transition sources for President-elect George Bush.

Two sources said Coughlin's husband, Rep. Lawrence Coughlin (R-Pa.), has been heavily lobbying to have his wife appointed to a term on the National Transportation Safety Board (NTSB).

Coughlin is the ranking Republican on the House Appropriations subcommittee that oversees transportation agencies, including the FRA and the NTSB, but the lawmaker's spokesman sees no conflict. Said Joe Divis, "I am not aware of what the congressman is doing in that area; however, this has never presented a conflict before."

HHS Contenders

■ Attention is focused on the job of finding an undersecretary for

the Department of Health and Human Services, where Secretary-designate Louis W. Sullivan has met with some of the contenders.

One of those under consideration is John F. Cogan, deputy director of the Office of Management and Budget. Cogan, an expert in health policy, was at OMB during President Reagan's first term and spent some time at the Hoover Institution, a conservative think-tank, before returning to OMB in his current job.

Another contender, sources added, is Dixon Arnett, legislative director for Sen. Pete Wilson (R-Calif.). Arnett, an HHS official from 1983-86, was chairman of the California Assembly's Welfare Committee when he was a state legislator.

Office of Personnel Management Director Constance J. Horner, who had been mentioned for several Cabinet positions, also is being mentioned for the job.

Also mentioned are Gary Macdougall, a Bush campaign aide and chairman of the board of the Russell Sage Foundation, a philanthropic, political and social sci-

ence research institution, and Princeton Prof. Richard Nathan, a former budget official and health, education and welfare official during the Nixon administration and an expert in welfare issues, budget and federal state relations.

Post-Jelly Bean Era

■ The Bush inauguration may spell the demise of the White House-blessed jelly bean era. President-elect George Bush favors fried pork rinds, and top members of his transition staff snack on peanut-laced M&Ms. When meetings get tense, the consumption of the latter multiplies.

During a recent hour-long meeting on post-transition matters, Robert M. Teeter, John H. Sununu, and James Pinkerton started consuming peanut M&Ms. When the meeting was over, two one-pound bags of nut-laden munchies had been sacrificed for the incoming administration.

—Maralee Schwartz,
Ann Devroy
and Judith Havemann

Photo Copy Preservation

Bush Meets With Teamsters Who Face Trial Next Month

Union's Support in Campaign Recognized

By Ann Devroy and Frank Swoboda
Washington Post Staff Writers

In what aides described as a political thank-you for an endorsement, President-elect George Bush and his incoming White House chief of staff met privately yesterday with top officials of the International Brotherhood of Teamsters, including six scheduled to go on trial next month in a Justice Department civil suit charging them with racketeering.

A senior aide to Bush said the president-elect "just stuck his head in the door" during the 15- to 20-minute session that incoming chief of staff John H. Sununu held with Teamsters President William J. McCarthy and five or six other members of the Teamster governing board.

Sununu, the aide said, brought up the Justice Department case against the union and warned them that "any discussion of RICO or any other cases would be inappropriate and that the White House should not and will not be involved in that."

RICO is the acronym for the federal Racketeer Influenced and Corrupt Organizations law that is being used by the Justice Department in an attempt to take over the union. Last June, the Justice Department filed suit in New York charging that the Teamsters had become little more than a subsidiary of organized crime and asked the court to put the union under government trusteeship.

U.S. Attorney Rudolph W. Giuliani, who filed the suit, said at the time its purpose was to "take back the Team-

See TEAMSTERS, A6, Col. 1

Photo Copy Preservation

Bush Meets Teamsters Who Face Trial

TEAMSTERS, From A1

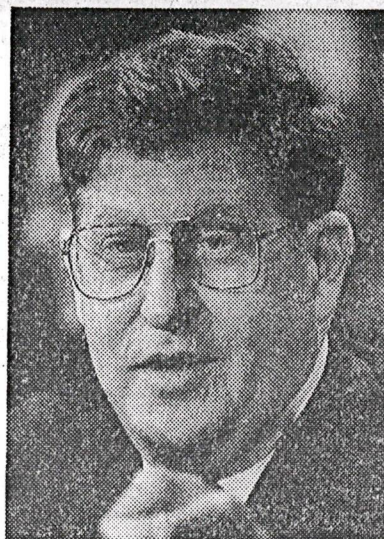
sters from the Mafia." The case is scheduled to go to trial on Feb. 27 and among the 18 defendants are McCarthy and others in the group who met with Bush and Sununu.

The meeting came at a time when several members of the Teamsters' 18-member general executive board are reported to be negotiating with federal prosecutors to have the charges against them dropped or reduced. McCarthy, according to one union source who asked not to be identified, told a group of Teamster officials at a pension meeting last week that he hoped to have the whole RICO case resolved within 10 days—shortly after Bush took office.

Bush aides described yesterday's session as an offering to the Teamsters "in lieu of what they asked for," a public Bush appearance at the Teamsters board meeting being held here this week.

Bush appeared at the union's board meetings, in 1981 and 1985 during inaugural week to thank the Teamsters for their endorsement and support of the Reagan-Bush ticket.

The Teamsters, unlike most other unions, have backed the Republican ticket the last three elections. In the 1980 and 1984 elections, the endorsement was engineered by Jackie Presser, who headed the union until he died last summer. Political sources said the union



JOHN H. SUNUNU

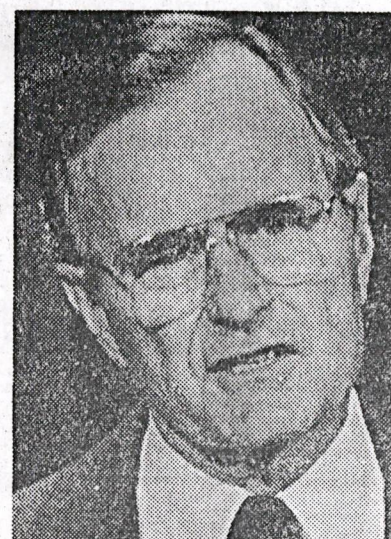
... warned against discussing case

membership was widely opposed to endorsing the GOP last year, in large part because of the racketeering charges. But the sources said that McCarthy, who lives in Massachusetts and directed the New England conference of the Teamsters before taking over the presidency, was strongly opposed to Massachusetts Gov. Michael S. Dukakis, Bush's Democratic opponent.

Two campaign sources said that McCarthy, in negotiations with the Bush campaign over a Teamsters endorsement, had sought a personal appearance and meeting with Bush in the fall, but was turned down because of fears of negative publicity.

A vice presidential aide, who would not allow his name to be used, described yesterday's session as simply another of the numerous meetings Bush and top aides have set up to signal his willingness to meet with all segments of American society. "He's done this with women, with blacks, with ethnics," the aide said. "It was simply a thank-you for support."

It was unclear who arranged the session. Bush aides would say only



GEORGE BUSH

... personal appearance was sought

that a letter requesting Bush to come to the Teamster board meeting was passed to Sununu, who offered the alternative "on behalf of Bush" of the Teamsters coming to the Bush offices in the Old Executive Office Building and meeting him and Sununu there.

A transition aide said that when the union asked for Bush to visit their meeting, "The vice president said he didn't want to do that during inauguration week but I'll meet with Billy if he wants to come here."

The meeting was not announced to reporters, as almost all other so-called outreach sessions have been, and the vice presidential offices and transition press offices originally said Bush had no meetings with Teamsters officials until reporters asked about McCarthy. At that point, the Bush aides confirmed the meeting, saying it did not appear on Bush's public schedule, only his "private schedule," and that it was listed not as a meeting with Teamsters officials but as a 15-minute session with "William McCarthy and associates."

Bush's Domestic Policy Team Is All Set, but Not the Agenda

By RICHARD L. BERKE

Special to The New York Times

WASHINGTON, Jan. 17 — George Bush ascends to the Oval Office this Friday having made a broad set of domestic policy promises: to clean up the environment, fight drug abuse, improve education and make day care more affordable for the poor.

But the means to those goals remain largely undefined. Indeed, Mr. Bush takes office with nothing like the crisply defined blueprint of tax cutting, program paring and military spending that Ronald Reagan brought to Washington eight years ago.

That the outline of the Bush domestic agenda is far clearer than the details is acknowledged by James P. Pinkerton, who will move into the White House as deputy assistant to the President for policy planning. "George Bush," Mr. Pinkerton said, "is the only man in

Bush's Washington: Who's Who

Third article of a series.

town who knows precisely what he wants his Presidency to be about."

To be sure, Mr. Bush faces some domestic problems, like the Federal budget deficit and troubles among the nation's savings and loan institutions, that circumstances will force him to address. But aides say that it may not be until he appears before a joint meeting of Congress next month that he articulates a grand policy design.

Since Mr. Bush is expected to immerse himself more deeply in foreign affairs than in domestic policy, the best clues to his domestic priorities can probably be found in his personnel choices.

For instance, former Representative Jack F. Kemp, chosen as Secretary of Housing and Urban Development, will almost certainly push his vision of greater private initiative as a way of creating housing and jobs. And Attorney General Dick Thornburgh, a hold-over from the Reagan Administration, is expected to strengthen civil rights enforcement, an area in which rights groups frequently found Mr. Reagan lacking.

The less vividly defined Bush agenda is not the only contrast in the domestic field between this President-elect and

Continued on Page A15, Column 1

President-Elect's Team for Domestic Policy Is All Set, but Not His Agenda

Continued From Page 1

the one who arrived in 1981. Where Mr. Reagan swept into the capital with a collection of advisers for whom Washington was the enemy, most architects of what will emerge as the Bush domestic agenda are well familiar with the corridors of power here. They are quieter, more pragmatic. Roger B. Porter, Mr. Bush's choice for chief domestic policy adviser, is a low-key student of government who says, "I love government. I love public service."

More influential than even Mr. Porter will be officials whose domain is far broader than domestic issues.

For instance, Richard G. Darman, the incoming director of the Office of Management and Budget, who with Mr. Porter once taught a Harvard course on government policy, will be a major force because of his role in doling out money to Federal agencies.

The strong-willed and fiscally conservative chief of staff, John H. Sununu, is also expected to be particularly powerful, not only because he will serve as a gatekeeper monitoring access to Mr. Bush but also because of expertise gained in three terms as Governor of New Hampshire. Further, Secretary of State-designate James A. Baker 3d, the Bush campaign chairman, will also keep a keen political eye on the domestic arena.

Inherent Conflicts

That there will be clashes between agency heads and budget-minded Bush lieutenants is inevitable, just as there will be a conflict between Mr. Bush's humane impulses and limits on the Government's resources.

"He has a patrician's view of the world — that he has an obligation to society," said Stuart M. Butler, director of domestic studies at the conservative Heritage Foundation. "Even though he has never met a homeless person, he may feel that something should be done."

But acting on good intentions is expensive. The new President will have to pick his shots carefully, seeking low-cost gestures aimed at winning support from the public and Congress.

Mr. Butler speculated that Lauro F. Cavazos, the Education Secretary, might run into budgetary stumbling blocks in seeking to fulfill Mr. Bush's pledge to be "the education President" and administering \$500 million in awards to schools, among other programs that the President-elect has proposed.

"Cavazos and Darman might have some early battles over spending," Mr. Butler said. "There will be a general problem of a Darman trying to hold the line on spending and people trying to create a 'kinder and gentler' America by spending."

A Pair of Lightning Rods

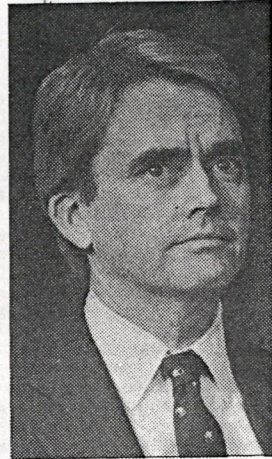
Except for Mr. Sununu, there are no staunch conservatives among Mr. Bush's closest advisers who might prove to be lightning rods for liberal criticism. But there are two such nominees outside the inner circle: Mr. Kemp and former Secretary of Education William J. Bennett, whom the President-elect has chosen as the nation's first drug-fighting czar.

Conservatives are looking to Mr. Kemp to

At the Top: Domestic Policy

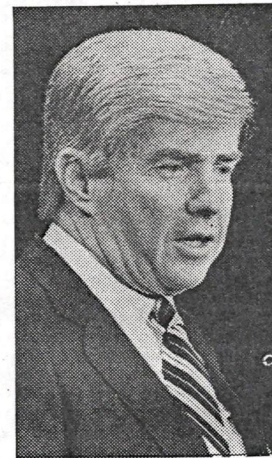
WILLIAM K. REILLY Administrator, Environmental Protection Agency

Forty-eight-year-old conservationist who has made a career of building consensus between environmentalists and leaders of industry ... President of the World Wildlife Fund and the Conservation Foundation ... Was born in Decatur, Ill. ... Holds a B.A. from Yale, a J.D. from Harvard and an M.S. in urban planning from Columbia ... From 1970 to 1972 was senior staff member of President's Council on Environmental Quality, specializing in areas like land management ... Multilingual ... Is married and has two daughters.



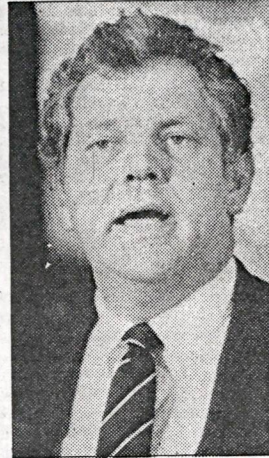
JACK F. KEMP Secretary of Housing and Urban Development

Nine-term Congressman from the Buffalo area ... Born in Los Angeles 53 years ago ... B.A. from Occidental College in Los Angeles ... Starred as pro football quarterback ... Longtime advocate of replacing customary government social programs with efforts encouraging private enterprise ... An architect of supply-side economics, which Mr. Reagan embraced ... Presidential campaign this year never caught on, but has not closed the door on a future run ... Hoped to be selected as Bush running mate ... Married, five children.



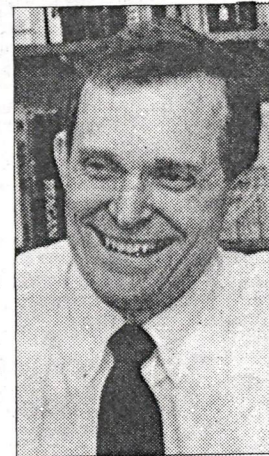
WILLIAM J. BENNETT Director, National Drug Control Policy

A 45-year-old Brooklyn native who was Secretary of Education from 1985 to 1988 ... Mastered the bully pulpit but failed to win many friends in Congress ... The reviews are mixed as to whether his leadership had a fundamental impact on education policy ... A foe of liberal education policies ... As nation's first drug-fighting czar, he could find value in his skill at drawing public attention ... Holds B.A. from Williams, Ph.D. in political philosophy from Texas, law degree from Harvard ... Married and has one son.



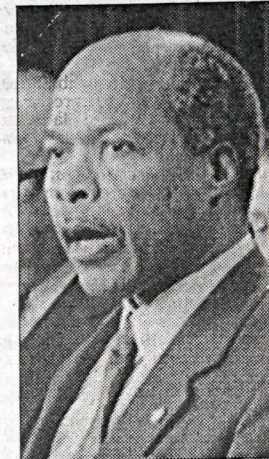
ROGER B. PORTER Assistant to the President for Economic and Domestic Policy

Born in Provo, Utah, 42 years ago ... Two stints as professor of government and business at Harvard University ... Served in policy positions under Presidents Ford and Reagan ... Was named by Jaycees as one of 10 outstanding young men for 1981 ... Had been expected to be named Deputy United States Trade Representative ... Received B.A. from Brigham Young University, M.A. and Ph.D. from Harvard ... Rhodes scholar ... Met Mr. Bush in 1975 on White House tennis court ... Married, three children.



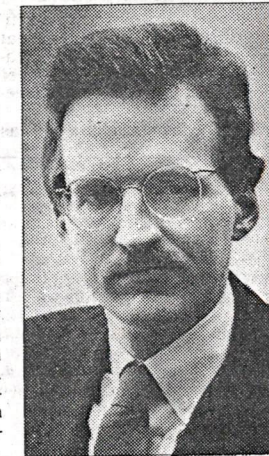
DR. LOUIS W. SULLIVAN Secretary of Health and Human Services

Born in Atlanta 55 years ago ... Has headed Morehouse School of Medicine in Atlanta since its founding a decade ago ... Hematologist ... Graduate of Morehouse College and Boston University Medical School ... Has been a friend of Mr. Bush since 1982 ... Appointment was jeopardized after he infuriated anti-abortion groups by telling interviewer that women should be free to have abortions ... Later said he opposed abortion except in cases of rape, incest or threat to woman's life ... Married, three children.



JAMES P. PINKERTON Deputy Assistant to the President for Policy Planning

At age 30, is expected to be a young star in the Bush White House ... Policy development director for the Bush transition ... As Bush campaign research director, dug up material with which to attack Michael S. Dukakis ... Political staff director in the Reagan-Bush campaign of 1984 ... Moved on to the Republican National Committee and later became research director of Bush political action committee ... Born in Cambridge, Mass. ... Graduate, Stanford University, with a degree in political science ... Single.



The New York Times

exercise influence beyond the Department of Housing and Urban Development, making his presence felt on issues like labor and education.

Gary L. Bauer, formerly the chief domestic policy adviser to Mr. Reagan, said, "I think over time that Kemp will come to play a larger role within the administration, because he's aggressive, has got a lot of ideas and is interested in reaching out to blacks."

Although he will have Cabinet rank, Mr. Bennett, unlike Mr. Kemp, will not actually

be a member of the Cabinet. He could emerge as a defining voice of the new administration, or he could sink into obscurity. A senior Bush adviser said his success would hinge almost entirely on the new President's willingness to send out word that Cabinet departments must respond to his initiatives.

The mark left by the chiefs of a number of domestic policy agencies in the Bush administration may depend on their own creativity or their sheer political drive.

As head of the Department of Health and

Human Services, Dr. Louis W. Sullivan could have a powerful voice in shaping policy on AIDS, health care financing and entitlement programs. But it is not clear whether he has the forceful personality to emerge as a strong player. In fact, Bush aides may try to keep him under wraps because of the criticism directed at him by anti-abortion groups after he had suggested that women had the right to choose abortion, a stance from which he later largely retreated.

Another interesting policy area to watch

will be the environment. Mr. Bush skillfully portrayed himself in the campaign as an environmentalist, and his choice as Administrator of the Environmental Protection Agency, William K. Reilly, is known as a leading conservationist. But Mr. Bush also chose, as Interior Secretary, Manuel Lujan Jr. of New Mexico. Mr. Lujan retired this month from Congress, where he had close ties to oil, coal and timber development interests. He and Mr. Reilly could collide on environmental matters.

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For Sununu, persistence paid off in swift ascent

By John Aloysius Farrell
Globe Staff

CONCORD, N.H. — In early 1980, a lobbyist from the Westinghouse Electric Corp. introduced a consultant, Jay Smith, to an audacious engineer who had dreams of running for the US Senate. The engineer's name was John Sununu.

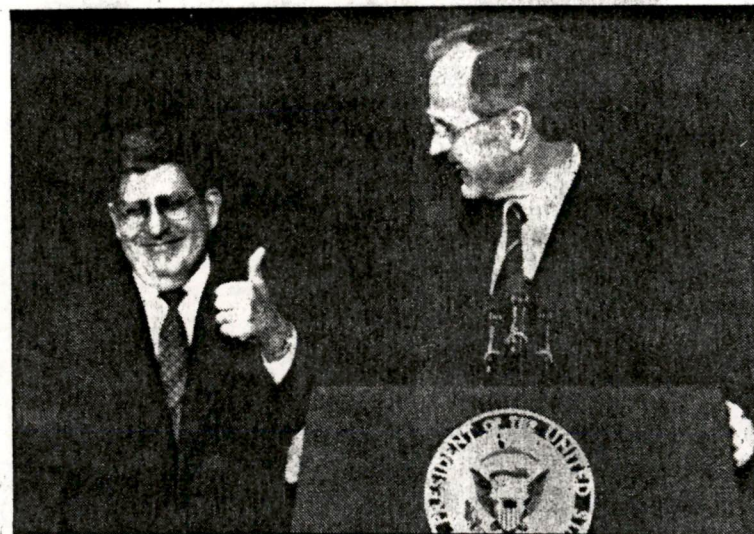
Sununu has a long, close relationship with Westinghouse, and the nuclear, defense and electronics company is an influential client of Smith's political consulting firm, Smith & Harroff Inc.

Smith asked Sununu: "Are you wealthy? Do you have ties to the business or political establishment? A strong electoral base?"

Sununu answered "no" to the criteria questions. His only experience in elective office was a single, undistinguished \$100-a-year term in 1973-74 as one of 400 citizen legislators in New Hampshire.

So Smith gently urged Sununu to stick with what he knew best: the dynamics of viscous fluids and the thermal conductivity of cesium vapor.

SUNUNU, Page 7



N.H. Gov. John Sununu offers President-elect George Bush a thumbs-up after being named his chief of staff in November.

AFP photo

Bush for a

By Walter V.
Globe Staff

WASHINGTON — It takes the country's 41st day, President Bush, the outset, than a model the major change him in the n

After eight the wings, C the office with arching president Reagan White House

Afghan pullout is

For Sununu, persistence led to swift ascent

SUNUNU

Continued from Page 1

On Friday, that audacious engineer will walk into the White House to serve as George Bush's chief of staff — one of the most powerful jobs in the world.

Sununu's swift ascent to the summit of American politics is, even by the fluid standards of our modern electronic democracy, a dazzling story. It took him only eight years to rise from political nobody to presidential confidante.

Sununu was not fabulously wealthy, but he had friends on Wall Street and in the defense and nuclear industries to help bankroll his foray into the relatively low-stakes game of a small state's politics.

He was not part of New Hampshire's GOP elite, but could import the talents of operatives such as Smith and employ the latest media techniques to great advantage on the state's old-fashioned terrain.

Sununu had no strong electoral base, but with enough mail, radio and television advertising he could reach past the usual universe of voters to tap thousands of rootless newcomers like himself.

In many ways, Sununu's story is New Hampshire's, unfolding as this old-line Republican state evolved into a new species of right-wing hybrid — a slice of Sun Belt in the frozen north — while the growth of computer and defense electronics transformed New England in the 1980s.

It is a frontier saga: the tale of a brash outsider who rode into a boom town one day, saw opportunity and seized it, and then exploited his state's unique clout in presidential politics to cash in on the chance of a lifetime.

Sununu's connection to America's high-tech arms and industrial complex began with his father, who spent 25 years as an independent exporter of Westinghouse products, including nuclear power plants. His upbringing gave Sununu deep-felt conservative Catholic values and a belief in the glory of free enterprise.

His education was both martial and technical. Sununu attended a military academy in New York, where he rose to the highest rank: battalion commander. After he achieved a near-perfect score on the College Boards, he entered the Massachusetts Institute of Technology in 1957. He spent nine years earning undergraduate and graduate degrees and a doctorate in mechanical engineering before becoming, at 29, an associate dean at Tufts University.

That was an exciting time. MIT engineers had designed the world's first practical digital computer during World War II, and Kenneth Olsen worked on computer miniaturization at the school's famed Lincoln Laboratory before leaving in 1957 with \$70,000 to found Digital Equipment Corp. in an abandoned textile mill. Commercial opportunities blossomed, fed by federal space and defense contracts. Soon, Route 128 joined Silicon Valley as symbols of a new economy.

Invented cooling device

Sununu is a product of that new world, said Leonhard Katz, who founded Astro-Dynamics Inc. in Woburn in 1960 and immediately hired Sununu, then an MIT undergraduate, to serve as chief engineer. There, Sununu invented a cooling device for semiconductors and developed an electric motor for the space program.

The engineering world is a milieu that honors precision and surety, Katz said, and puts faith in progress and scientific solutions. "If you are brought up with, and have, the engineer's approach — and John was a very fine engineer — and you move to the never-never land of politics, you long to be back in the world of engineers where walls are clear-cut and the ground can be ruled and measured."

To help pass the long hours of creative experimentation, Sununu

design with clumsy political solutions. Sununu spoke then of getting into politics.

"We had debates on whether it was worth it," Katz said. "He said, yes, you could make a difference."

Fled Massachusetts

In 1969 Sununu fled the liberal Democrats and high taxes of Massachusetts, settling just over the border in Salem, N.H., where a small clique of Republicans welcomed his eagerness to serve by putting him on the planning board. Sununu's wife ran for the school board, and he challenged the state's residency laws in a losing campaign for the state Senate. Together they rose in GOP circles by exploiting the intellectual vacuum around Gov. Meldrim Thomson Jr., a right-wing gadfly, whom Sununu served as a scientific adviser.

In his five years at Astro-Dynamics and 15 subsequent years as a consulting engineer, Sununu worked for the National Aeronautics and Space Administration, the Navy, Xerox Corp., the Stone & Webster nuclear engineering firm, Raytheon Co., General Electric Co., the Kollsman Instruments Co. and other Pentagon contractors, according to the rare comments about his business that he has made over the years.

Before and after the 1979 accident at the Three Mile Island nuclear plant in Pennsylvania, Sununu defended nuclear energy and the Seabrook power plant, where Westinghouse had a lucrative contract to install and maintain two nuclear reactors. Sununu also served as a public spokesman for several pronuclear groups.

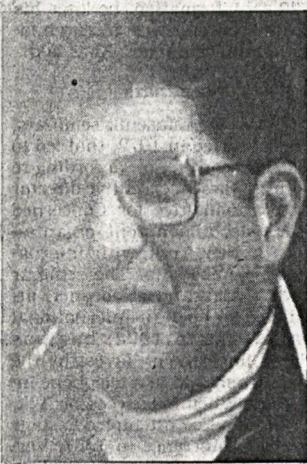
So Smith thought it natural when Leo Wright, the Westinghouse vice president for governmental affairs, served as a political matchmaker by placing Sununu at Smith & Harroff, whose roll of past and current clients includes defense contractors, pronuclear organizations such as the US Council for Energy Awareness, lobbying groups that promote the MX missile system and the strategic defense initiative, and a number of moderate Republican candidates.

Sununu, at first, seemed a hopeless cause. He had lost two campaigns for the state Senate and a statewide race for executive councilor. "It wasn't the kind of opportunity we viscerally jumped at," Smith said. "He certainly didn't look like Hollywood's version of a candidate."

"He was so persistent"

"But he never got the message," Smith said. "He was so persistent, in a nice way, that I ran out of excuses not to meet with him."

When Smith finally sat down with Sununu, the engineer arrived armed with leaves of computer printouts, statistics and his own political analysis. The New Hampshire electorate had been transformed by unprecedented growth, Sununu said at the time. A sophisticated media campaign could tap this pool of newcomers



HN SUNUNU
led on his friends

in a large field, turn an unknown candidate into a contender.

He convinced me that he might not win," Smith recalled, "but that he certainly could be a force and was worth taking on."

Sununu proved more than viable. He says his consulting work ended when he became governor in 1982, but by then Sununu had amassed cash and property — two houses, stocks and a share in an insurance company — that may be worth \$1 million in value. New Hampshire does not require him to disclose either his clients or assets, and Sununu, by temperament and conviction, rejects safeguards such as disclosure and conflict-of-interest laws.

To fund the Senate race he used money from his family, took out a second mortgage on his home, and loaned his campaign \$8,000.

Wall Street friends

Old friends from Wall Street firms such as Dillon Read & Co., Morgan Stanley & Co. and Kidder, Peabody & Co. sent contributions. So did the executives and political action committees of nuclear, defense and high-tech firms — Kollsman, Westinghouse, Stone & Webster and others — for whom Sununu had worked.

Of 40 top contributors to Sununu's campaign, those who gave \$500 or more, just three were from New Hampshire.

Sununu spent more than \$200,000, most of which went to Smith & Harroff for a late television and radio blitz aimed at the residents of the state's blooming southern tier. He finished second to Sen. Warren Rudman (R-N.H.), a former attorney general, in the GOP primary, then agreed to serve as Rudman's campaign chairman, cementing his standing with the rest of the party.

Immediately, Sununu planned a race for governor. He lacked the support of The Union Leader, of Manchester, the state's biggest newspaper, whose cartoonist labeled him: "Big Ego Trip... Monarch from Big Business... Never in Anything."

But the money poured in — from out-of-state sources such as old friends in the financial, de-

fense and nuclear industries, and from conservative groups such as the National Rifle Association and the National Coalition for a Free Cuba, and from a host of new in-state contributors.

Fund-raising machine

Here were the bones of the phenomenal fund-raising machine that Sununu would build over the next six years. He added bankers, developers, big business executives, ski resort operators, race-track and bingo interests — even chiropractors — to his cause and, in another underdog campaign, used television to convince the transplanted professionals of the new New Hampshire of his managerial talents.

Sununu won the Republican primary but then needed a quick infusion of cash to defeat incumbent Democratic Gov. Hugh Gallen. And so it was money that brought together two men who did not, at first, like each other, said their aides: John Sununu and George Bush.

Sununu needed Bush as a fund-raiser, and Bush needed friends in New Hampshire, where the presidential primary plays a critical role in determining the occupant of the White House and where GOP voters had rejected him in 1980.

Sununu was disappointed when Bush did not choose him as a presidential running mate, but in their marriage of mutual convenience, trust and respect had flourished. The rest was history.

We're Taking A Few Pounds Off After The Holidays.

Once again, we're holding THE like Boyt, Tumi, Atlas our Winter Sale LONDON HERNESSE and Bosca all at with up to 40% special savings. off selected leather goods COMPANY Come in soon because and gift items throughout the store. Famous makers with prices like these you've got nothing to lose.

The Jolly Good January Sale.

Bush, in Assembling Staff of His Administration, Takes the Experienced but Not the Power-Hungry

BY GERALD F. SEAR
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The White House frequently has been home to an imperial staff, made up of power-grabbing Haldemans and Ehrlichmans, all-powerful troikas or would-be prime ministers.

George Bush's White House isn't likely to fit that mold.

Instead, the Bush administration will have a low-profile White House staff, high-profile Cabinet members and an activist president less prone to being programmed by his aides than was President Reagan.

That, at least, is the picture that emerges from a look at the team Mr. Bush has assembled and from talks with incoming officials. In his boldest personnel move so far, Mr. Bush appointed as his White House chief of staff retiring New Hampshire Gov. John Sununu, a hard-charging conservative who seems sure to be a powerful figure in his own right.



John Sununu

But below him, the White House staff consists largely of low-key Bush loyalists who have given little sign that they will try to corner power or pursue political agendas of their own. The staff is exceptionally experienced; 24 of the 29 top White House aides named so far have worked in the White House before.

Yet despite this broad experience, the

group has maintained "so low a profile that a lot of people in Washington are going to have to work hard to figure out who they are," says Republican political analyst Kevin Phillips. Indeed, rather than worry about imperious White House power grabs, some Republicans wonder whether the staff has enough heavyweights.

Suited to Bush's Style

But it is a White House staff that seems well-suited to the style of Mr. Bush, an activist who is likely to rely on his staff more to flesh out his initiatives than to prod him into action.

"I think it is a good staff, a talented staff, and a staff with experience, especially White House experience," says Mr. Sununu. "Yet it is a staff that comes in ready to work with George Bush and to move his agenda forward."

Moreover, a more low-profile White House staff meshes well with Mr. Bush's decision to fill the Cabinet with some of his oldest and best-known friends, such as Secretary of State James Baker and Treasury Secretary Nicholas Brady, who are likely to capture much of the spotlight.

Indeed, while Mr. Bush has put such older political friends in the Cabinet, he is moving many of his younger political loyalists into White House jobs. The White House counsel, for instance, will be C. Boyden Gray, who was counsel in Mr. Bush's vice presidential office for eight years. Incoming Cabinet secretary David Bates is a longtime personal aide who has been deputy chief of Mr. Bush's vice presidential staff. Personnel director Chase Untermeyer is another longtime aide who once worked with Mr. Bush on an autobiogra-

phy. And one of Mr. Sununu's chief deputies will be Andrew Card, a former Massachusetts state legislator who was a key behind-the-scenes operative in the Bush presidential campaign.

The result is that while outsiders may not know such staff members well, Mr. Bush will be comfortable working with them quietly and directly. "It is a staff that he feels comfortable calling, and a staff who'll feel comfortable being called by the president," says Mr. Sununu.

Slimming Down

The White House staff also is likely to be leaner than in the last few years. The Bush team, for instance, has tentatively reduced the number of aides with the title of assistant to the president to about 13 from the current 22, aides say.

The picture is far different from the one that existed at the start of the Reagan administration. Mr. Reagan installed three of the most powerful figures in his administration—James Baker, Edwin Meese and Michael Deaver—as a troika atop the White House staff. They wielded broad power that reached throughout the administration and eventually precipitated the resignation of at least one Cabinet member, Secretary of State Alexander Haig.

It has been clear that the Bush administration wouldn't have a similar bent since Mr. Bush's vice presidential chief of staff, Craig Fuller, and Mr. Bush's longtime pollster, Robert Teeter, decided against taking White House jobs. Mr. Fuller is leaving the government, and Mr. Teeter will be a part-time administration adviser. Those moves have left Mr. Sununu as the clearly dominant staff figure in the Bush White House.

Mr. Sununu will be with Mr. Bush at the start and at the end of each working day—and the presidential workday promises to stretch longer than it did under Mr. Reagan. Mr. Sununu plans to convene a meeting of senior White House staffers at 7:30 each morning. He then will move into the Oval Office at 8 a.m. for a series of briefings with Mr. Bush. The president will receive a national-security briefing, then talk with national security adviser Brent Scowcroft and finally discuss the day ahead with Mr. Sununu from 8:30 to 9.

Mr. Bush and Mr. Sununu then will meet again for about 15 minutes late in the afternoon or early in the evening to close the day. By contrast, Mr. Reagan didn't begin his staff meetings until an hour later, at 9 a.m., and often left the Oval Office earlier in the afternoon.

Staying With the Structure

Mr. Bush and Mr. Sununu have decided to maintain much of the decision-making structure of the Reagan administration, at least initially. Thus, many important policy recommendations are likely to be decided in two so-called Cabinet councils, which are small groups of key Cabinet members. An Economic Policy Council will be led by Treasury Secretary Nicholas Brady, and a Domestic Policy Council will be led by Attorney General Richard Thornburgh. As is traditionally the case, foreign-policy deliberations will be conducted by the National Security Council.

Though initially a Cabinet so heavily populated with presidential friends is likely to be particularly powerful, many veterans of the bureaucracy say that power inevitably drifts toward the White House staff, which has the advantage of being near the Oval Office. Indeed, a principal management task facing Mr. Sununu may be preventing tensions between Cabinet officers who have personal relationships with the president and staff members who work more intimately with him on a daily basis.

But aides insist that Mr. Bush, a veteran of the Washington bureaucracy, isn't likely to lean exclusively on any particular group. "It is inconceivable that George

Bush would be boxed into any hierarchical structure," says Mr. Untermeyer. "Neither pole, Cabinet nor White House staff, is going to predominate."

WP 1.17.89

Helping Bush's Cabinet Get Its Footing

Transition Advice: Visit Hill, Shun Publicity and 'Don't Ask for a Thing'

By Judith Havemann
Washington Post Staff Writer

Interior Secretary-designate Manuel Lujan Jr. moved into an office in the department two weeks ago and began eating in the cafeteria, consulting with the undersecretary and meeting with assistant secretaries and bureau chiefs—plunging into policies and problems as if he can't wait.

Housing and Urban Development Secretary-designate Jack Kemp paid a formal call on outgoing Secretary Samuel R. Pierce Jr., according to a department spokesman, and met with homeless people, mayors and other future clients—reaching out to the department's constituency groups rather than its bureaucracy.

The two former House members, Lujan and Kemp, illustrate the widely different operating styles of President-elect George Bush's Cabinet choices.

Moreover, it is a time when the care and handling of all the newly designated secretaries consumes great energy at the Bush transition office.

Previous presidential transitions have been sharply criticized for failing to help nominees over the hurdles of financial disclosure, confirmation, ethics, and understanding critical administrative details and the politics of policy development.

In the Bush transition, the goal is to leave nothing to chance.

Voluminous books have been written for appointees to read. And in case they don't, face-to-face briefings are held on the same transition subjects. A formal briefing with transition representatives is the first scheduled meeting of a newly designated secretary.

Of course, politics intervenes. About 20 minutes after Robert A. Mosbacher was named to head the Commerce Department, a senator tracked him down on the car phone of an aide and urged him to hire one of the senator's friends, the aide said last week.

Handling congressional requests is tricky, and designees are given a full-time congressional affairs aide (in some cases, two: one for the House and one for the Senate) to help them through the confirmation process. Nominees are also assigned a transition lawyer, a transition personnel liaison person and a transition outreach contact.

They are given press advice—essentially to keep a low profile until Senate confirmation for fear something will be used against them.

Mosbacher describes his immediate priorities in this manner:

"Congress, Congress and Congress."

Incoming officials have been urged to send a "signal to the Senate" by early courtesy calls on any senator with a role in confirmation proceedings.

Transition deputy director Michael Farren said that transition officials were "every hour meeting someone on the Hill" when Congress was in town earlier this month.

In dealing with their designated departments, the transition office's advice to the nominees is "don't ask for a thing," according to Farren. "The difficulty is that if people aren't careful, they might ask for something that we would have to pay for." The transition is limited to \$3.5 million, and it must reimburse agencies for extra costs incurred.

The White House, for example, is billing the transition for rent for the office of incoming chief of staff John H. Sununu, according to a transition official.

Farren said, only half facetiously, that he is worried that somebody would joke about needing a bigger office and the transition would get a bill for major renovations in late March, long after the transition is over.

The salary of a government secretary assigned to the incoming head of a department must be reimbursed by the transition, Farren said. Another suggestion he gives incoming Bush administration officials: "Don't use government cars; use only desks that are not in use."

Despite the transition office's relatively uniform advice, each secretary has approached the job in a different way, and some start out with far more knowledge about Washington than others.

Secretary of State-designate James A. Baker III, named Nov. 9 after he masterminded Bush's successful election campaign, is far ahead of the pack in selecting subordinates and having time to study departmental briefing books. His experience and longtime friendship with Bush also give him a special status during the transition.

John G. Tower, the former Texas senator selected for defense Dec. 16, has had little time for transition duties. He had a cancerous polyp removed Dec. 27 and was operated on again Jan. 5. A former chairman of the Senate Armed Services Committee, Tower expects to be fully recovered and ready to take over the Pentagon on Feb. 1, according to Defense Secretary Frank C. Carlucci.

Out-of-towners like Dr. Louis W. Sullivan, named to head the Department of Health and Human Ser-

vices, and Transportation Secretary-designate Samuel K. Skinner have had far more transition office support, transition officials said.

Sullivan, the president of Morehouse School of Medicine in Atlanta, ignored the transition apparatus in selecting the head of his departmental transition team. He named his own man as team leader—a current Reagan administration official, Dr. Frank E. Young, chief of the Food and Drug Administration.

The differing personalities of the secretaries are mirrored in their approach to confirmation hearings.

Labor Secretary-designate Elizabeth Hanford Dole, a former Reagan transportation secretary, is a voracious reader, famous for requesting backup information for her backup information. She has been holed up in the Labor Department, reading prodigiously, in preparation for confirmation hearings that are almost certain to be a love feast. She will be presented by her husband, Senate Minority Leader Robert J. Dole (R-Kan.) and Sen. Nancy L. Kassebaum (R-Kan.) and by Sens. Jesse Helms (R) and Terry Sanford (D), from her native state, North Carolina.

Commerce Secretary-designate Mosbacher prefers oral briefings that he can follow up with questions and respond to, according to aide Wayne Berman. Scientific briefings on oceanic and atmospheric projects, a subject with which he has little familiarity, were tailored to his layman's needs.

Newly named drug czar William J. Bennett and Energy Secretary-designate James D. Watkins received their first transition briefing, complete with papers, on Friday, leaving them only a week to prepare for the new administration.

They got an employment application (F-1), the federal withholding statement (W-4), a state withholding statement, the biographical data form (for clearance by the Federal Bureau of Investigation), the personal data statement, the standards of conduct form and a financial disclosure statement.

They were handed a thick sheaf of single-page instructions on transition behavior, from parking spaces to the cost of inaugural tickets.

They were given inch-thick black binders containing information about their new jobs or departments, and guidance on what Bush promised during the campaign about the areas under their jurisdiction.

And Bennett made his first call to someone interested in the fight against drug abuse: First Lady Nancy Reagan.

Bush Team Plans Early Review of Military, Arms-Talks Policy

By Don Oberdorfer
Washington Post Staff Writer

The first order of business for the incoming Bush administration in U.S.-Soviet relations is expected to be a high-level review of military and arms issues that will take a new look at U.S. negotiating positions in superpower arms talks, according to officials close to President-elect George Bush.

The policy review has been urged by incoming White House national security adviser Brent Scowcroft and publicly endorsed by Bush.

It could take a month or two, if a "minimal" study of U.S. military programs and arms control positions is authorized. It could take a year if a "maximal" long-range evaluation of the U.S. strategic posture and objectives is authorized, according to a senior official of the new administration who asked not to be quoted by name.

With the Bush administration set to assume the reins of government on Friday, this source said there has yet been no serious consideration among top officials of the objectives and extent of the review process, despite growing speculation and concern about it among career U.S. officials and allied governments.

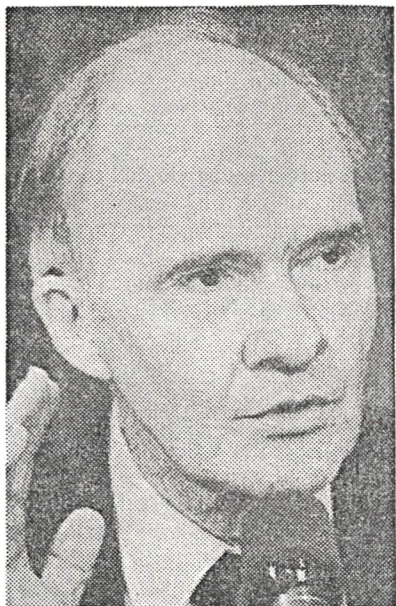
"The right-wing slogan is no longer 'slam the Soviets' but now it is 'review forever,'" said a career official familiar with the undercur-

rents of discussion and expectation in the field of Soviet policy. An article in last Wednesday's Baltimore Sun, which is believed to have been based on a background interview with Scowcroft, suggested that the continuation of substantive strategic arms negotiations with the Soviets might be delayed as long as a year while the Bush administration formulates its policies.

A source familiar with Scowcroft's thinking, asked to comment on the Baltimore Sun account, said that any estimate of the date for resuming arms control talks is premature.

What seems to be clear, from the comments of Bush and Scowcroft, is the basic concept that a high-level review encompassing decisions on U.S. strategic military forces is a necessary step toward the formation of positions on remaining issues in the strategic nuclear arms negotiations. Foremost among the military decisions is the future of land-based U.S. missiles such as the MX or the proposed Midgetman mobile missile.

A review that is done inside the administration by National Security Council, Defense, State Department and other administration staffers might be completed a month after it is authorized, said a senior official of the incoming administration. If this "minimal review" were to tackle seriously the question of what a national security consensus



BRENT SCOWCROFT
... security adviser urged review

or coalition in Congress would accept, it probably would take at least six weeks to two months, the official said.

At the other end of the spectrum would be a longer-range, more intensive study of basic U.S. objectives in the nuclear and conventional forces field. Such a study would include issues such as the most desirable balance of forces of various kinds between the two superpowers and their allies, fundamental U.S. objectives in Europe and the relationships of separate negotiations in nuclear, conventional and chemical

warfare fields. Such an ambitious study might take a year, said the senior official.

Bush said Dec. 14 "there is no way" his administration would be ready with detailed proposals for the Geneva negotiations on strategic arms by the Feb. 15 target date mentioned by the Reagan administration late last year for the continuation of the 6½-year-old talks. "We're going to start working vigorously," said Bush, adding that "I am interested in progress but I want it to be prudent. I want whatever steps we take to be lasting."

From all indications, there has been surprisingly little pre-inaugural deliberation of any sort on foreign and defense policy in the new administration. Among the reasons for this cited by Bush insiders is the absence from Washington of Defense Secretary-designate John G. Tower, who is recuperating in Texas where he had surgery Dec. 27 and again Jan. 5. Insiders also cite the preoccupation of incoming officials with staffing their departments and agencies and Bush's reluctance to do anything that would have seemed to undercut the Reagan administration in its final weeks.

The Reagan administration, after a period of prolonged and intense U.S.-Soviet hostility in its first four years, is coming to an end amid vastly improved relations with the Soviet Union. In his second term,

President Reagan held four full-scale summit meetings with Soviet leader Mikhail Gorbachev plus a final mini-summit in New York. In the same period Secretary of State George P. Shultz held 30 rounds of substantive meetings with Soviet Foreign Minister Eduard Shevardnadze and discussions proliferated and deepened in almost every aspect of the relationship.

Bush assured Gorbachev in the New York meeting last month that he wishes to continue the pattern of extensive consultations and improving ties, and he also said following the election that "I would like to see my secretary of state continue that which George Shultz has done in terms of the numbers of meetings with the Soviet foreign minister. I think that's been very, very helpful."

U.S.-Soviet discussions across a broad range of issues—human rights questions, regional conflicts such as Afghanistan, southern Africa and Cambodia, and bilateral questions—have continued throughout the fall and winter, according to State Department officials. It is generally expected that these will continue with little or no interruption after Jan. 20, since there is no hint that existing U.S. policies in these areas are likely to be changed in major fashion by the Bush administration.

The most urgent business to be faced by Bush in the arms area is the beginning of the new Conven-

tional Stability Talks aimed at reducing East-bloc and NATO troops, tanks and other conventional arms in Europe. These talks are scheduled to begin in March, according to the mandate for them that will be formally endorsed on Tuesday in Vienna by Shultz, Shevardnadze and senior officials of 33 other nations.

It is unlikely that the Bush administration will have completed its policy review by March. However, the initial Western positions in the new talks are relatively uncontroversial, and were endorsed and announced by NATO foreign ministers including Shultz on Dec. 8 in Brussels. It is unclear whether the Bush administration will ask for reconsideration of these positions.

Another aspect of the negotiations timetable is the question of a summit meeting of NATO allies, which is likely to precede any summit meeting between Bush and Gorbachev.

Some of the allies are proposing a summit in Brussels around April 4, which is the 40th anniversary of the founding of NATO. British Prime Minister Margaret Thatcher is suggesting an alternative, under which the NATO summit would be in London in May or June.

The scope and timing of the Bush administration arms policy review may have a bearing on its preferred timetable for serious discussions with the Western allies.

He was all over the place—and in shoes, at that.

Explained former New Hampshire governor **John Sununu**, about to become George Bush's White House chief of staff and for whom lobbyist **Roy Pfautch** gave last night's lobster feed at the Madison Hotel: "It was the first time we've eaten lobster with our shoes on for a long time [and] we're talking about going down to Boston for a big party."

Shoes or not, and a couple of guests wore none, the turnout was the stuff from which power comes, including George Bush's proposed Cabinet members, Secretaries-designate **Sam Skinner** (transportation), **Clayton Yeutter** (agriculture), **Ed Derwinski** (veterans affairs) and **Carla Hills** (trade representative).

In the mix was a sizable Hill representation, including Sens. **Ted Stevens** (Alaska), **Robert Kasten** (Wisconsin) and **Alan Simpson** (Wyoming), some high-profile diplomats (Britain's **Sir Antony Acland** and Italy's **Rinaldo Petrignani**), the social establishment (**Jayne and Frank Ikard** and **Mandell and Betty Lou Ourisman**) and media biggies such as ABC's **Ann Compton**, CBS' **Bill Plante** and **Leslie Stahl**, The Washington Post's **Lou Cannon**, The New York Times'



BY JAMES A. PARCELL—THE WASHINGTON POST

Gov. John Sununu, left, Roy Pfautch and Lyn Nofziger last night.

Hedrick Smith and columnist **Robert Novak**, and even a sprinkling of the formerly powerful like former Reagan aide **Lyn Nofziger** and former Nixon aide **Fred Malek**.

Rather than speeches, Pfautch provided printed lyrics so everyone could burst into song in honor of Sununu and his wife Nancy. One number, sung to the tune of "People Will Say We're in Love," advised Sununu not to act like the president, not to not return calls, not to ignore the Democrats, not to like his job too much, not to let his staff leak too much and not to trust the press too much.

Sununu caught on immediately.

"The press in Washington is very sensitive," he told the audience, seated at round tables given the names of major American newspapers. "Would you please fold up the tablecloths and leave them at the front of the room?"

"Tablecloths" were pages from those newspapers—just lying there waiting for the evening's trash to be wrapped in.

"All the News
That's Fit to Print"

The New York Times

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Bush Selections Signal Focus on Foreign Policy

By ELAINE SCIOLINO

Special to The New York Times

WASHINGTON, Jan. 16 — New Presidents have usually lodged their closest confidants in politically sensitive domestic jobs, notably that of Attorney General.

By choosing James A. Baker 3d, his friend of 32 years and most-trusted political adviser, as Secretary of State, Mr. Bush is signaling that foreign rather than domestic policy is likely to be the centerpiece of his administration. He is also showing that he wants Mr. Baker, who is schooled in Washington power politics, to graduate to the ul-

the international stage with Mikhail S. Gorbachev, the astute and charming Kremlin leader whose approval rating with the American public rivals that of Mr. Reagan's.

Mr. Bush, a problem-solver rather than a visionary thinker, a man who projected no far-ranging agenda in his successful Presidential campaign, has assembled a foreign policy brain trust composed of Reagan-era holdovers, experienced hands from the period dominated by Henry A. Kissinger, and friends with links to Congress and to Texas. Ambitious and talented bureaucrats all, they see the world as Washington has seen it for four decades, through the prism of the familiar East-West power game.

Contrasting Appraisals

"This administration will be closely integrated and coherent, a parallel-minded team," commented Brent Scowcroft, the new national security adviser, in an interview the other day.

But a cooler reaction came from another quarter. "Warmed-over milk," a senior official, himself a veteran of several administrations, remarked when asked to characterize the Bush team. "Having around a lot of old guys who grew up in a slightly different world isn't necessarily good."

Charles William Maynes, the editor of Foreign Policy, a quarterly journal, was more charitable, describing the team as "Ford II, sensibly conservative."

Of course, an integrated team is the goal of every administration. This one may achieve it, especially given the close friendship between Mr. Scow-

Continued on Page B9, Column 1

Bush's Washington: Who's Who

Second article of a series.

timate power game of East-West relations.

Most foreign policy experts here regard the Baker appointment as a sign of Mr. Bush's confidence in his friend's adaptability and in the President-elect's own ability to direct his administration's foreign policy.

An Imposing Challenge

Together, Mr. Bush and Mr. Baker — longtime friends who share Ivy League backgrounds, a love of tennis and an instinct for moderation — face an imposing challenge: they must protect American strategic interests while seizing what may well be a once-in-a-century opportunity to reshape East-West relations.

They and a handful of key associates also face the challenge of demonstrating that Mr. Bush can hold his own on

Photo Copy Preservation

Bush Designees Signal Foreign Policy as New Administration Centerpiece

Continued From Page A1

croft and Lawrence S. Eagleburger, who has been chosen for the key position of Deputy Secretary of State. Both have long been associated with Mr. Kissinger and are principals in his consulting firm. They are so close they often communicate in garbled Serbo-Croatian. Peter W. Rodman, another Kissinger man who has worked closely in government with Mr. Scowcroft and Mr. Eagleburger, will also help to give the National Security Council staff the kind of depth and firepower it needs.

But many Washington wise men think there is at least the possibility of the sort of conflict between the State Department and the White House that has plagued many past governments.

Mr. Baker may be a novice, but he is a talented one, a man who may harbor Presidential ambitions of his own, and he will have an apt teacher in Mr. Eagleburger. Mr. Scowcroft, an outstanding student of foreign policy, will have a forceful No. 2 in Robert M. Gates, who is moving over from the Central Intelligence Agency. Much remains to be seen, however, about how things will work. John G. Tower, the Defense Secretary-designate, has been recuperating from surgery and has not yet made his views known in detail to his colleagues. And Mr. Baker has decided to wait until after his hearings to name most of his senior aides, people who will inevitably help color the new administration's policies.

For all the lack of new faces, there have been early signals of divergence from the Reagan Administration. In last year's campaign, for example, Mr. Bush said the Cold War was not yet over, putting some distance between himself and his boss as well as his boss's British soul-mate, Prime Minister Margaret Thatcher.

Early this month, when Mr. Reagan accepted a Soviet proposal to convene a human rights conference in Moscow, Bush advisers expressed polite, but firm, reservations. A Bush administration would never have handed the Soviets such an easy diplomatic victory, several such advisers have said. "We were skeptical, reluctant, we argued that it was premature and we didn't want to be locked in," said one prominent member of the group. "But it wasn't our decision." On policy matters, Mr. Baker and others appear to have thrown off the shackles of the Reagan epoch, if shackles they are, before it has ended.

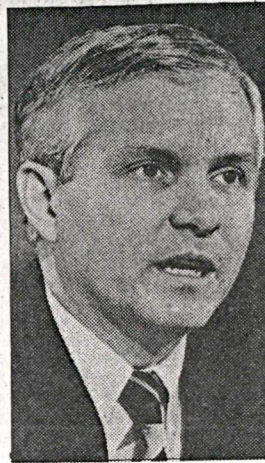
Mr. Baker has told lawmakers on Capitol Hill that United States support for the anti-Communist rebels in Nicaragua — the contras — has been "a failure." And he has described as a strategic blunder the Reagan Administration's use of sanctions in an effort to drive Panama's controversial leader, Gen. Manuel Antonio Noriega, from power.

It is widely expected, on yet another front, that the Bush administration will try to improve the political environment in the Middle East before it starts worrying about a peace

At the Top: Foreign Policy

ROBERT M. GATES Deputy National Security Adviser

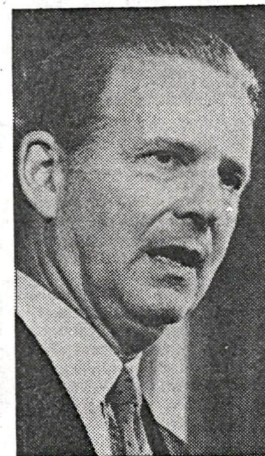
A 45-year-old Kansan who has spent two decades at Central Intelligence Agency, where he is deputy director... Georgetown University Ph.D. in Russian and Soviet history... Served at National Security Council... At C.I.A., did not have a direct hand in covert operations or clandestine intelligence-gathering... Lost chance to be Director of Central Intelligence when President Reagan withdrew nomination rather than face contentious confirmation hearings over what he knew about role of William J. Casey in Iran-contra affair.



The New York Times

JAMES A. BAKER 3d Secretary of State

A 58-year-old Texan who is heir to a family fortune dating to the 1860's... Classics major at Princeton who took law degree at University of Texas... Ex-marine... Entered politics in 1970 by working for the Senate campaign of George Bush... Opposed nomination of Ronald Reagan while serving as Gerald Ford's campaign manager in 1976 and as Mr. Bush's campaign manager in 1980... First exposure to foreign leaders came as Mr. Reagan's chief of staff... At Treasury, formulated plan to relieve third-world debt crisis.



The New York Times

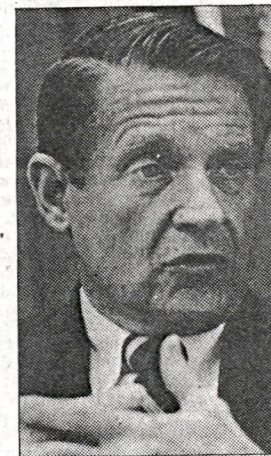
LAWRENCE S. EAGLEBURGER Deputy Sec'y of State

A 58-year-old Washington insider who graduated from the University of Wisconsin, with bachelor's and master's degrees... Served in the Army... Spent 27 years in foreign service, culminating in senior jobs at the State Department, Pentagon and the National Security Council... Also was Ambassador to Yugoslavia during the Carter Administration... In recent years, worked as president of Kissinger Associates Inc. with his close associate in government, Henry A. Kissinger, the former Secretary of State.



WILLIAM H. WEBSTER Director of Central Intelligence

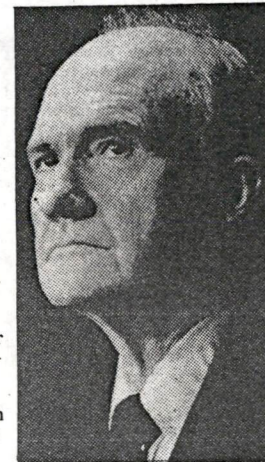
A Federal judge in Missouri who came to Washington in 1978... Degrees from Amherst College and Washington University Law School in his native St. Louis... Prospered in Missouri legal circuits... Became Federal judge... Picked by President Carter as Director of Federal Bureau of Investigation, where he helped restore its damaged reputation... Took top C.I.A. job in 1987 during Iran-contra affair... Survived lobbying of President-elect George Bush by some agency veterans to have him replaced... 64 years old.



The New York Times

BRENT SCOWCROFT National Security Adviser

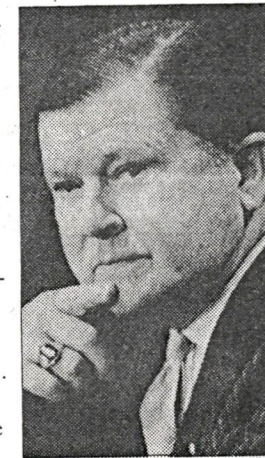
A West Point graduate who holds a doctorate from Columbia in international relations... Born in Utah 63 years ago... A retired Air Force lieutenant general... A former Russian history professor at West Point... Served as military attaché in Yugoslavia... A trusted aide in Henry A. Kissinger's National Security Council... Was national security adviser to President Ford... A member of the Presidential commission that investigated the Iran-contra affair... Vice chairman of Kissinger Associates since 1982.



The New York Times

JOHN G. TOWER Secretary of Defense

Born 63 years ago in Houston... Graduate of Southwestern University in Georgetown, Tex., with master's degree from Southern Methodist University... Served in Navy in World War II... Assistant professor of political science at Midwestern State University in Texas... Ran unsuccessfully for Senate against Lyndon B. Johnson in 1960... Ran again and won, becoming first Republican Senator from Texas since Reconstruction... Chairman of Senate Armed Services Committee, later a strategic arms negotiator.



Associated Press

process — a major change from the policy of Secretary of State George P. Shultz, which focused on format.

But it is not yet clear how the Bush team will crack the toughest nut, which is Soviet policy. The framing of a fresh approach to arms-control negotiations and to myriad other questions involving Moscow and Washington will have to await a systematic appraisal of Mr. Gorbachev's intentions, the tactics he will use, his sense of timing and his

ability to cling to power.

All arms of the foreign policy apparatus will be involved in that appraisal, and Mr. Bush will take an active part in it, as in most other important national security matters. If he is not his own principal foreign affairs counselor — some think he will want others to do the primary strategic thinking — he will certainly be an eager, extremely knowledgeable client.

"The driving force will be a President

who's not going to be a prisoner of his Cabinet or a puppet of his advisers," a White House official said. According to one report, the Central Intelligence Agency will be asked to produce as early as possible a detailed intelligence profile of Mr. Gorbachev. That report, which comes from a source close to Mr. Bush, suggested that the quality of the agency's report might go far toward determining the future of William H. Webster, the agency's director, who is continuing for the mo-

ment on an interim basis.

As President, Mr. Bush will be in a better position to appraise the agency's performance than many of his predecessors. Not only is he a former Director of Central Intelligence himself, but also he has signaled a break with tradition by announcing that he wants morning briefings personally from the agency analyst who delivers the overnight intelligence report, rather than through the national security adviser or his staff.

Photo Copy Preservation

Bush's Beltway Team

For All the Talk of New Faces, the Cabinet Shapes Up as a Group of Government Pros

By R. W. APPLE Jr.

WASHINGTON, Jan. 12 — Michael S. Dukakis promised a campaign about competence, not ideology. George Bush, who beat him, today completed the selection of a Cabinet that might be described with the same words.

News Analysis

The President-elect's 14 choices for the Cabinet, as well as those for the half-dozen or so other jobs that strongly affect the substance and personality of an administration, resemble the selections of a parliamentary leader more than those of an American chief executive. Prime ministers choose ministers almost entirely from the relatively small pool of people who have accumulated experience (and presumably wisdom) in prior governments. For all his talk of the need for new faces, Mr. Bush has done the same thing.

"It's quite unusual for this country," one of those chosen for a powerful post commented today. "We usually have government by amateurs here."

With relatively few exceptions, the nominees are white male governmental professionals or semiprofs. Most of them live inside the Beltway, as the Washington phrase has it, and most of them are pragmatists, which is what people inside the Beltway like.

And most of them, like the man they're going to work for, play tennis. James A. Baker 3d, Mr. Bush's choice for Secretary of State, has been his on-court partner since 1970, and Clayton K. Yeutter, the choice for Secretary of Agriculture, is so proud of his game he mentions it in *Who's Who*.

There aren't many names on the list that bring to mind the kind of fire-breathing ideologues President Reagan often favored. Former Representative Jack F. Kemp may be a "movement conservative," but Mr. Bush has named him Secretary of Housing and Urban Development, a post where Mr. Kemp's views on minority economic

development, most unorthodox for a right-winger, are likely to come into play.

Likewise, former Gov. John H. Sununu has been chosen as White House chief of staff, a position that requires some submergence of personal ideology in the interest of efficiency. A third outspoken conservative, William J. Bennett, has been chosen as coordinator of the campaign against drugs, a position more hortatory than administrative, in which he will be expected to function as a Republican Jesse Jackson, leading the antidrug cheers.

Recycling and Musical Chairs

So what happened to the new faces? In a newspaper interview last week, Mr. Bush said it had all been a misunderstanding. When he used that expression, the President-elect told *USA Today*, "I didn't mean I was going to reach out and find everybody with no experience in government." In fact, there are only three or four governmental tenderfeet among Mr. Bush's two dozen.

The recycling is especially evident in senior posts: Nicholas F. Brady at the Treasury, Dick Thornburgh at Justice and William H. Webster at the Central

Intelligence Agency won't even have to rehang their pictures, having been chosen to keep the jobs they had in the Reagan Administration. Many others are playing musical chairs. Mr. Bennett used to be at Education, Mr. Baker used to be at Treasury and before that at the White House, and John G. Tower, who has been picked to run the Pentagon, used to be in the Senate.

Only a few people will have to find new houses because they come from outside the Beltway: Robert A. Mosbacher, the Commerce Secretary-designate, is coming from Texas; Dr. Louis W. Sullivan is coming from Atlanta to take over at Health and Human Services, and Samuel K. Skinner is coming from Illinois to head Transportation.

Mr. Bush seems to have made no great effort to insure geographical diversity, although most of the bigger states are represented, with two major

appointees from California, two from New York (and two more from New Jersey), four from Texas and three from Illinois. But the vast majority moved here many years ago.

Expertise Counts

Professional expertise appears to have governed many choices. James D. Watkins, an outspoken, no-nonsense retired admiral, seems to have been selected as Energy Secretary because of his knowledge of nuclear power. William K. Reilly was chosen as Administrator of the Environmental Protection Agency after a career in the conservation movement. Mr. Tower was a military affairs specialist on Capitol Hill. Mr. Skinner, chosen to head the Transportation Department, did the same thing for the State of Illinois that he will do in Washington if he is confirmed.

The President-elect was unable to find the prominent Democrat he had sought to give a semblance of partisan balance to his team. But he chose a black, Dr. Sullivan; two Hispanics, Manuel Lujan Jr. for Interior and Lauro F. Cavazos for Education, and two women, Elizabeth Hanford Dole for Labor and Carla A. Hills as United States Trade Representative.

Many earlier Republican Presidents and a few Democrats, too, reached into the ranks of corporate executives.

Dwight D. Eisenhower, for example, chose Charles E. Wilson of General Motors and Neil H. McElroy of Procter & Gamble. Mr. Bush hasn't done that. Mr. Brady, a Wall Streeter, and Mr. Mosbacher, a Texas oil and gas man, are both businessmen, of course, but they have built careers outside big companies.

More important, they, like Mr. Bush and Mr. Baker, were born to privilege and built upon that fortunate circumstance rather than sitting back and merely enjoying it. If Mr. Eisenhower enjoyed having corporate big shots as his cronies, if Mr. Reagan preferred the big, new money of California, Mr. Bush appears most at home with those accustomed to wealth but not driven by it.

The President-elect has also chosen a group with whom he is unlikely to have many arguments about style or policy. Lincoln chose William Seward, with whose views on abolition he disagreed, as his Secretary of State, and Mr. Reagan chose Mr. Baker, who had managed the rival campaign of Mr. Bush in 1980, as his first chief of staff.

From his first important choice, that of Senator Dan Quayle as running mate, George Bush appears to have been careful to pick people who share his political instincts and who are prepared to defer to his judgments.

Dukakis Seeks \$730 Million In New Massachusetts Taxes

By ALLAN R. GOLD
Special to The New York Times

BOSTON, Jan. 12 — Gov. Michael S. Dukakis tonight proposed tax increases for Massachusetts residents that would raise about \$730 million in the next 18 months to head off budget deficits.

The Governor's plan would increase taxes on capital gains, gasoline, cigarettes and alcohol, long-distance telephone service and utility companies. He said the increases and previous spending cuts totaling \$500 million would help put the state's finances in order.

"Recommending new taxes is never a pleasant task," Mr. Dukakis said.

The proposal would raise \$130 million in the current fiscal year and about \$600 million in the next. The tax on gasoline would rise from the present 11 cents a gallon to 17 cents, and the tax on cigarettes would go up to 30 cents a pack from the current 26 cents. Taxes on alcoholic beverages would go up 50 percent — to 9 cents on a six-pack of beer from the present 6 cents, for example.

Mr. Dukakis is proposing to eliminate the capital gains deduction, which would effectively raise the capital gains tax to 10 percent from the present 5 percent.

Fierce Opposition Expected

Opposition to the plan is likely to be fierce in the Legislature, and leading Democratic legislators have already said the Governor will have to support more spending cuts if his revenue package is to have any chance of passing.

Word of a possible tax increase has been circulating for weeks, and lobbying is already under way. A new coalition of social service groups formed to press for new taxes while business groups formed their own coalition to oppose such measures.

Massachusetts is not alone in its budget worries. Several other Northeastern states have deficits that may require new taxes to cover or other revenue-raising schemes. In all those states, revenue is not rising as fast as had been expected. Government officials and economists have attributed the slowdown variously to the effect of Federal tax changes and to a lagging economy.

Mr. Dukakis is making his tax proposals as a lame-duck Governor, having disclosed last week that he would not seek re-election for a fourth term in 1990. He said that 12 years in office were enough for any governor. He did not say what he would do next and did not rule out another run at the Presidency.

During the Presidential campaign last year, Mr. Dukakis, the Democratic candidate, sought to minimize the state's budget problems, although Massachusetts Republicans and some Democrats were raising warning flags throughout the summer. The Republi-

cans frequently reminded the national electorate of the state's reputation as "Taxachusetts" and branded Mr. Dukakis a big spender and taxer, characterizations he denied.

Using mostly accounting moves, Mr. Dukakis barely closed a \$400 million budget deficit in the year ending last June 30. The problems have grown worse in the new fiscal year, for which the budget is \$11.6 billion. Spending has increased more than expected, revenue gains have not met even scaled-down projections and numerous austerity measures, and tax and fee increases have failed to hold the line.

Under the proposal, the extra revenue derived from increases in cigarette and alcohol taxes would be used for the state's health and substance abuse programs. Additional money collected from the taxes on long-distance telephone service and utility companies would be dedicated to the state's environmental protection program.

By raising \$130 million in new tax revenue and cutting spending by \$500

**The Governor
says the money is
needed to prevent
a deficit.**

million, Mr. Dukakis hopes to close a \$630 million deficit that looms this year.

The proposal would result in the biggest tax increase in the state since 1975. Mr. Dukakis, then in the first year of his first term as Governor, broke a campaign pledge against new taxes and the Legislature passed a \$575 million income tax surcharge, since repealed. Mr. Dukakis's defeat in a re-election bid in 1978 has been partially attributed to voters' anger over his broken pledge.

'Gutless Wonders'

He has made no such promises in recent months, as the state's fiscal situation has worsened. In his state of the state speech last week, the Governor hinted at higher taxes to support social programs he considered essential, and termed those who would back off from such a commitment "gutless wonders of Massachusetts politics."

Many opponents of new taxes ascribe the budget problems solely to too much spending. Barbara Anderson, a prominent tax-increase foe, said the Governor and much of the Legislature ignored strong signs of slowing revenue during the Presidential campaign and continued to spend at a high rate.

THE WASHINGTON POST

Dukakis Proposes Raising Taxes Amid Shortfall

By Michael Rezendes
Special to The Washington Post

BOSTON, Jan. 12 — Massachusetts Gov. Michael S. Dukakis, who repeatedly brushed aside charges during his presidential campaign that his state budget was unbalanced, today proposed increasing taxes to raise \$131 million this fiscal year and \$604 million for the fiscal year that begins July 1.

"Raising new taxes is never a pleasant task," Dukakis said, as he described a plan that would boost taxes on gasoline, cigarettes and alcoholic beverages. The plan also would impose the state sales tax on

interstate telephone calls and reduce capital gains tax deductions.

Dukakis said he would cut previously approved state expenditures by \$250 million. But legislative leaders said those cuts are not deep enough; they predicted that the tax plan will meet stiff opposition.

"I think the governor has got to address more spending cuts first," said Richard Vole (D), chairman of the House Ways and Means Committee. "He's not going to get any sympathy from the legislature until he does that."

Republican leaders, who have criticized Dukakis' budget since he

signed it in July, said Dukakis intentionally avoided confronting state fiscal problems until after his presidential campaign as the Democratic nominee.

"I'm convinced he knew there was going to be a deficit and wanted to postpone it until after the election," said state Sen. Argeo Paul Cellucci (R), who was state chairman of President-elect George Bush's campaign.

Dukakis, who was plagued during the election year by news that state tax revenues were failing to meet expectations, hastily signed an \$11.6 billion budget hours before leaving Massachusetts for the Democratic

National Convention last summer. "This is the stuff of which leadership and governing are all about," Dukakis said at the time.

But Republicans and independent fiscal observers said Dukakis' budget was as much as \$500 million short and that his revenue growth projection of 8.3 percent was too high.

Vole said today that state revenues are expected to grow 6.9 percent this fiscal year.

At a news conference, Dukakis said he did not know he was overestimating tax revenues when he signed his budget in July. "It was our best judgment at the time," he said.

PRUDEN ON POLITICS

By Wesley Pruden



A serious choice for the czar

Bill Bennett may be the best of all George Bush's cabinet choices. He's a man who knows how to learn what he can't do.

He's a former Democrat, too, with a Democrat's appetite for testy confrontation and a cultivated scorn for the nicely-nicely country-club Republicans who are faithfully keeping true party realignment at bay. Some of the druggies, and the sickies who make their living off the druggies, may even learn to listen to him.

The notion of a drug czar, like the new drug czar himself, is peculiarly American. Since most Americans believe that making a fuss over an intractable problem is enough to make it tractable, politicians can't resist the idea of making a fuss over problems they imagine to be susceptible to bureaucratic heroics.

Mr. Bennett seems to know this. Early in his tenure as secretary of education, the teachers' union asked him what he would do if he had a magic wand to wave over American schools. It was a typical teacher's question. The new secretary of education used it as an occasion, anyway.

"No drugs — none, zero, out, gone, disappear," he replied. "Give me a wand? All the drugs: gone."

Since there are no wands, magic or otherwise, the "cure" to the drug disease, which threatens to do to America what masses of Soviet armor and infantry divisions never could, may be endlessly elusive, too.

This will be disappointing to most Americans, who believe that if there's a will there must be a way to get the problem fixed by Tuesday week, at the latest. But probably not to Mr. Bennett, who, like most conservatives, traces human failure — as well as the occasional successes — to an understanding of the perversities of human nature.

That's why the appointment may be the president-elect's best. Mr. Bush could have given in to the temptation to "just say yes," and have appointed a nice but ineffectual cipher.

Mr. Bennett is known to have chafed at the lackadaisical Reagan approach to getting tough on

Moribund 'miracle': Dukakis asks \$130 million more in taxes

By Isaiah J. Poole
THE WASHINGTON TIMES

Massachusetts Gov. Michael Dukakis, faced with \$630 million worth of red ink in his state budget, proposed a \$130 million increase in taxes yesterday, a move some critics said would revive the 1970s moniker of "Taxachusetts."

The recently defeated Democratic nominee for president, who also said he will not run for re-election as governor in 1990, asked the state legislature to eliminate a state tax deduction on capital gains and increase taxes on gasoline, cigarettes, alcohol and business telephone calls.

Amid criticism that state spending has run wild under his leadership, Mr. Dukakis said he has cut \$450 million in spending from the \$11.4 billion budget and has laid off 1,000 state employees.

State officials said tax increases were needed because of a slackening in state revenues caused by the federal tax reform law, not by any faltering in the "Massachusetts Miracle," which Mr. Dukakis touted when he was the presidential nominee, or by reckless state spending.

But that view won little support among state legislators or the business leaders, who say they will be the major victims of the tax increase. And a leading state budget analyst said most states are coping successfully with federal tax changes and that the state's own spending and tax practices may be more to blame.

"I think this might put us back to where we were," said Robert Monahan, legislative director of the Boston Chamber of Commerce, referring to the "Taxachusetts" days when the state suffered from a high tax burden and a languishing economy.

Michael Lelyveld, spokesman for the state's Department of Administration and Finance, said that even with the pro-

Five states besides Massachusetts are facing large budget deficits: New York, Connecticut, Rhode Island, New Jersey and Arizona.

posed tax increases, "the situation is very much changed" from 15 years earlier.

Massachusetts today ranks 34th among states in average tax burden per resident, according to the Tax Equity Alliance of Massachusetts. And Mr. Lelyveld said wage increases among state residents is "very high" while unemployment remains around 3.5 percent. "But revenues are not reflecting that," he added.

"With that kind of situation, you have to wonder about your [fishing] net, not about the fish in the sea," he said.

The most serious hole in the net was opened by the 1986 tax reform act that increased the federal tax on capital gains, or the profits from the sale of assets, such as property or stock, Mr. Lelyveld said. The tax change caused a sudden revenue windfall for states as businesses and the wealthy unloaded assets to beat the new federal rates, then caused a revenue slowdown after the rates went into effect.

"We're suffering the same kinds of effects other states are," he said.

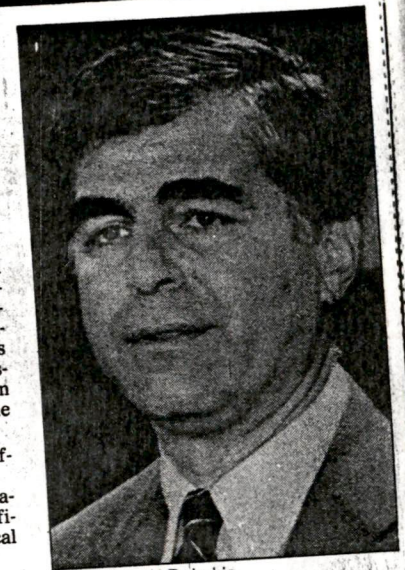
But Gerald Miller, director of the National Association of State Budget Officers, said: "In most states, the fiscal condition is stable."

Five states besides Massachusetts are facing large budget deficits: New York, Connecticut, Rhode Island, New Jersey and Arizona. There seems to be no common thread outside of state conditions that ties these six states together, Mr. Miller said.

"If it were because of the capital gains tax, you've got to ask why didn't it happen in Illinois, Michigan or Georgia," he said. "I keep telling them there is some local condition that they are not looking at."

Larry Overlan, president of the Massachusetts Civic Interest Council, said tax collections are up nearly 4 percent over the previous year, and the state also plans to spend \$220 million in surplus funds.

But he said state spending is up 13 percent over last year, a figure similar to a report published by The Boston Globe



Gov. Michael Dukakis

Sunday, based on figures from the state treasurer's office, that spending was up 11 percent. The governor's office has said neither figure is correct.

"There is plenty of money coming in. My position is you don't need any of those" tax increases, he said.

"Spending is what's causing the problem, not revenues," he added.

Democrats in the state legislature yesterday were saying before Mr. Dukakis' announcement that the governor should find more places to cut spending before proposing increased taxes.

"I think that's the general feeling on the House side," said an aide to a top-ranking House Democrat, who asked not to be named.

Group files complaint about pro-Israel lobby

By Isaiah J. Poole
THE WASHINGTON TIMES

A group of prominent Americans concerned about Washington's diplomatic tilt toward Israel filed a complaint yesterday with the Federal Election Commission charging a leading pro-Israel lobby and 53 political action committees with violating election laws.

The 100-page complaint alleged that the American Israel Public Affairs Committee, a Washington-based lobbying organization, is making "illegal

force AIPAC to register as a PAC and disclose its activities.

Such a ruling would hamper the effectiveness of the lobby, which operates behind the scenes to recruit support for Israel, the largest recipient of U.S. aid with \$3 billion annually, and to oppose weapons sales to Arab foes of the Jewish state.

A spokeswoman for AIPAC, Toby Derowitz, declined to speak to specific allegations in the complaint. But, she said, "Obviously, AIPAC believes it operates within the law and believes the FEC will come to the conclusion We're quite confident of

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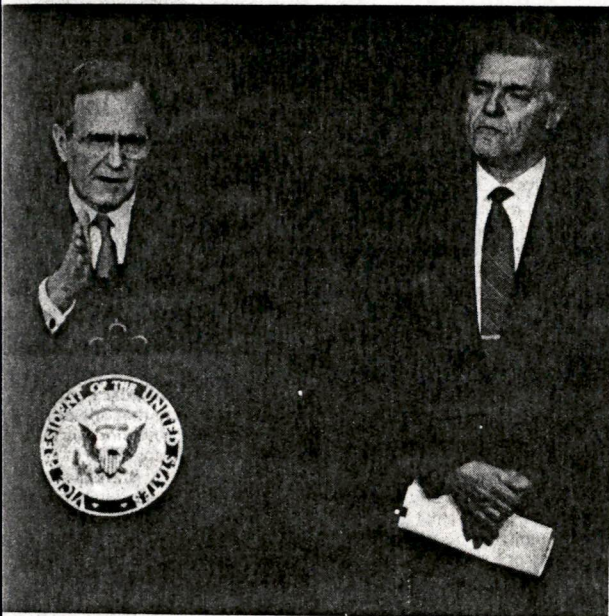
OUR 24TH YEAR



NATION

MORE NATIONAL NEWS
ON PAGE B7

Bennett strengthens conservative axis in Cabinet



President-elect Bush's appointment yesterday of Adm. James Watkins (left) as secretary of energy and William Bennett as drug czar rounded out the cabinet, which has taken on a conservative tilt.

By Ralph Z. Hallow
THE WASHINGTON TIMES

With William Bennett's appointment yesterday as drug czar, a conservative axis is expected to emerge and, perhaps, dominate the Cabinet and administration of President-elect Bush.

Mr. Bennett, the outspoken education secretary in President Reagan's second administration, is considered a natural ideological ally of former Rep. Jack Kemp, Mr. Bush's nominee to head the Department of Housing and Urban Affairs, and of White House Chief of Staff-designate John Sununu.

"With Kemp, Bennett, Sununu and [Vice President-elect Dan] Quayle, conservatives are now assured of having a strong voice in any debate put on the table," said Republican political consultant Edward J. Rollins.

"It's much more strongly conservative than I would have anticipated three months ago," said Heritage Foundation Vice President Burton Pines.

"It's a right-of-center Cabinet, not centrist, and on some emerging foreign policy and economic issues, we cannot automatically rule Brady and

Baker from the conservative axis either," Mr. Pines said, referring to Nicholas Brady and James A. Baker III, slated to be Mr. Bush's Treasury secretary and secretary of state respectively.

"You will see a Kemp, [Secretary of Defense-designate John] Tower, Bennett, Sununu, [Secretary of Veterans Affairs-designate Edward] Derwinski axis," said Mr. Pines. "And I wouldn't necessarily rule out Mrs. [Elizabeth] Dole as a part-time member of that axis, since she was very solid at the Transportation Department on deregulation and the sale of Conrail."

Mrs. Dole, who served as Mr. Reagan's transportation secretary, was named by Mr. Bush to head the Labor Department.

Mr. Pines said the expandable conservative axis could win Mr. Bush's support at any given time and, therefore, any debate.

Both Mr. Kemp and Mr. Bennett describe themselves as "progressive conservatives" out to transform both the Republican Party and the role of the federal government after the manner of the so-called "Reagan revolution." And both men had an admirer in Mr. Sununu.

American Enterprise Institute

analyst Norman Ornstein sees Mr. Quayle as a natural ally to the kind of conservatism espoused by Mr. Bennett and Mr. Kemp.

"We're going to find Quayle being a part of this axis, since his Job Training Partnership Act (which he co-sponsored with Massachusetts Sen. Edward M. Kennedy) was a good example of innovative conservative thinking," Mr. Ornstein said.

Mr. Sununu has worked to build potential allies within the Bush administration, focusing his energies on those positions not already spoken for by old friends of the vice president or people who had worked on his campaign.

In pushing for the selection of Mr. Bennett, Mr. Sununu had the backing of Bush transition co-director Robert Teeter, whose polling during the campaign showed Mr. Bennett's strong stands on family values, patriotism, quality education and drug abuse appealed to voters in both parties, GOP sources said.

Mr. Bush chose Mr. Bennett after Rudolph Giuliani, the U.S. attorney for New York, and Sen. Dennis DeConcini, Arizona Democrat, were offered and turned down the job of drug czar, transition sources said.

However, Mr. Bush's overall Cabi-

net selections have pleased a number of Democrats who see the Cabinet as refreshingly centrist and moderate, a perception that matches the president-elect's personal disinclination for the kind of confrontational politics that the Reagan administration was often accused of practicing.

"Both Bennett and Kemp cut against the grain of the Bush Cabinet, which will tend to be accommodating toward Congress and its constituents," said Brookings Institution political analyst Thomas E. Mann.

"Bennett obviously is the most provocative of the Bush appointments, since he's bright and able but also very, very polarizing," Mr. Mann said.

"This is a pretty centrist, traditional Republican Cabinet," said Alvin From, executive director of the Democratic Leadership Council. "Kemp is the most interesting of the appointments and a good one. He will bring innovative thinking into the way we approach poverty in this country, which is an important thing for this administration to do."

Mr. Ornstein also sees the Bush Cabinet as "centrist... with a couple of exceptions—Bennett and Kemp."

Bush Staff Structure: Much Like Reagan's

at New Senior Advisers Will Focus on Volunteer Service, Savings and Loan Problems

David Hoffman and Ann Devroy
Washington Post Staff Writers

President-elect George Bush has vowed a White House structure like President Reagan and filled it with a senior staff that reflects his priorities, including a new mission to carry out his "thousand points of light" campaign and a top senior adviser who is a specialist on savings and loan industry crisis. A senior Bush adviser, speaking on condition he not be named, said president-elect has tentatively vowed keeping the twin domestic issues forums used by Reagan—a domestic policy council and economic council. The official said that Attorney General Dick Thornburgh would head the domestic policy council and Treasury Secretary Nicholas F. Brady the economic council.

In the meanwhile, incoming White House chief of staff John H. Sununu announced the appointment of 15 senior officials, largely filling out Bush's White House staff except for people under national security adviser Brent Scowcroft. The appointments include some longtime Bush advisers as well as holdovers from the Reagan White House.

Among those named assistant to the president, the highest White House staff rank, is Richard Breece, a former Bush staff member who is a partner in the law firm Breece & Botts here and who is considered an expert on the turmoil in savings and loan industry. Breece was staff director of the 1984 Task Group on Regulation of Financial Services, which studied the issue of banking regulation. He also worked informally on Bush's presidential campaign, advising Sununu on the Republican platform and helping Bush in debate preparation. Sununu also announced the appointment of Gregg Petersmeyer, former vice president and director of General Atlantic Energy Corp. in Denver, to the new post of deputy assistant to the president for national service. Known as the "thousand points of light man" by some Bush aides, his job will be to carry out Bush's campaign pledge to set up a foundation to encourage young people and others to volunteer their services to the poor.

Sununu, in an interview yesterday, said "I think we have good people" joining Bush's staff, although

some other Republicans have described the staff as lacking stature. Sununu said he rejects criticism from others that the new staff is low-key and lacks Washington experience.

The senior Bush adviser said Bush has largely adopted the White House organization chart used by Reagan. This includes the two policy councils (a third, the National Security Council, is set by law) and similar White House offices such as domestic policy, public liaison, communications, political affairs and others. One difference is that Bush will have three public liaison officials—one for economic groups, one for constituencies and one for what he called "heritage" or ethnic groups.

Sununu will head the Legislative Strategy Group, another idea held over from the Reagan years, the official said.

The official acknowledged that the Bush White House will bear a strong resemblance to Reagan's but said "the difference is mostly in style" in that Bush wants to be "more flexible" in dealing with subordinates. "This is the starting point," he said of the staff organization.

Other staff aides named yesterday include:

■ Roger B. Porter, as assistant to the president for economic and domestic policy. Porter, a professor at Harvard, was involved in policy development under Presidents Gerald R. Ford and Reagan, and was considered pragmatic and not particularly ideological.

■ Stephen M. Studdert, as assistant for special activities and initiatives, or what some in the transition are calling the "super advance man" job. Studdert, executive director of the inaugural, was involved in the Reagan White House and the last three Republican presidential campaigns in planning and executing major events.

■ John Keller, a deputy to Studdert. He will direct the presidential advance office. Currently Bush's advance chief, he was responsible for the vice president's surprise appearance on a Polish church balcony with Solidarity leader Lech Walesa.

■ Jim Wray, a deputy assistant and director of the political office.

Wray, Bush's national political field director, served previously in the RNC political operation. Wray is considered a solid politician, but the political center of the Bush administration will not be at the White House, as it was for Reagan, but at the Republican National Committee, where Bush campaign manager Lee Atwater will preside.

■ David M. Carney, deputy director of the political office. Carney is one of the main figures Sununu brought to Washington with him. He has been on Sununu's personal staff in New Hampshire since 1982 and worked in Sununu's gubernatorial

campaign and his unsuccessful Senate campaign.

■ James P. Pinkerton, a deputy assistant for policy planning. He is director of policy development for the transition and directed research in the campaign. His job has been called a sort of roving policy quick-fixer, reporting to Porter.

■ Bobbie Green Kilberg, deputy assistant for public liaison. The post has been downgraded from its stature in the Reagan White House, but the appointment of Kilberg symbolizes that moderate Republican women will have roles in the Bush White House. A candidate for the

Virginia state Senate in 1986, Kilberg, a lawyer, has long been involved in Republican politics and most recently was vice president and general counsel to a Republican think tank.

In addition, Sununu named Hector Irastorza as deputy director of the office of administration. He has been in charge of Bush's scheduling operation in his vice presidential office and had been director of special projects there.

John P. Schmitz was named deputy White House counsel. He has served in the same post in Bush's vice presidential operation.

Photo Copy Preservation

Personalities

By Chuck Conconi
Washington Post Staff Writer

In this town where people care more about politics than is healthy, there is still another political almanac about to be published. This one is the "Almanac of 1988 Presidential Politics," published by Hotline, the service that also produces a daily briefing report on politics. Described as "a political junkie's handbook," this first edition names Democratic National Committee Chairman **Paul Kirk** as one of the most valuable players in the 1988 presidential campaign because he revitalized the DNC, and, the book says, "made it respected (almost feared) again, and made a Democratic win possible." High on the most valuable Democrats list is vice presidential candidate **Lloyd Bentsen**, "who consistently preserved the ticket's chances to win."

The list of most valuable Republicans, seeing that they won, is more interesting. High credit is given to **President Reagan**, who was not expected to be very helpful to his vice president, but "who did all he was asked to do." Incoming White House chief of staff **John Sununu** is described as "the instrumental Bush supporter in the instrumental primary—and the campaign's most effective pit bull against his neighboring governor." Equally important in a different way was **Stuart Spencer**, that old political pro who went grumbling back to California to contemplate where his campaign assignment had taken him, "who day-in-and-day-out contained the Quayle problem."

Out and About

President **Reagan** presented Congressional Gold Medals to Soviet human rights activists **Natan** and **Avital Shcharansky** yesterday in an Oval Office ceremony with President-elect **Bush** standing at his side. Shcharansky received the awards for himself and his absent wife. The president praised Shcharansky for his poise and strength while enduring his nine years of



BY DAYNA SMITH—THE WASHINGTON POST

Bush, Reagan, Shcharansky and Secretary of State George Shultz at the White House yesterday.

imprisonment on false charges. In speaking to Bush, Shcharansky said, "All of your record ... convinces us that you will continue the fantastically good record on human rights that President Reagan ... had" ...

The uncomfortable \$11 million lawsuit **Rock Hudson's** former lover has brought against the screen star's estate continues to be heard before a Los Angeles County Superior Court jury. Aspiring musician **Marc Christian** said that by filing the suit he was not seeking publicity or angry for being left out of Hudson's will. He said he sued because "Rock Hudson continued to have sex with me when he found out he had AIDS" ...

Fashion designer **Richard Blackwell** has released his annual worst-dressed women of the year list, giving top honors to **Fergie**, who he said, among other things, looks "like

she should be making beds on the second floor of a motel." The only Washingtonian on the list is **Marilyn Quayle**, wife of the vice president-elect—"a 1940 unemployed librarian." Others on the list include **Imelda Marcos**—"an over-the-hill actress auditioning for 'Evita'"; actress **Debra Winger**—"gives fashion the finger"; **Jamie Lee Curtis**—"a pin-up for second-hand Sadie's Thrift Shop"; and comic **Roseanne Barr**—"fashions by Goodyear ... body by Sara Lee." Now that is mean ...

Society piano player **Peter Duchin** may not have played New Year's Eve in Washington this year as he has so many times before, but if you look closely at the current hit movie "Working Girl," you will recognize the famed piano player at the keyboard with his band in the society wedding scene ...

THE NEW REGIME

WP 1/13 A19

Bush Yale Colleague Thought to Be Pick For USIA Director

The incoming director of the U.S. Information Agency (USIA) is reported to be Bruce S. Gelb, 61, who is vice chairman of the board of Bristol-Myers, the giant pharmaceutical and personal care company.

Gelb, who was a contemporary at Yale of President-elect George Bush, is the No. 2 executive in a company renowned for Clairol hair coloring, Ban deodorant and Bufferin and Excedrin pain relievers. USIA insiders predict a headache-free transition from the Charles Z. Wick era.

Asian Affairs Contender

State Department officials anticipate that another Yale contemporary of Bush, James Lilley, will be selected as assistant secretary for East Asian and Pacific Affairs, State's No. 1 Asian affairs expert. Lilley, 60, is a career intelligence officer who was born in China and served as aide to Bush when the future president was chief of the U.S. Liaison Office in Beijing in the 1970s.

Since then Lilley has served with the Central Intelligence Agency, the National Security Council staff, as U.S. unofficial representative to Taiwan, deputy assistant secretary of State for East Asian and Pacific affairs and, most recently, U.S. ambassador to South Korea.

Envoys Put on Hold

Meantime, most U.S. ambassadors abroad and senior State Department officials at home have been asked to remain in their posts pending the personnel decisions and appropriate transition arrangements of the new administration. Embassies around the world were notified yesterday, except for Britain, West Germany and South Korea, whose new U.S. ambassadors have been selected.

AID Official Settles In

Philip L. Christenson, a former member of the minority staff of



ROBERT AND ELIZABETH DOLE



NANCY KASSEBAUM

the Senate Foreign Relations Committee, was sworn in last week as assistant administrator of the Agency for International Development (AID) in charge of Food for Peace and voluntary agency activities.

Christenson, a one-time Foreign Service officer, had been associated with Sen. Jesse Helms (R-N.C.), the committee's ranking minority member, and had played important roles in Helms' various efforts to block or hold up Senate confirmation of various diplomatic appointees regarded by Helms as not sufficiently conservative and anticommunist.

Christenson went to AID on a recess appointment granted by the Reagan White House because Congress is not in session and thus cannot act on the nomination, which normally requires Senate confirmation. Unless the incoming Bush administration moves to replace him sooner, Christenson can stay in the AID post for one year after which the White House would have to nominate him formally or put forward a replacement.

Switches at Treasury

Ede Holiday, the assistant Treasury secretary who changed her mind and decided not to accept a White House assistant position overseeing intergovernmental relations, political and other responsibilities, will shift jobs inside the department, sources said, and is likely to be named general counsel there.

Holiday, who was counsel to the 1988 Bush campaign during the primaries, originally was brought into government by Treasury Secretary Nicholas F.

Brady. She left the campaign to go with Brady to Treasury.

At Treasury, Holiday has been in charge of the public affairs and congressional liaison operations, a major post that will open up if she accepts the counsel spot.

Bush Aide May Return

Lanny Griffith, who was the southern political director for the Bush campaign and formerly served in the White House political office, is likely to return to the White House, probably in the intergovernmental department, transition sources said.

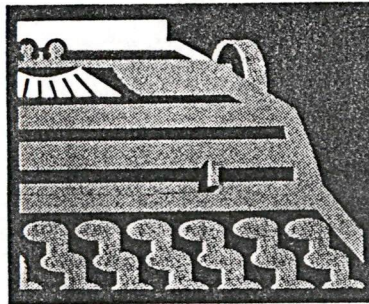
That office, which deals with elected officials outside of Washington, such as governors and state legislators, has a particular significance to incoming White House chief of staff John M. Sununu. Griffith, however, is not likely to head the office. Having lost Holiday, Sununu has asked for a list of women with state government experience from which to choose the director.

A Friendly Den

Don't look for any problems when Elizabeth Hanford Dole appears before the Senate Labor and Human Resources Committee Thursday for confirmation hearings as labor secretary. Not only will she be presented by her husband, Minority Leader Robert J. Dole, and Sen. Nancy L. Kassebaum (R-Kan.), a new committee member, but also by Sens. Helms and Terry Sanford, the senators from Dole's native North Carolina.

With that kind of an escort, a committee aide said, "It's going to be a lovefest."

—Don Oberdorfer, John M. Goshko and Ann Devroy



OPINION

Photo Copy Preservation

Independent-Minded Bush

By Godfrey Sperling Jr.

A "NEW" George Bush is once again emerging. We saw the more assertive, more muscular Bush during the campaign. Now, as he selected his key appointees, Mr. Bush has been showing a stubbornly independent side.

He seems to be signaling he's going to be a president who listens a lot, but who, in the end, is going to listen to himself.

Those in the Bush campaign camp and on his transition team may have felt they were dealing with a compliant George Bush who yielded readily to advice.

The Vice President's chief of staff, Craig Fuller, might well have presumed he would continue on in that capacity. But Bush had other ideas. He dropped Mr. Fuller for combative John Sununu, a man who sometimes looks as if he may eat nails for breakfast.

Bush's message was clear. He wanted a particularly strong man at his side. And he was confident he could hold his own with the tough New Hampshire governor.

The transition team kept "leaking" information on upcoming appointments. It acted as if the people recommended would automatically be ratified by Bush. It turned out these "leaks" were merely guesses.

First Bush chose his old sidekick, James Baker, as secretary of state before the transition team even had a chance to meet and

make a recommendation. Then he decided on John Tower for Defense. But "leaks" from the transition people had fed media stories that Tower had problems that would sour his selection. Bush, it was said, was moving away from Tower. Wrong again! Bush never departed from his determination to make the former Texas senator top man at the Pentagon.

Then there was the appointment of Bush's CIA director. The wisdom from the transition team was that William Webster was likely to be replaced by someone who had helped Bush win the election. When that didn't happen, the next bit of inside information was that Bush would keep Mr. Webster on temporarily. Well, Bush did what he had always intended: He asked Webster to stay on permanently.

What Bush's advisers had forgotten was the Vice President's role in the appointment of Webster to succeed William Casey. Bush felt he was just the person to improve the image of a CIA directorship battered by negative scrutiny during Iran-Contra.

Transition team members confident Bush would follow their advice told the media Louis Sullivan's appointment to Health and Human Services was in trouble because of a speech by Mr. Sullivan indicating support for abortion.

But Dr. Sullivan was never in trouble. Bush had no intention of giving in to pressures to derail this appointment. He simply said that he and Sullivan thought alike on the subject. That was it.

Bush's selection of Jack Kemp as head of Housing and Urban Development again expressed his independent spirit. Some Bush advisers were leaking the story that Kemp was too strong, too unpredictable, to be corralled for a team role.

Bush thought it over and decided Kemp was the person to put new life into HUD. He thinks he can cope with Kemp. And he's confident his old adversary will work tirelessly to help the needy and homeless.

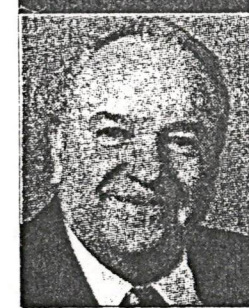
The president-elect was also getting plenty of advice on why he shouldn't put Elizabeth Dole on his cabinet. She might abuse

the clout she has as wife of the Senate minority leader — a man Bush must get along with. She didn't deserve the appointment after what she and Bob Dole had said about Bush in the campaign.

But he decided that Elizabeth Dole would bring a great deal to the job of secretary of labor. If having the wife of a former political foe on his team presents the possibility of complications, Bush seems willing to risk it.

The president-elect is showing us he is definitely going to be his own man.

GODFREY SPERLING JR.



THE NEW REGIME

Sununu: Staffing The White House On the Cheap?

Incoming White House chief of staff John H. Sununu has hardly assembled a staff and already grumbling about salaries has started, in part because he is accused of trying to hire on the cheap.

Sununu has informed top aides he has recruited that salaries will be substantially lower than they are for aides now in similar jobs at the White House. It appears, for example, that in the post of special assistant for congressional affairs—lobbying Capitol Hill for George Bush's programs—an aide could make as much as \$10,000 less than someone working for Congress.

Why work for a large chunk less than one could make elsewhere in government? "Because in Sununu's eyes," an aide said, "you want to help George Bush and you want to work in the White House" because that carries more prestige.

The aide denied rumors that Sununu has decreed that the recommendation for big salary increases, approved by President Reagan and now before Congress, will not be granted for White House aides.

Some senior House Republicans were said to have been enlisted to try to persuade Sununu to allow higher salaries on the theory that, for congressional liaison staff at least, he is sending a signal that the jobs are not important and that he may be ensuring himself a less than top-flight staff.

The unspoken message from the Hill, sources said, is that it is going to irk Congress if the White House makes a big deal of lower salaries while Congress is accepting big pay increases.

Mosbacher's Team 100

■ The Senate Commerce, Science and Transportation Committee should hold up a confirmation vote on Robert A. Mosbacher to be secretary of commerce until he makes a full public disclosure of the millions of dol-

lars in large donations he solicited as Bush's chief fund-raiser, Common Cause President Fred Wertheimer is urging.

In a letter Friday to Sen. Ernest F. Hollings (D-S.C.), committee chairman, Wertheimer noted the Republican National Committee had refused to identify members of Team 100, the individuals and corporations who made \$100,000 donations to the Bush campaign after being solicited by Mosbacher. Mosbacher has told reporters he doesn't plan to disclose the donors.

Wertheimer argued that disclosure is necessary to see if there were any connections between donations and any interests the contributors might have before the Commerce Department or other federal agencies.

A spokesman for Hollings said the letter had arrived in the senator's office but there would be no comment until Hollings has a chance to read it.

Support for Keating

■ Customs Commissioner William von Raab is not the only candidate interested in the drug czar job who has had letters written on his behalf.

The International Brotherhood of Police Officers, representing 350,000 federal, state and local police officers, has weighed in with a letter of support for Associate Attorney General Francis A. Keating II.

The officers urged Bush, who received several boosts of support during the campaign from police associations, "to send a strong message to the law enforcement community" by selecting Keating, "a seasoned soldier."

Keating's "seasoning" includes serving as an agent in the Federal Bureau of Investigation, a local prosecutor, U.S. attorney and assistant secretary of treasury for law enforcement before assuming his current post as associate attorney general for the criminal division.

Earlier, Bush received letters from about 20 senators supporting von Raab.

—Maralee Schwartz,
Ann Devroy
and Charles R. Babcock

Sources Say Teeter May Reject Offer To Be Bush Aide

By GERALD F. SEIB

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Robert Teeter, one of President-elect Bush's closest political advisers, appears inclined to turn down an offer to become the No. 2 aide in the White House and instead become a part-time domestic policy strategist, sources close to the transition team said.

Mr. Teeter, a highly regarded Republican pollster who sold his polling business to work for Mr. Bush's election, is likely to disclose his plans today, associates said. Mr. Teeter declined to reveal his plans yesterday, and associates cautioned that he won't make any definitive decisions until after a final conversation with Mr. Bush.

Mr. Teeter has been reluctant to move his family to Washington from Michigan. As a part-time White House adviser, Mr. Teeter would be able to spend several days a week in Washington working with President-elect Bush on policy development while maintaining his residence in Michigan.

A decision by Mr. Teeter to turn down a full-time White House job would make incoming chief of staff John Sununu clearly the dominant figure in the Bush White House. Mr. Teeter had been considered a contender to become White House chief of staff, but Mr. Bush instead gave that job to Mr. Sununu, who is retiring as governor of New Hampshire.

Mr. Sununu then offered to make Mr. Teeter one of his deputies in charge of domestic policy development. Mr. Teeter is likely to remain an influential confidant of the new president regardless of his job, though it is difficult for a part-time aide to exercise the influence of a full-time staffer.

Separately, Mr. Bush's aides said they hope to fill at least one of two remaining cabinet-level jobs—those of energy secretary and drug “czar”—this week. Bush aides have begun considering a new contender for energy secretary: Carter administration Defense Secretary Harold Brown. It isn't clear, though, whether Mr. Brown would be interested in the job.

Also under consideration for the energy job are former Rep. Henson Moore; Lt. Gen. James Abrahamson, director of the Pentagon's Strategic Defense Initiative office; and retired Adm. James Watkins, former chief of naval operations.

Former Education Secretary William Bennett, U.S. Attorney Rudolph Giuliani and James Burke, former chairman of Johnson & Johnson, are on the Bush team's list of contenders for the drug post, aides said.

Mr. Bush on Friday began filling sub-cabinet vacancies in his administration by filling several State Department posts. As expected, former diplomat and senior State Department official Lawrence Eagleburger was named to become deputy to incoming Secretary of State James Baker.

NEW YORK TIMES Monday, January 9, 1989

Personalities

By Chuck Conconi
Washington Post Staff Writer

Where was George? It was a quiet Friday night, so President-elect **George Bush** and his wife **Barbara** and a couple of unidentified friends showed up at the Kennedy Center to take in the long-running audience-participation satire "Shear Madness." It was just one more indication of the surprises Washingtonians are in for with the Bushes in the White House. They aren't stay-at-home types and evidently will keep finding ways around the tight restrictions of the presidency.

Just two weeks ago, the incoming first family showed up to attend a performance of **Barbara Cook** at the Kennedy Center and shortly before that had dinner at a favorite Chinese restaurant in the suburbs. President and **Nancy Reagan**, during their eight years in the White House, showed up mostly at events where they were expected. And unlike the Nixons, with their preference for Trader Vic's at the Capital Hilton, the Reagans didn't show up at restaurants around town. At the "Shear Madness" performance, during the question period at the end of the show, someone shouted to the actors, "Where was George?" The actors didn't respond, but the president-elect reportedly did guess who the guilty party was in the mystery spoof.

Out and About

Rep. **Pat Schroeder**, who took considerable criticism about being a poor role model for crying when she announced she would not run for president, still has a sense of humor about it. She read in *The Boston Globe* how incoming White House chief of staff **John H. Sununu** shed a tear delivering his recent farewell address as governor of New Hampshire, and sent him a complimentary letter. "Speaking from experience, anybody who is afraid to shed a tear doesn't belong in politics," she wrote...

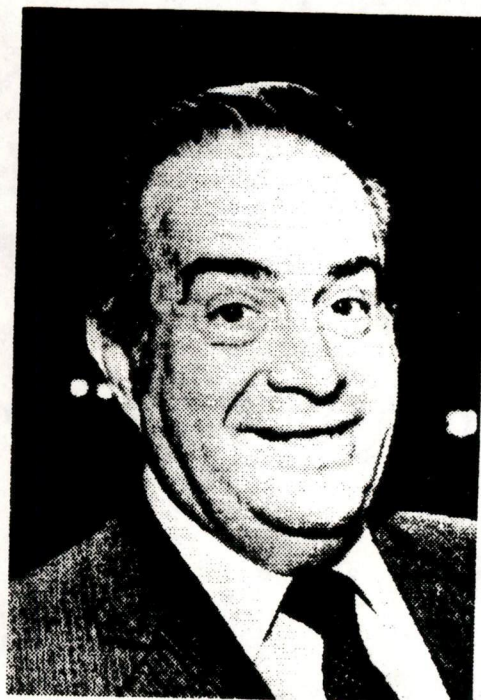
A number of his former colleagues from his long Senate career are expected to be at Sen. **Stuart Symington's** memorial service at 11 a.m.



REP. PAT SCHROEDER

tomorrow at the Washington Cathedral. Symington, a Missouri Democrat who retired in 1977 after serving 24 years in the Senate and twice running for president, died Dec. 14 at age 87, and was buried three days later in a crypt at the cathedral near his first wife, **Evelyn Wadsworth**. Among the speakers at the service will be his son, former representative **James W. Symington**; adviser to presidents **Clark Clifford**; Sen. **Fritz Hollings**; and Washington attorney **David C. Acheson**, son of **Dean Acheson**...

Mel Krupin is back where he belongs, his fat, foot-long cigar firmly clenched between his teeth. Since his Connecticut Avenue power lunch restaurant collapsed under the heavy downtown eating competition, Krupin has moved to the suburbs. Next month, Mel Krupin's New York Grille, featuring a piano bar, will open on Rockville Pike...

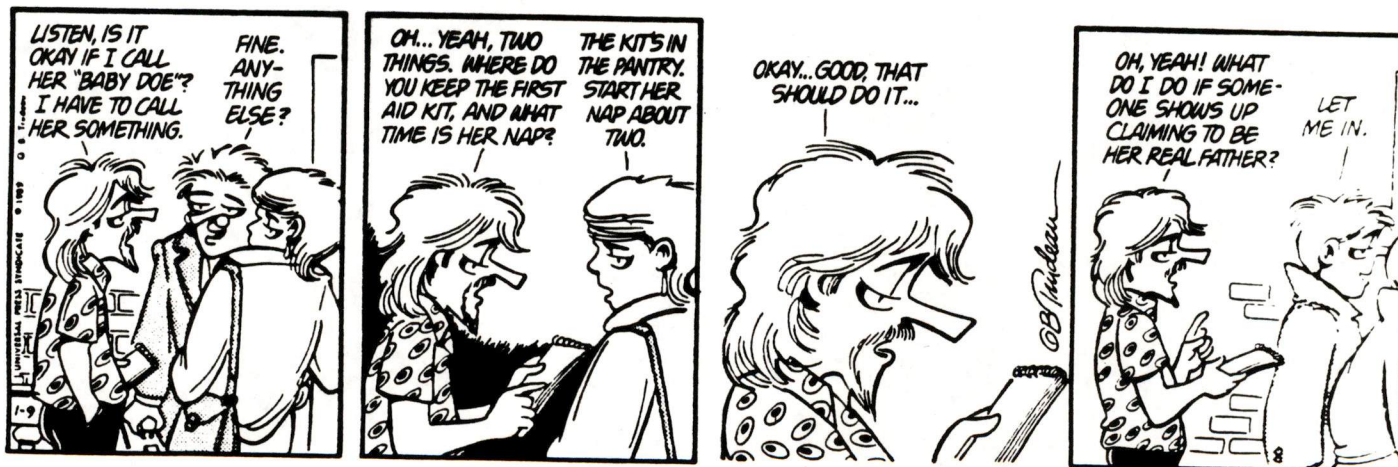


MEL KRUPIN

The administration is about to change, but the language of the Washington memo will always be with us. This one from **J. Michael Farran** of the Office of the President-elect to **Ken Duberstein**, outgoing White House chief of staff: "This memorandum is a consolidation of all previous memoranda identifying Transition Office contacts, transition staff authorized to contact federal departments and agencies, and Transition Team members (See Section II). Note that agencies newly designated for transition activity and newly certified individuals are marked with an asterisk. As contacts are now being initiated with the departments and agencies we would appreciate your ensuring that the proper authorities have been notified of these individuals' authorizations." What's so wonderful is that there are people out there who actually like this language...

By G.B. Trudeau

DOONESBURY



NYT 1/4/89 p. A20

Not Bitter in New Hampshire

The Governor-elect of New Hampshire and the Mayor of Portsmouth, its largest city, deserve gold stars for enlightened reaction to news that a commission recommends closing Portsmouth's Pease Air Force Base. Pease is one of the largest installations on the Federal hit list, with 2,250 military personnel and 400 civilian employees.

Like most officials in affected areas, Governor-elect Judd Gregg and Mayor Eileen Foley expressed disappointment. But unlike most others, they did not pledge a fight to the bitter end. Instead, Mr. Gregg announced that he would form a group to develop plans for future uses. "We're going to have to recover from it, much as we did from the closures of giant woolen mills," he said. And Mayor Foley said, "We've been given five years before it closes: time to take a long, hard, professional look at what could be done with the land."

Their reactions are all the more remarkable in light of their links to President-elect Bush, who lands at Pease on trips to his home in Maine, and who hired New Hampshire's outgoing Governor, John Sununu, as White House chief of staff. Instead of trying to pull strings, the Governor-elect and the Mayor look responsibly to the future.

Mr. Maltese, Out of the Moonlight

Serphin Maltese, the newly elected State Senator from Queens, sets a positive example for other New York politicians: he has resigned as chairman of the state's Conservative Party.

Topics of The Times

Mr. Maltese, who won a tightly contested race last month on the Republican-Conservative lines, saw correctly the conflict in trying to serve both the public interest and partisan goals. The move also raises questions about other elected officials who cling to roles as party leaders.

For officeholders to moonlight in time-consuming party postions cheats voters and even creates an opportunity for financial abuse of the sort revealed in the city's recent corruption scandals. Yet Assemblyman Herman Farrell of Manhattan, Assemblyman George Friedman of the Bronx, Representative Thomas Manton of Queens and Borough President Howard Golden of Brooklyn all continue to serve as Democratic Party leaders. Like Mr. Maltese, they have a duty to decide which hat they prefer.

And Read All Over

A careful editor, amused by the vagaries of the English language, has for years found the word "misled" a momentary puzzle because in her head she read "MY-zuld." Then it dawned on her that the word "read" itself poses a problem: its tense can be understood only from context. That is, although the spelling of misled might mislead her into a mispronunciation, she is not likely to be misled into the wrong tense. But "read" is the spelling for past, present and future. It can be pronounced "red" or "reed" but is always spelled read. Some people say they'd rather be red than dead — or is it dead than red? In any case, lives there a writer with soul so dead who has not to himself once said, I'd rather be red than reed?



The Meltdown
of John Sununu

IS THE
SHARPEST
POLITICIAN
IN NEW
ENGLAND
COMING
APART
?

NEW ENGLAND M O N I T O R

George Bush Opens Taco Stand! Candle Factories Outlawed!
Yale Moves to Portland! (See p. 55 for even more good news.)

THE MELTDOWN OF JOHN SUNUNU

Has there ever been a New England governor as smart as John Sununu? Has there ever been one who seems so bent on self-destruction? By Philip Weiss

ROBERTA C. PEVEAR, A STATE REPRESENTATIVE, was bent over the water cooler on the second floor of the New Hampshire State House when she saw the governor at the other end of the hall, walking towards her. The figure of John H. Sununu is a familiar one in the State House — short and stout, with close-cropped light brown hair. He'd obviously been working. It was summer, and his jacket was off, his sleeves were turned back at the wrist, and he held his gold-rimmed glasses in his hand.

Pevear has long fought the nuclear power plant at Seabrook, and Sununu has long supported it, and in the past, whenever they ran into each other, Sununu would smile with great assurance and say something like, "I hope you're behaving yourself, Representative." And Pevear, a Republican from an old seacoast family, would feel put down. His remarks, she felt, were Sununu's way of telling her that she was wasting her time, that she was never going to win.

On this day, however, Sununu had nothing at all to say. He kept a blank look on his face as he came down the hundred-foot hall. Without so much as a nod, he walked past her and ducked into his office. The most powerful man in New Hampshire was acting as if she

didn't exist. It was then that Pevear sensed something had changed — that the anti-Seabrook forces were getting to John Sununu.

There was a time when it was impossible to imagine that they would ever get to Sununu. Just three years ago, Sununu was one of the most popular governors in America, a man whose keen intelligence, commanding style, and sense of being utterly in tune with his state made him seem invincible. An engineer, Sununu had a technocratic solution to all the state's problems. New Hampshire political lore is full of stories like the one about the meeting in which the governor spewed out figures on how much tolls would have to go up, by the nickel, to finance marginal increases in highway bond costs. His brain seemed faster than the nearby computer that was crunching out the same numbers. His grasp of government was total. He had weaned the bureaucracy of desk calculators, and had had every revenue and expenditure fed into a mainframe that he could access from his personal computer. He had turned a \$44 million deficit into a \$32 million surplus.

As a conservative Republican who talked constantly about "New Hampshire values," he heralded free enterprise and low taxes, and he took jabs at "Taxesachusetts," a perennial New Hampshire

ILLUSTRATION • MARK PENBERTHY

sport. When he won his first reelection in 1984 with two-thirds of the vote, the national press began to write about him as one of the rising stars in the Republican party; indeed, his friends liked to say that the only thing that kept Sununu from being president himself one day was that he had been born in Cuba. As for anti-Seabrook activists, Sununu simply ignored them, or dismissed them with a one-liner.

But that was then. Now the political lore in New Hampshire is filled with a different kind of Sununu story, like this one about a Republican meet-the-candidate night in Rye last summer. It's a raucous evening. Guy Chichester, a veteran of the anti-Seabrook cause, has gotten up to ask about ties between the Republican party and Seabrook's owners. Sununu responds not as he once might have, by deflecting the question. Instead, he begins to shout. The real conflict of interest, he says angrily, is embodied by "the apparently but not really volunteer citizens" who have made "a livelihood out of opposition." Chichester persists. The partisan crowd jeers. Someone yells, "Shut up."

Suddenly, Sununu is almost screaming. *"It is that kind of a, distortion in presentation, and b, unmitigated lie on your part, that has created the kind of problems that we have in dealing with the general issue!"* He is still speaking in his accustomed technocratic way — "a," and "b" — but it's different now. He is rambling, raging, never pausing, wildly raking his opponents, mentioning over and over all the steps he has taken to improve things at the plant — *"... everything that I have done. . ."* Finally, the audience washes out the speech in angry applause. But the evening has been stained.

To observe Sununu at such moments is to feel that you are witnessing a crisis in a public man's life. Unquestionably, Seabrook is at the heart of this crisis. As the issue has come to dominate New Hampshire politics, as the anti-Seabrook faction has gone from being a coterie of activists to a significant portion of the state's population, as New Hampshire politicians and businessmen and even entire towns have backed away from Seabrook, fearing mostly the frightening cost if the plant ever goes on-line, Sununu has not given an inch. He has berated not only opponents, but even supporters who dare question Seabrook. He seems today completely isolated, with few friends and fewer allies. Watching him, you cannot help but be reminded of another extraordinarily able and intelligent politician: of Lyndon Johnson, who used to berate supporters who dared question his policy on Vietnam.

Why is John Sununu acting this way? Other New Hampshire politicians, many of them as conservative as Sununu, have been able to distance themselves from "this tar baby," as Senator Gordon J. Humphrey calls it. Sununu seems incapable of doing such a thing; instead, he sneers at every new defection as being "politically motivated." This is especially

curious, for it suggests that Sununu does not care about the political consequences of his actions. Yet he hints that he would like to become, in 1988, the first New Hampshire governor to win a fourth term, and it is generally thought that he would also like to make a run at Humphrey's Senate seat in 1990. The path he's taken on Seabrook could not be more destructive to those plans. No, in considering John Sununu and Seabrook, the usual explanations of political motivation

Sununu story, circa 1984:



Once, in a meeting, Sununu spewed out figures on how much tolls would have to go up, by the nickel. His brain seemed faster than the nearby computer crunching out the same numbers.

are of no help. It is as if Sununu feels personally betrayed by the way his state has turned against Seabrook. It is as if, in questioning the plant, Seabrook's opponents are also questioning something much deeper than a particular evacuation plan or cost analysis — as if they are questioning Sununu's very beliefs. Perhaps, in some way, they are.

JOHN SUNUNU FIRST LED OTHERS AT THE AGE OF SEVENTEEN, AS a student at LaSalle Military Academy, a Catholic school in Oakdale, Long Island. It was 1957; he was "lieutenant colonel," the highest rank in the school. He ruled student life, marching 325 boys in their West Point-style uniforms to meals, ordering those who got out of line to face the wall or to march in front of the barracks. "He had like — I wouldn't say it is the divine right of kings — he knew how to assume control," recalls John Ferguson, a classmate and friend.

LaSalle was dedicated to producing not merely religious boys but "patriots for America," who understood the "need for defense . . . of the American way of life." Sununu was comfortable with such concepts; even as a teenager, he was concerned about where America was going and distressed by attacks on the family. These values were so unswerving in him, in fact, that they had the quality of doctrine.

Doctrine was something he knew from early on. Sununu is the oldest child of a successful, religious man, and his upbringing, in an exclusive section of Forest Hills, Queens, called the Gardens, was very Catholic and very straitlaced: "the old values, the Ten Commandments," John S. Sununu, his father, says. The ambience of the household was one of religion and service, adds the second child, Alexandra O'Shea.

In many ways, he followed a path set by his father. The elder Sununu had gone to a school run by the Christian Brothers in Lebanon, the land of his ancestry; LaSalle was run by the same order. Sununu's father was very conservative, loyal to the Robert Taft wing of the Republican party; he

PHOTOGRAPHS • BRIAN SMALE

liked to say that whenever the Democrats were in control, "it was tax, tax, tax." Today, the governor says he "probably inherited" his conservatism. "It's always been natural for me to have the views I have now," Sununu says, adding that there was no "milestone experience" or "abrupt redirection" in his youth. Indeed, the boy seems to have achieved his sense of identity without any rebellion or crisis, and without the scarring self-doubt that makes some successful people more reflective and also more resilient. He never saw any reason to stray from the route his father had established. Asked what his son's story demonstrates, the elder Sununu says, "It shows that you can succeed by following a straight line."

The stories his friends tell about Sununu in school all revolve around one thing: his astonishing intelligence. It was not, however, a particularly original intelligence, for Sununu was not an intellectually curious sort. He had instead a kind of blindingly quick book smarts. His sister remembers the day in grammar school when the priest handed out report cards. Coming to her, he said, "This can't be a Sununu," and threw the card on the floor. She had gotten a 96 or 97. Her brother always got 100. "In third-year Spanish, I don't think he opened a book all year long," adds William Ramsay, a classmate who, like many of Sununu's old friends, now works on Wall Street. "The night before the test, I saw him . . . turn the pages just like I'm talking to you, and he got one hundred. He has a photographic memory." Sununu had entered LaSalle by beating out hundreds of other boys for a \$10,000 scholarship, and his exit was equally dramatic. At LaSalle's commencement, he received so many medals that when the first one was announced the administrator who was presiding handed him a silver bowl and told him to wait on the podium.

At MIT, where he majored in mechanical engineering, it was more of the same. "Everyone who ever roomed with him got into academic trouble," recalls E. Patrick Coady, a former fraternity brother. "He never did any goddamn homework but he got the top grades." Coady also remembers

self, a devout Catholic. He started both a family and a business. Called Astro Dynamics, his business marketed designs that drew on his engineering specialties, thermodynamics and fluid mechanics. By the time he graduated, the company had 150 employees. Six years later, the twenty-seven-year-old Sununu had earned his Ph.D. and had joined the faculty at Tufts University. He'd been there two years when Ernest D. Klema, then the dean of the College of Engineering, named him associate dean. Klema even allowed Sununu to run two consulting businesses out of his office, over the objection of other faculty. Sununu, says Klema, "could handle anything."

Sununu's day-to-day concerns may have been fairly narrow — designing instruments that would not get cooked by engine heat, for example — but his dedication to defending the American way of life inevitably drew him into larger arenas. He enjoyed tangling with his more liberal colleagues over the issues of the day. "When it gets a little hot in a conversation, he's particularly good," says Robert Greif, chairman of the mechanical engineering department. "Facts come spewing out of him." Adds Richard P. Torykian, another boyhood friend now on Wall Street, "In terms of syllogistic reasoning, he buries you." But a syllogistic argument is one in which certain premises are taken as givens; as fierce as Sununu's intelligence is, he has never been one to turn that fierceness on the givens. He had an engineer's orientation toward solving problems within defined parameters, and applied that mindset to other areas of life.

In time, his academic papers started changing in focus from the purely technical to other, larger concerns. He wrote a paper on how to meet the world food shortage. In a reference book for technical consultants, *Who's Who in Technology Today*, he began listing one of his areas of expertise as "Energy Policy." Eventually, he latched on to a public policy issue that bumped up against his specialty: nuclear power. By the mid-1970s, Sununu was consulting for the nuclear industry (see "The Ties That Bind," page 53) and speaking out on behalf of nuclear power.

Sununu entered the fray at a time when the nuclear power industry was in rapid decline. First came the Arab oil boycott, which spurred conservation, then the rapid escalation in costs and regulation. Eventually, there was Three Mile Island, but even before that incident, nuclear plants had come to be viewed as bad investments. By the end of the decade, close to sixty orders were canceled. Today, the nuclear industry has all

but given up hope of building new reactors, but a decade ago, the industry still thought the tide might be turned, and to that end it engaged in a full-scale propaganda war, going to college campuses and the press to get the message out. One of the messengers was John Sununu.

He did much of his advocacy at the behest of the U.S. Committee for Energy Awareness, a group heavily dependent on industry money. Miro M. Todorovich, the executive

Sununu story, circa 1986:

At a campaign event, he began almost to scream at his questioner. He rambled and raged, never pausing, wildly raking his opponents. By the time he finished, the evening had been stained.



seeing flashes of the verbal agility that would later help Sununu's political ambitions. During the hazing period in Sununu's freshman year, brothers in the fraternity he wanted to join told him to stand and say something funny. Sununu told a joke that went on for over a half hour. Coady says he had the older boys rapt right down to the punch line.

Two months past his nineteenth birthday, Sununu married Nancy Hayes, a student at Boston University and, like him—

director of a group called Scientists and Engineers for Secure Energy, recalls that Sununu was involved in that organization, too, as a dues-paying member. SE₂, as it was called, was made up of people who had done work on nuclear technology and wanted to address what they saw as public misunderstanding. It also got some funding from the industry. Indeed, Sununu was at one point a consultant for Westinghouse, a company that builds, among other things, nuclear reactors, including the one at Seabrook. "He was the only guy that Westinghouse knew who could understand the complex scientific things and articulate them," says John Ferguson.

In retrospect, it seems clear that Sununu's pronuclear activities were grooming him for politics. He was gaining visibility and meeting a wide range of people. He went to New York to take a course in media techniques — how to go on television, how to present an argument, and so on. Shortly thereafter, says Klema, Sununu took part in a debate at Tufts with an antinuclear author, "and demolished him." Janet Willen, who worked for SE₂, adds, "He looked kind of like a country boy, until he opened his mouth."

Not surprisingly, antinuclear activists remember Sununu somewhat differently. "He came up to me and he had a big smile, big handshake," says Robert A. Backus, a lawyer who has long opposed Seabrook. "Then he went up and launched a personal attack that I will never forget. His line was: 'I am an engineer, I understand the technology, and you don't.'" Dudley Dudley, a veteran of New Hampshire Democratic politics, debated Seabrook with Sununu in 1978 at a Lion's Club in Salem. As the two walked out together, Dudley told Sununu she was worried about what would be done with nuclear waste. "He said, 'No problem, this is how we're going to deal with it,' and he pulled what looked like marbles out of his pocket." The use of glass pellets was one of the standard techniques of the propaganda war; they were supposed to represent the total amount of nuclear waste that

matters are filled with doubt, that some things are beyond human control. The reprocessing technology that Sununu touted to Dudley, for instance, has never been perfected. And as with so many of Sununu's beliefs, there was something else as well: the influence of his father.

The elder Sununu was in the export business. "I was a distributor of French motion pictures in Cuba," John S. Sununu says. Havana, 1939 — his first son was born. "Then the war started, and I closed everything and came to the United States." After the war he went into "general exports."

"His company was Peerless Export Company," the governor recalls. "It was small — himself, and he had a few employees — and when he retired he shut the business down."

What did he export?

"Westinghouse products," John S. Sununu replies. "I represented licensees."

"Everything from light bulbs . . ."

"Everything from light bulbs to nuclear power. I helped in the selling of nuclear plants to Spain . . . I was dealing with all kinds of engineers in Westinghouse from 1948 to 1974."

THE GOVERNOR OF NEW HAMPSHIRE IS A TAX REFUGEE. IN 1969, Sununu moved his family from Taxachusetts to Salem, New Hampshire, and promptly embraced the northern state's climate of conservative politics, distrust of cultural experimentation, and disgust with its neighbor's income tax. Today, he extols "New Hampshire values . . . the last bastion of . . . the things that made this country so strong."

New Hampshire is also a place where a conservative can make a mark for himself far more rapidly than in Massachusetts. John Sununu threw himself into politics. A year after he moved to Salem, he went on the local planning board. Three years later, Sununu was elected to the legislature, serving one undistinguished term. He made two unsuccessful bids for a state senate seat. In 1978 he lost overwhelmingly to Dudley

Dudley in a race for executive council. Two years later he was back again, running this time for the United States Senate. And again he lost, to Warren Rudman in a close primary battle. "My theory was, keep moving up until you win," Sununu says now, laughing.

The Senate loss in particular galled him. As the strongest candidate to the right of Rudman, Sununu believed he deserved the endorsement of the *Manchester Union Leader*.

Instead the paper chose to endorse Wesley Powell, a minor candidate even more conservative than he. Sununu then did a politically shrewd thing: he signed on as Rudman's campaign manager. Within days of the Republican landslide, the rumor began that Sununu was going to get a cabinet post: secretary of energy. It was a job he coveted. But James B. Edwards, a South Carolina oral surgeon, got the nod instead. "It was very disappointing," recalls Coady, who was the finance

Sununu story, circa 1984:

S Seabrook's owners desperately needed to sell junk bonds to stay out of bankruptcy, but Wall Street had soured on nuclear power. Yet Sununu persuaded the Street to invest in the bonds.



remained after reprocessing, per person per year. Debaters held them up to show how much more portable and compact nuclear waste was than, say, ashes or smog.

Although Sununu repeated the pronuclear doxology verbatim, it would be wrong to think that he was either cynical or bought. He was utterly sincere. He had such faith in the wonders of engineering that he lacked the professional distance that allows more thoughtful engineers to say that some

manager on Sununu's Senate campaign. "I remember John's joke: 'This guy has long drilling experience.'"

Sununu looked hopeless then. A reporter who saw him in the State House one day recalls a "hapless, short, fat man" complaining about his treatment in the newspapers. When, a year and a half later, Sununu announced for governor, the *Union Leader* labeled him a loser, and its cartoonist pictured him as a packhorse saddled with huge burdens: BIG EGO TRIP, MONEY FROM BIG BUSINESS, NEVER WON ANYTHING.

But Sununu surprised everyone. That summer he projected himself as a caring, competent, hardworking technocrat, and people responded. When he won the primary, even the *Union Leader* came over to his side.

There was only one real issue in the general election: The Pledge, a vow New Hampshire candidates take every election year to continue the state's tradition of no broad-based sales or income taxes. Democratic Governor Hugh Gallen, facing a deficit of \$44 million, refused to take it. The *Union Leader* was merciless, and the day after the election, it ran a cartoon entitled "The People Win Again." It showed Gallen flattened in a boxing ring, while the referee, labeled the New Hampshire taxpayer, stood over him holding up the arm of the victor: The Pledge. The winner in the cartoon looked nothing like John Sununu, although he was the man New Hampshire had elected governor, with fifty-two percent of the vote.



IT WAS IN 1972 THAT THE PUBLIC SERVICE COMPANY OF NEW Hampshire first unveiled a plan to build a nuclear power plant in the southern coastal town of Seabrook. At the time, the company estimated completion in seven to nine years and calculated costs for two units at more than \$800 million. Ten years later, when John Sununu was sworn in as governor, the plant was nowhere near completed, and its estimated costs had shot up to over \$5 billion. Most of these costs, of course,

Sununu story, circa 1986:

The governor's supporters who fear Seabrook's "rate shock" began coming away from meetings disturbed by his inflexibility. "The word is," says one source, "he treats them like dirt."

would ultimately have to be absorbed by the ratepayers. In the intervening decade, there had been numerous lawsuits and hearings and delays, as well as demonstrations by groups like the Clamshell Alliance, raising the specter of environmental disaster and worse. But at least since 1980, there had also been, in the words of former Harvard Business School professor Irvin C. Bupp, clear warning signs of "unqualified financial catastrophe." Indeed, the economics of nuclear power plants had changed so dramatically that most hard-line Seabrook critics had shifted their focus from the

The Ties That Bind

CAMPAIGNING LAST OCTOBER, John Sununu addressed "this legend" that he had been a nuclear consultant. "Absolutely wrong," he said. He'd worked on many forms of energy, he explained: solar, wind, automotive conservation, wood burning. With the exception of two presentations he made on Seabrook for a former governor, Sununu said, "everything else on my professional resumé has absolutely nothing to do with Seabrook." That message got out. The *Nashua Telegraph*, for instance, reported that Sununu "has never worked in or near a nuclear power plant."

The reality is apparently somewhat more complex. Although the governor never made a specialty of nuclear consulting, his area of expertise — mechanical engineering, with an emphasis on heat transfer and fluid mechanics — does have

many applications for nuclear power. And in the course of his consulting career, he has done work for the nuclear industry.

Ernest Klema, the former engineering dean at Tufts, recalls that Sununu once did consulting on a nuclear reactor. Sununu performed safety analyses of reactor valves — "very elementary stuff for him," Klema says. R. M. Campbell, a consulting engineer at Stone & Webster, which designs and builds nuclear plants, adds that Sununu did consulting for his company's engineering mechanics division that involved parts for nuclear reactors. "It's very esoteric stuff, where we decide we want to review the vendors' designs of quick-closing valves and seismic support of valves and pipe stress, and call in a consultant," says Campbell.

In addition to such technical work, Sununu also did more general consulting for

the nuclear industry. A year before he became governor, he was asked by Stone & Webster to review papers the company had commissioned involving the release of radioactive waste products — iodine and cesium, for example — during the hypothetical reactor accident. Stone & Webster has done work at Seabrook, but John W. Landis, a senior vice-president at the company, says Sununu did not work on Seabrook. Landis says Sununu provided Stone & Webster with expert help on broad questions regarding electricity generation, including nuclear power, and did so up to the date he entered the State House. "Not only could he understand these complex, technical problems, but he understood how the ways we were presenting them could be misunderstood by outside institutions: the Nuclear Regulatory Commission, congressmen, the public, and conferences of business people," Landis says. Sununu, he adds, was very good at helping to "word things" so the public and the regulators would both be satisfied.

— P.W.

potential environmental hazards to the potential financial ones.

John Sununu, however, had not changed. In both his Senate and gubernatorial campaigns, Sununu was gung-ho on Seabrook, vowing to push it through to completion and promising voters that it would represent a significant savings in their energy bills. In the Senate campaign he had solicited contributions from people in the industry, and he continued to receive such contributions when he ran for governor. He also used Seabrook to stoke his name recognition in the Senate race by filing a lawsuit — as an aggrieved taxpayer — against the Clamshell Alliance, demanding that the group pay the cost of police protection for its demonstrations.

But New Hampshire had not changed either. In the early 1980s, Seabrook just never seemed as important as, say, The Pledge. Thus when Sununu, shortly after coming into office, glibly estimated the cost of completing both units at \$4 billion, the critics who challenged him were largely ignored. And even by 1984, the issue still did not engage the voters, although Sununu's defense of the plant had by then become more extreme.

Public Service, saddled with a \$1.2 billion investment in Seabrook, was then on the verge of bankruptcy. It needed to sell high-yield, so-called junk bonds to keep the Seabrook construction going. But Wall Street was reluctant to buy. It had soured on nuclear power and saw Public Service as a small company that had taken on a project that was much too big. Many people in finance regarded Seabrook as potentially spelling the "downfall of New Hampshire," recalls Pat Coady.

Sununu's ties to Wall Street were close. They went back to LaSalle Military Academy, to the boys he had outshone in class thirty years before. Many of those boys had followed their fathers to Wall Street. "These are his cronies," says Coady, formerly of Dillon, Read, a Wall Street firm. Sununu persuaded the Street to invest in Public Service's junk bonds. "You talk about an explosive issue and having to be a salesman," says his old classmate Richard Torykian, who is now with the investment banking house of Lazard Frères. "People tell me . . . he was prepared to talk to each and every customer of those bonds." Sununu, adds Coady, successfully "neutralized" the issue.

Back in New Hampshire, it scarcely mattered. Chris Spirou, the Democrat running for governor against Sununu, tried to make Seabrook a campaign issue. He lost, two to one. The day after the election, Sununu spoke to the fears his opponent had raised by saying that any rate increase brought on by Seabrook would be so minimally above inflation that it would be "not much different" than if the plant had never been built.

Sununu's reelection marked the pinnacle of his appeal. He had turned the state's deficit into a surplus without breaking The Pledge. When Ronald Reagan kicked off his campaign for a tax reform bill, the president flew up to New Hampshire to make his announcement outside the State House with Sununu at his side. Sununu was also a hit among his peers, rising rapidly to the vice chairmanship of the National Governors Association.

His brilliance was legendary. *Time* magazine said that he rode home every night with a portable computer on his lap and went to bed with a computer on his quilt. A story

circulated that he had found an *Omni* magazine IQ test on a plane, filled it in, and came in second out of thousands. (The story was a bit exaggerated; Sununu worked on the test over a period of thirty days.) Facts and counterarguments seemed to spring so quickly from his lips that people who tried to go head to head with him became embarrassed and gave up.

Sununu did rub some people the wrong way. There was his rudeness to opponents; his *l'état c'est moi* attitude toward legislators and the press; his tendency to surround himself with yes-men. But it all seemed forgivable. In those days even his temper seemed a thing he could control and deploy magisterially — "the prince and the prick," one associate calls his style. A legislator makes a pitch to the governor. The governor blows up at him, tells him not to come back until he has a better plan. The man picks himself up and leaves the room. The door closes. The governor turns calmly to an aide and says, "How'd I do?"

FOR AN ENGINEER WHO HAD BUILT A PUBLIC CAREER ON A foundation of faith in technology, the events of 1986 in New Hampshire were to provide a supreme ordeal. The year began in a horrible way, with the *Challenger* disaster, a tragedy of misbegotten engineering that was felt more profoundly in New Hampshire than anywhere else in the country. And it was also the year in which Sununu's state stopped believing in the virtues of a nuclear plant on the coast. "The [Seabrook] issue came on like a train," says Robert Craig, a political scientist at the University of New Hampshire. Craig says that in late 1985, twenty percent of the population opposed Seabrook. A year later, the opposition had doubled. Two weeks after that, forty-five percent of the population opposed the plant, while those in favor stood at only twenty-five percent.

The suddenness with which Seabrook came to dominate New Hampshire politics was the result of a number of converging factors. First, the federal government had aroused a large area of the state by announcing that it was considering a site near Hillsborough for a nuclear waste dump. John Sununu did not respond as the Sununu of yore might have — he did not pull pellets from his pocket to show how insignificant the problem of nuclear waste was. Instead, he opposed the dump. But his insistence that there was no connection between a proposed nuclear dump and a proposed nuclear power plant sixty miles away seemed hypocritical.

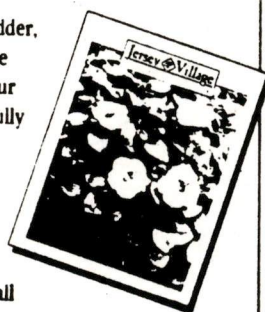
Then came Chernobyl, which made people wonder, Could it happen here? The May accident bedeviled Sununu as his reelection campaign got going two months later, and he responded in classic fashion. After the Three Mile Island accident, Sununu had appeared in an advertisement for the nuclear industry saying, "Three Mile Island Has Made Nuclear Power Even Safer." Now, he called on his friends at SE₂ to do a report comparing Chernobyl with Seabrook, for which they were paid between \$10,000 and \$20,000 by the state. The group was called a "select blue-ribbon panel." Its report concluded that the Chernobyl accident was irrelevant to Seabrook, and cited the major, well-publicized differences in safety measures and design. Even this did not still fears raised by the frightening reports from the Ukraine. Sununu's Republican challenger, an electrical engineer named Roger L. Easton, played on the issue with great success. Sununu found that his ability to say, *I understand the* (continued on page 114)



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SUNUNU

(continued from page 54) technology, trust me, was no longer intact.

A third factor for the new urgency over Seabrook was that, at long last, the nuclear plant was almost ready to come on-line. Issues and events that had long seemed part of the dim future were suddenly dominating the headlines. There was, for instance, the ten-mile evacuation plan that the Nuclear Regulatory Commission requires before approving the start-up of a nuclear power plant. It was front-page news when Massachusetts governor Michael Dukakis, long a Seabrook foe, decided not to submit an evacuation plan as a stratagem for tying up the process. It was also front-page news when Public Service decided to ask the NRC to allow it to submit an evacuation plan for only a one-mile radius, thus sidestepping the need for a plan for Massachusetts. Sununu was quoted in the *Keene Sentinel* as saying that if an evacuation zone was too big, "you are going to have more loss of life . . . by virtue of the evacuation itself." On the campaign trail he added that evacuation of crowded beaches near the plant went off smoothly all the time in summer — "at seven-thirty the beach is packed, at nine-thirty it's empty." Again, it was the old Sununu. But his glib one-liners didn't perform their magic anymore. A woman made a videotape of a six-hour-long traffic jam. And when successive drafts of the governor's evacuation plan reduced the estimated summer population of Hampton from 110,000 to 36,000, there was an uproar. Sununu's old mastery of numbers was no longer so sacrosanct.

Finally there was the matter of money. "People here are pragmatic," says one government official. "They're not going to waste a lot of time fighting an issue that doesn't affect their wallet. But when you get your hand in their pocket, they'll cut your arm off." Without question, Seabrook was about to affect just about every wallet in New Hampshire; the only question was by how much. Many experts were saying rates would double within five years and were predicting what's called in the utility business "rate shock." Public Service was estimating an increase

nearly as high — fifteen percent a year. The company later revised its figures downward, to ten percent a year, but also said it was planning another twenty-one percent in rate hikes that it claimed — to wide disbelief — were unrelated to the plant. Even Sununu now conceded that there would be increases. Typically, his figures were the lowest, between six and eight percent. And typical of the new mood in New Hampshire, people began recalling what he used to say and what he was saying now. Even soft-spoken Republicans said the governor was "overboard" on the issue.

Sununu had never been publicly doubted like this before. As the state's loss of faith in Seabrook grew, he reacted angrily, intemperately. And the stories began to accumulate:

When Vermont governor Madeleine Kunin offered a resolution at the National Governors' Conference to allow states more control over nuclear reactors, Sununu became so enraged that he promised to subsidize her opponent to the tune of \$1 million. (He never did.)

In the middle of the evacuation zone dispute, Sununu accused Dukakis of getting "personal gut satisfaction" in hurting ratepayers.

He was campaigning one night in Hampton when a woman questioned his knowledge of evacuation plans. He simply exploded. "I resent the suggestion on your part that I haven't asked questions," he shouted. "You made a charge there that you don't know a damn thing about!"

Bankers and businessmen, supporters of the governor who feared Seabrook's rate shock, began coming away from meetings with Sununu disturbed by his inflexibility. "The word is," says one source, "that he treats these people like dirt and doesn't listen to anyone." The governor's friends had always said that John Sununu did not suffer fools, but fools now seemed to include anyone who disagreed with him. And there were other qualities that had once been Sununu's strengths that were now viewed in a different light. What had once seemed his keen grasp of government was now seen as arrogance, a compulsive need for control. "He intimidates the executive branch," says one State House regular. "I'm talking about department heads, division heads,

who can't speak out without clearance. You hear people even close to him say, 'Just relieve me of this guy.'"

As time went on, Sununu seemed to regard neutral acts as attacks, even when they had nothing to do with Seabrook. "I went up to him and said, 'How are you today, Governor?'" recalls Kurt Ehrenberg, an anti-Seabrook activist who ran Easton's campaign. Sununu gave Ehrenberg a cold, hard stare and replied, "Better than you think." When Susan McLane, a Democratic senator from Concord, told Sununu that a longtime Democrat had organized a conference on the homeless, Sununu responded that McLane was trying to mock him and was "despicable" for it. Later, McLane says, people at a dinner for a mental health organization were appalled at the hectoring tone Sununu adopted in comments about state funding for the mentally ill.

To Sununu's supporters, perhaps the most troubling incident took place not long after the election, at a conference on the state's future sponsored in part by BankEast, one of New Hampshire's largest banks. The governor is so quick that he often pens speeches en route to his appearances. On this occasion, he apparently read the symposium material fleetingly. The heading for one panel discussion — "Growth and Development: Where's the Plan?" — struck him as criticism of his policies.

Here was a roomful of men and women in dark suits, most of them conservative Republicans like Sununu and imbued with the same New Hampshire values Sununu held dear. These were his people, and in front of them, in the words of one eyewitness, "He went absolutely ripshit." McLane recalls, "The governor came into the room and started literally to shout at [BankEast chief executive officer W. N.] DeWitt. He went from one end of the room to the other and didn't say hello to anyone." Sununu refused to shake hands with the symposium organizer, a young woman named Katharine Eneguess, and then delivered a rambling, vitriolic speech that many people felt misinterpreted the thrust of the session and embarrassed DeWitt.

TODAY IN NEW HAMPSHIRE, THE STAMPEDE away from Seabrook has begun. UNH's Robert Craig believes that pub-

lic opposition to Seabrook is now overwhelming. Politicians sense this, and are reacting to it. Soon after the election, New Hampshire's four-member all-Republican congressional delegation sent a startling letter to the Nuclear Regulatory Commission saying in the strongest language that they opposed the shrinking of the evacuation zone. In effect, they were siding with the governor of Massachusetts. Gordon Humphrey, perhaps anticipating a Sununu challenge in 1990, was backing up his position with legislation.

Even the marketplace has turned against Seabrook. Last year in Maine, three utilities sold their investments in Seabrook, recovering only twenty-four cents on the dollar. They were willing to absorb such a loss because they were desperate to get out before the expected rate shock hit. At about the same time, Unitil Power Corporation, a utility serving Concord, Exeter, and Hampton that accounts for about ten percent of Public Service's sales, pulled out of the Public Service grid. It proceeded to sign long-term contracts with twelve generating units scattered across New England and Canada. The company predicts that within five years, it will be saving between \$15 million and \$50 million a year.

Inspired by Unitil, the state's two largest cities, Nashua and Manchester, along with Coos and Cheshire Counties, have begun to explore the possibility of breaking away from Public Service Company. "The feeling of many business people is that the doubling of rates will not only cost an enormous amount of money for their businesses but could hurt the competitive position of New Hampshire business vis-à-vis competing business in the country and the world," says Nashua Mayor James W. Donchess.

And still John Sununu does not relent. He has said approving things of the one-mile evacuation limit. He has said a policy of conservation would return the state to "a fruit-and-nut economy." He has insisted that "we are right now literally at the point where we are out of energy," even though the marketplace seems to be saying just the opposite. When Public Service recently paid \$1.25 million to two small power producers to get them *not* to produce power, Sununu stubbornly sided with the util-

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ity giant, telling reporters that small power projects do not "make good economical sense."

And if he once seemed the most invincible of politicians, today it seems unlikely that Sununu can emerge from his Seabrook battles unscathed. His margin of victory last fall was eight points, far from the overwhelming mandate he received the first time he ran for reelection. His Democratic opponent, Paul McEachern, treated the result as a symbolic victory for the growing number of people who oppose Seabrook. Moderate Republicans agree, and privately express fears that if Republicans do not step away from the plant, the party could lose its grip on the state. Politicians who were once embarrassed or scared or outwitted by John Sununu now openly flout him. The senate, for instance, which used to do his bidding willingly, ignored the governor's lobbying and elected as president William Bartlett, who promised independence from Sununu. There is a feeling that if the governor is not on board, it doesn't matter anymore; the state will make its own way.

It seems plausible, in fact, that Seabrook will wind up being John Sununu's version of refusing to take The Pledge. Even using Sununu's own best-case scenario, it is hard to imagine frugal New Hampshire voters taking kindly to regular six to eight percent rate hikes. Perhaps Sununu knows this already and is resigned to it. Sununu's old Wall Street buddies seem to imply as much when they say, as Richard Torykian did recently, "This guy can make a million a year backstroking. He doesn't need this crap in New Hampshire."

A HALF HOUR AFTER THE TIME OF MY APPOINTMENT last December, I was ushered into the governor's office. I caught a glimpse of the computer behind his desk before I was ushered out again: a call had just come in from Senator Warren Rudman. When I was brought back in, the governor seemed distracted and aloof, patting his pockets, sticking a temple of his glasses in his mouth. Sununu has never enjoyed reporters; still, I had met him on the campaign trail and we had shaken hands. This time we never did.

Sununu wore a dark suit and a red tie — the red tie is a trademark of sorts. He



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sat deep in an armchair while his press secretary, Frank Haley (who has since left his staff), set a small tape recorder down in front of him. For a while the governor seemed relaxed, talking in an unhurried voice about his conservatism, which seemed of a piece with the Currier and Ives engravings on the wall. Then we got into a discussion of Seabrook, and his attitude changed. He drew himself up. He grew impatient. He labeled one document I had "garbage." When I interrupted him he said, "Excuse me" brittly and kept talking. I had the feeling that Sununu had been through all this before and was weary of hashing it out. I could sense Haley getting nervous on the couch beside me.

I had brought a graph from the report Until had filed with the state in order to secede from Public Service. In many corners of New Hampshire, local officials are passing this graph around. It shows how much less the people of Concord will be paying for electricity with the contracts Until has signed than if the city had stuck with Public Service. The Public Service lines slant as high as eighteen cents a kilowatt-hour; the Until line pushes just past ten cents.

"Is this inaccurate?" I asked Sununu.

"Sure it is," the governor said. Then he took the page and looked at it. He seemed caught off guard by what he saw. "Unh . . . excuse me," he said. His voice trailed off as he studied the graph.

There was a very long pause. "Well," Sununu said finally, handing back the page. "I haven't seen this curve. I don't have the details. I think the people who do have the analysis . . . you ought to go talk to Public Service."

Here it all was: the unshakable belief, the unwillingness to pursue a line of reasoning that might test the parameters John Sununu had accepted so long ago. I asked a few more questions, but the governor was no longer interested. "That's all the time we have," Haley said abruptly, shutting off the tape recorder.

John Sununu sprang to his feet. "I leave him in your hands, Frank," he said. The governor walked out of his office, moving ever quickly, not looking back.

Philip Weiss writes for The New Republic, the Columbia Journalism Review, and other magazines.

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Sununu's 'hard' image conceals some soft spots

By Frank J. Murray
THE WASHINGTON TIMES

CONCORD, N.H. — John Sununu takes on Washington full-time today armed with a pocketful of M&Ms and two secrets: His legendary temper is a sham and his rock-hard conservatism has soft spots.

"It'll surprise the hell out of people," Mr. Sununu predicted in an interview at the Statehouse office he surrendered to incoming New Hampshire Gov. Judd Gregg yesterday after dividing his time for months between Washington and Concord.

He leaves behind a legacy of the nation's lowest taxes and black-ink budgets despite doubling state spending. He also increased social services so much that he invoked a liberal patron, bragging that "Ralph Nader rates us No. 3 in the nation" in care for the seriously mentally ill.

Schools are improved. So are prisons. Spending for children quadrupled. His Drug Free Schools program doles grants to allow individual schools to test imaginative ideas to help addicts' children

and steer them from drug use as early as kindergarten.

"Conservatism and compassion do mix," he said, shrugging his shoulders.

"There's not a single group that doesn't envy New Hampshire [for] its fiscal soundness, its fiscal integrity, its financial stability, its low taxes, its lack of taxes, no sales tax and no [personal] income tax."

John Henry Sununu appears to enjoy limelight more than power, claims pragmatism in all things but nurtures an ideologue's reputation and seeks to control everybody around him except Mr. Bush, to whom he defers to a fault.

"Whatever the administration's position is, is my position," he said while popping another of the M&Ms — usually peanut — that seem a permanent part of the Sununu hand.

He will take a stand, however, on the adjectives "tough and arrogant" that often precede his name in news articles.

"I've always thought it was an unfair rap," Mr.

see SUNUNU, page A8



Tough-talking John Sununu, who calls himself a pussycat, leaves New Hampshire in good shape.

SUNUNU

From page A1

ununu said.

"I really don't think I am hard-
osed and arrogant and tough," he
dded, arguing that people miscon-
true his "bluff and bluster."

"Whatever they perceive as being
ough and hard has never been any-
ing but a calculated requirement
r the moment.

"I suspect that's a side of me peo-
e will never see in Washington,"
r. Sununu said. "It's not appropri-
e for me to use that as chief of staff,
nd not effective. I never intend to do
anything that's not effective."

He was tagged "tough and arro-
unt" by a reporter who cited several
ecdotes, he said, "and he scraped
get those three or four public in-
ances."

Without prompting, the governor
ld of a highway official who
unded evasive at a meeting of the
ate Executive Council. "So I
ummed my hand on the table," he
id, slamming a table in startling
stration, "and I pointed at the
ntleman and I said, 'If you con-
ue in the mode of answering
I've been in, I will call the attorney
neral over and ask him to depose
I here in public.'"

"It can be pretty close to a public
flogging if the governor wants to do
that," said Councilor Peter Spaul-
ding, a Republican on the elected
five-member Council that ratified
some 25,000 Sununu decisions.

Jerry Little, Mr. Sununu's New
Hampshire press secretary, calls
Mr. Spaulding's view "an image of-
fered by people who may have been
straightened out by him."

Also taking the governor's side
was Democrat Ned Helms, who di-
rected the Health and Human Ser-
vices Department when gubernato-
rial aspirant Sununu said Mr. Helms
"couldn't run a lemonade stand."

"His fuse got a little shorter once
he mastered the job, but he's bright
enough to understand he can't deal
in Washington in the first year of his
job the way he did in New Hamp-
shire in the sixth year of his job," Mr.
Helms said.

Mr. Spaulding recounted a meet-
ing at which Mr. Sununu was review-
ing with councilors the day's agenda,
which can range from million-dollar
contracts to a leave of absence for a
state worker. It typically involves a
15-inch-high stack of paper.

"He literally threw all his papers
in the air and stormed out the door,
but he couldn't get the door opened,"
Mr. Spaulding said, laughing at the
image.

Another side of Mr. Sununu was
told by Donald Rudolph, one of three
troopers who guard him and chauff-
eur his sedan. He began the job in
August and shares with Mr. Sununu
their mutual interest in pro football
and skiing.

"In September, my wife, Cathy,
gave birth to our first baby. Gover-
nor Sununu and his wife sent flowers
to the hospital and later sent an out-
fit for the baby," he said. "I've been
on the state police 5½ years and no-
body in the state police sent my wife
flowers."

"Don't let that all get out. You'll
ruin my hard-earned image," Mr.
Sununu said.

His own family includes wife
Nancy — a politico in her own right
as school board member and 1979-80
New Hampshire state GOP chair-
man — their eight children aged 9 to
28, his El Salvador-born mother, Vic-
toria, and 79-year-old Boston-born
father, John, who bequeathed his
lifelong Republicanism.

The elder Sununu, a second-
generation Lebanese-American,
says he was importing French and
Spanish films to Cuba when their son
was born in Havana on July 2, 1939.
The parents, now Florida retirees
who speak Spanish at home, say
their son really wanted to be an en-
gineer.

Gov. Sununu moved two decades
ago to Salem, N.H., fleeing rising
taxes in Massachusetts — he calls it
"Taxachusetts" — where he was as-
sociate dean of engineering at Tufts
University. He was elected to a 200-
a-year seat in the state legislature,
was a science adviser to Gov. Meld-
rim Thomson, and lost a U.S. Senate
bid before winning the governorship
in 1982.

His stated reason for not seeking
re-election to the \$66,000 job was the
need for money. Mr. Sununu could
command industry salaries in the
\$200,000 range, according to Mr.
Spaulding. As chief of staff, he'll get
\$89,500, but the pending pay pro-
posal would give him \$135,000.

"He was the first of his class all
the time," Mr. Sununu's father said in
an interview. "We didn't push him.
But we wanted to see that he was well
educated." He earned bachelor's,
master's and doctoral degrees, all at
the Massachusetts Institute of Tech-
nology. He declines to confirm or
deny reports his SAT scores were a
perfect 800 in math and 780 verbal.

Gov. Sununu also made these
points:

- Despite predictions that he will
show up at agencies with his ubiqui-
tous lap-top computer to crunch
numbers in person, the federal bud-
get war will be waged without him

unless Mr. Bush orders him in.

- He waits patiently for pollster
Robert Teeter to decide on joining
his White House staff "because it
hasn't caused any problem. . . . Why
should I be impatient?"

- He endorsed Mr. Bush for pres-
ident a year before the New Hamp-
shire primary because "I wanted to
get involved to the point where I
could help participate in the cam-
paign planning and give it a direc-
tion that I thought would help it win.
. . . What's been missed in George
Bush's strategy — that I think I
helped frame — is a recognition that
the key people in the primary pro-
cess, with all due respect to Con-
gress, were the Republican govern-
ors."

As chief of staff, he hopes to
model himself somewhere between
Eisenhower chief of staff Sherman
Adams, who left in a scandal involv-
ing the world's most famous vicuna
coat, and his own style in New
Hampshire where Mr. Adams' por-
trait hangs in a place of honor in his
waiting room.

He wouldn't change the title chief
of staff, either.

"Even though it's a misnomer," Mr.
Sununu said, laughing, "it carries
within its nomenclature, its ac-
cepted nomenclature now, just the
right connotations."

A 'Pussycat' With Claws, Sununu Leaving Mark in Home State

By Michael Rezendes
Special to The Washington Post

CONCORD, N.H.—New Hampshire Gov. John H. Sununu (R), who has called himself "a pussycat" to defuse speculation that his combative nature will hamper his effectiveness as White House chief of staff, has not changed his style in his home state, where he continues to dominate state government.

On Wednesday, Sununu presided over a meeting of the state Executive Council, a body that approves appointments and expenditures, and alternately displayed his trademark wit and haughty personality.

After announcing the absence of a councilor who had broken her leg the previous evening, Sununu cracked, "I suspect it was the result of one of the other councilors trying to persuade her to vote one way or another."

Later, when a reporter asked whether he had checked an education appointment with incoming governor and fellow Republican Judd Gregg, Sununu snapped, "I didn't check any of my appointments with the governor-elect."

For local political operatives—many of whom insist that the 49-year-old governor winks when he compares himself with a kitten—the performance was vintage Sununu.

"John Sununu is not Garfield," said state Democratic Party Chairman J. Joseph Grandmaison. "He is a hungry tiger."

Sununu, who will complete his third two-year term at noon Jan. 5, has accomplished an unusual political feat here: While creating a rash of sore feelings, he has managed to put an indelible stamp on state government.



Gov. Sununu has appointed 16 of New Hampshire's 25 superior court judges. ASSOCIATED PRESS

And, since President-elect George Bush named him to head the White House staff last month, he has continued to trample the toes of adversaries while bending state government to his will.

For example, Sununu recently secured the nomination of his legal counsel, James O'Neill, for a state superior court judgeship, despite opposition from the state bar association.

Sununu's differences with the bar go back to his early days as governor when he ended a tradition of submitting the names of judicial nominees to its board of governors for review.

But Sununu appeared to pour salt on an old wound last month

when O'Neill ignored a bar association questionnaire and turned down an association request for an interview.

"It was the first time someone has declined to do that in my memory," said Stephen Tober, bar association president.

The bar went ahead with its evaluation and, in a letter to Sununu, Tober wrote that many lawyers had described O'Neill as "demeaning" and "intimidating," and that the association's board of governors "could find no evidence of the requisite fairness and respect . . . that are the hallmarks of our courts."

Sununu, in typical fashion, counterattacked by saying that the

bar's assessment sprang from bitterness over being cut out of the judicial nominating process. "I keep telling them that I've read the constitution as clearly as I could and I don't find them mentioned in there," he told *The Union Leader*, the state's largest newspaper.

On Dec. 7, when the Executive Council approved O'Neill's nomination 4 to 1, the vote did more than affirm Sununu's ability to weather vociferous criticism here. It also underscored his unprecedented role in shaping the state's judiciary.

Since beginning his first term in 1983, Sununu has appointed 16 of the state's 25 superior court judges. At the state supreme court, he has appointed two of five judges and selected the chief justice.

"It's a tremendous number," Tober said. "He's leaving a major impression here."

While making his mark on state government, Sununu has not hesitated to ruffle the feathers of leaders in his party, some of whom have tried to respond in kind.

Incoming Rep. Chuck Douglas (R), for instance, at one time displayed in his law office a ceramic statue of Sununu wearing a crown.

Douglas, who explained that he was miffed at Sununu for vetoing legislation that would have broadened the state's public records law, said he does not plan to show the statue in Washington.

Political observers here said that Sununu also has a testy relationship with Gregg, in part because Sununu refuses to review state appointments with him.

Gregg, a four-term congressman whose father, Hugh, was governor, hasn't publicly criticized Sununu for declining to cede any authority before Jan. 5, but ten-



GOVERNOR-ELECT JUDD GREGG
... Sununu is not consulting him

sion with Sununu surfaced recently when Gregg seemed to complain about Sununu's dual roles as governor and incoming White House chief of staff.

At issue was a presidential order signed last month that empowers the federal government to take charge of local evacuation measures around nuclear power plants, a move that could ease licensure of the Seabrook nuclear power plant on the New Hampshire coast, which Sununu supports.

"This action, which I strongly disagree with, has obviously been influenced by new pressures in Washington," Gregg said in a statement. "The way in which this order was resurrected and floated through the back channels of the White House is totally inappropriate."

Sununu denied the charge and Gregg has backed away from the statement. But observers said hard feelings between the two persist.

Much of the ill-will engendered by Sununu stems from his practice of personally dressing down officials who he thinks are standing in his way, Sununu's critics said.

While few are willing to discuss the experience, one example surfaced recently when the weekly *Boston Phoenix* reported that Sununu earlier this year berated a federal wildlife official who had recommended that federal authorities require environmental review of plans to expand a ski resort managed by a Sununu campaign contributor.

"He certainly let me know he disagreed with me," said Gordon Beckett, New England supervisor of the U.S. Fish and Wildlife Service, adding that the environmental review opposed by Sununu is now under way.

Even Sununu's admirers agree that a tongue-lashing is a ready weapon in Sununu's administrative arsenal.

"John gets very restless with bureaucratic inertia," said Thomas Rath, state Republican party treasurer and a Sununu booster. "People in the bureaucracy can expect to hear from him directly."

Because of his confrontational approach, local opinion is divided over whether Sununu will succeed in Washington.

Grandmaison, the Democratic state party chairman, said, "his success depends on his ability to understand the dark side of his personality and to account for it."

But Sen. Warren B. Rudman (R-N.H.), who is among Sununu's most important allies here and in Washington, said Sununu's acerbic style may be the perfect complement to Bush's more decorous manner.

"You need someone to kick a little rear end once in a while," he said.

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JOHN SUNUNU COMES TO WASHINGTON

THE TRANSITION REPORT

Sununu Seen Likely To Dominate Little-Known White House Staff

George Bush's anointed White House chief of staff John H. Sununu, hardly the pussycat of his self-description, has hired most of a White House staff that it appears he'll dominate.

Other than Sununu, 49, and national security adviser Brent Scowcroft, 63, the senior aides named so far are men and women in their 30s and early 40s who heretofore have shown the passion for anonymity that by tradition, White House aides should aspire to but rarely attain. Three owe their jobs directly to Bush—personnel chief Chase G. Untermeyer, press secretary Marlin Fitzwater and counsel C. Boyden Gray. Cabinet secretary-designate David Q. Bates Jr. is a longtime Bush personal aide. But the rest owe their jobs mostly or wholly to Sununu.

Sununu's sole rival on the horizon is Robert M. Teeter, who is fast becoming the Bushmen's Hamlet. Teeter, Bush's campaign pollster, weeks ago was offered a spot as deputy chief of staff and counselor to the President, in charge of domestic policy making. Every week he is described as on the verge of deciding whether to say yes, and every week he stays silent.

Why isn't clear. Associates say his indecision is genuine, that his family is horrified at the prospect of moving from Michigan (where until recently he owned a polling firm) to the wilds of Washington. But some smell a ruse. Teeter, a transition official suggested, figures the longer he withholds his answer, the more leverage he'll build.

If that's his game, it has backfired. Teeter's indecision, whether heartfelt or crafty, has damaged his position if he accepts, insiders say. The aides named in Teeter's absence will owe him nothing.

If he signs on, Teeter might play a role much like Edwin Meese III did in the original Reagan White House. Two offices—domestic policy and communications (which includes speechwriting and public liaison)—would report to him and the rest to Sununu. This would enable him to

think great thoughts and write the accompanying lyrics while Sununu's aides decide whether to effect them. That puts Sununu in the role of James A. Baker III, President Reagan's first chief of staff, who swiftly bested Meese for staff preeminence.

Should Teeter remain a Michigander, the whole caboodle (except Scowcroft's shop) will go to Sununu.

As chief of staff, Sununu is unlikely to be boring. The strong-willed conservative, who finished six years as New Hampshire's governor on Jan. 5, isn't known for suffering fools gladly—in



John H. Sununu

Washington, an essential. In New Hampshire, Sununu has exhibited "a low tolerance for those who mask incompetence with bureaucratic rhetoric," said former New Hampshire Attorney General Thomas D. Rath, who has known Sununu for 15 years. Sununu likes to delegate and also to follow up, Rath said. He "works well from paper," he said. "The best way to deal with him is to write a memo. You're sure it'll get read."

But on important matters, Sununu likes to deal face-to-face, according to David M. Carney, his deputy chief of staff and top political aide in New Hampshire. He is a man of high energy who doesn't like his time wasted. In meetings and conversation, "he gets right to the point," Carney said.

In the White House, Sununu is expected to rely heavily on two deputies—Andrew H. Card Jr. and James W. Cicconi. Card, 41, a former Massachusetts legislator, will be deputy to the chief of staff and is expected to handle the runoff from Sununu's presumably enormous workload. A for-

mer Reagan aide, Card served Bush's campaign by sharpening the daggers thrown at Michael S. Dukakis. But he's considered good with people. "When Sununu bloodies somebody, they'll meet with Card for five minutes and feel OK," a transition official said. "His favorite line is, 'I care.'"

Cicconi, 36, a longtime Baker aide, has been named staff secretary, putting him in charge of the Oval Office paper flow. Cicconi, lawyerly in demeanor as well as professionally (in the Washington office of Akin, Gump, Strauss, Hauer & Feld, a Dallas law firm) also will preside over the President's scheduling—a break with past practice.

As secretary to the Cabinet, Bates will have the Cabinet's Domestic Policy Council and Economic Policy Council—sometimes important in Reagan's tenure—reporting to him. But Bates, a Houston native who served in the Reagan Commerce and Treasury Departments, may find his influence curbed by the fact that the several Cabinet members who are personally close to Bush may deal with the President directly.

J. Bonnie Newman, 43, is being brought from New Hampshire by Sununu to become assistant to the President for operations. She'll administer the nitty-gritty of the White House—notably, distributing White House staff perquisites. A former congressional aide and assistant Commerce secretary, she is now president of an industry group called New England Council Inc.

Frederick D. McClure, a former Reagan White House lobbyist who's now Texas Air Corp.'s Washington lobbyist, will be assistant to the President for legislative affairs. And David F. Demarest, 37, a protégé of former Labor Secretary Bill Brock, will be communications director.

Edward M. Rogers Jr., 30, formerly White House political director and deputy to Bush's campaign manager, has been named as Sununu's executive assistant.

Edith (Ede) Holiday will be named as assistant to the President for intergovernmental and political affairs, a Bush aide said. Her departure from her post as assistant Treasury secretary for public affairs and public liaison is said to have angered Treasury Secretary Nicholas F. Brady.—**Burt Solomon**

Bush's Bold HUD Choice: Good News for Cities?

"Boy, it'll be a breath of fresh air. Even if he's wrong, I'd rather have an activist than a caretaker."

That reaction from Marshall Kaplan, a Carter-era Housing and Urban Development (HUD) Department official, reflects the cautious optimism many urban experts are expressing over the appointment of former Rep. Jack F. Kemp, R-N.Y., as HUD Secretary.

Contrasted with Samuel R. Pierce Jr.'s somnolent leadership of HUD and the burying of urban policy concerns under President Reagan, the strong-minded, ebullient Kemp might just elevate debate about cities and their needs to a place on America's agenda they've not enjoyed for years.

"Kemp ought to bring excitement to the Secretary's job," said Alan Beals, executive director of the National League of Cities. "He'll have ideas, and we'll disagree with some of them. But the fact he's bringing ideas to the table can only be positive. That's a big plus for housing and cities."

Kaplan, now dean of the Graduate School of Urban Affairs at the University of Colorado (Denver), said: "Kemp is terribly ideological. But in a positive way rather than Ronald Reagan's negative approach that nothing can work. Kemp will find solutions within his ideology."

Everyone knows that the national budget squeeze, not to mention Kemp's own conservative ideology, rules out a return to the generous federal housing and city-building programs of the 1960s and 1970s. President-elect Bush confirmed as much in appointing Kemp. Bush urged his erstwhile presidential primary opponent to look for "innovative ideas" and said that "the federal government simply doesn't have the resources to solve" such problems as urban homelessness.

The odd and fascinating aspect of the Kemp selection is its apparent dual appeal: to the Republican Party's conservative wing and yet simultaneously to blacks, Hispanics and urban interests.

Many people see a potential for Kemp to do for urban policy what another conservative, William J. Bennett, did for education as a Cabinet member: challenge established ideas and elevate an issue to a dramatically higher level of national prominence.

At its best, the new conservative urban theology of the 1980s champions far more grass-roots neighborhood empowerment—along with self-help and self-reliance for the poor—than traditional liberalism, with its close ties to social service providers and government unions, ever contemplated.

At its worst, it amounts to pious hopes and cheerleading, with a smidgen of federal support.

A critical question about Kemp is whether he'll limit his agenda to the two urban policy proposals he reiterated hundreds of times on the campaign trail—enterprise zones for impoverished neighborhoods, and tenant-management and ownership of public housing.

Both are interesting experiments. But together they'd con-

stitute just a slice of an urban policy serious about addressing the grim realities of homelessness, inner-city poverty and millions of Americans living shattered lives in the underclass.

There are signs that Kemp is thinking more widely. He wrote Bush shortly after the election urging the new Administration to launch "an antipoverty agenda for economic empowerment" for America's poor and minorities. He's talked of mounting "a progressive conservative war on poverty."

Will Kemp, who critics say is better at talking than listening or performing, reach out to the groups already at work in the urban trenches? He'd do well, said Bud Kanitz of the National Neighborhood Coalition, to recognize and under-

gird the "partnerships between city governments, neighborhood groups, corporations and banks" that have flourished in the 1980s.

Kemp ought to feel at home with partnerships. By energizing business support, he could provide the cities' best friends in many years. And maybe he could challenge state and city governments to a dialogue about the real effectiveness of their existing housing and antipoverty programs, determining which ones are most cost-effective and which hold the most promise to move poor people from dependency to self-sufficiency.

But many feel that eventually, there has to be concrete federal involvement—modest but real financial support, for example, for community development corporations trying to develop low-income housing. And many would call for federal "challenge grants" to get the states, in particular, more involved.

Kemp could do the country a big service by taking a hard look at HUD's existing, if limited, housing subsidies and how well they're targeted to the truly poor and needy. Over all, federal city programs were cut from \$56 billion to \$21 billion during the Reagan years; housing assistance has gone down 75 per cent, according to budget documents.

Kemp has said he believes further cuts aren't in order. That makes targeting and program redesign more critical than ever. Perhaps that's what Bush had in mind when, in appointing Kemp, he answered questions about the likelihood of any new federal housing money by saying, "There are other ways to skin a cat."

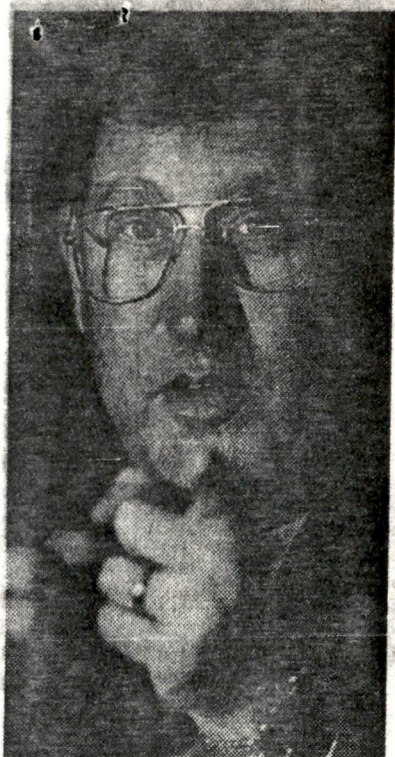
The new Secretary's first test may be the dialogue with such congressional leaders as Sens. Alan Cranston, D-Calif., and Alfonse M. D'Amato, R-N.Y., on how the nation's housing laws, beginning with the reauthorization in 1989, ought to be refashioned.

The tone and temper of how Kemp enters that debate, and how well he learns to grasp housing law intricacy, could make a critical difference.

But for the first time in years, no one will have to wonder whether HUD is brain dead, or its Secretary retired in place. Far from it: The nation will have a politically ambitious Housing Secretary, who's never been content to be a wall-flower. □

The fascinating aspect of Jack F. Kemp's selection is his appeal to conservative Republicans as well as to blacks, Hispanics and urban interests.





CONCORD MONITOR

JOHN H. SUNUNU

... trouble reading capital tea leaves

The Forceful Style of John Sununu

Often Brash as Governor, Bush Aide in Job Built for Patience

By Joe Pichirallo and Michael Rezendes
Washington Post Staff Writers

After completing a routine audit of federally funded health programs in Concord, N.H., in 1987, three officials from the U.S. Centers for Disease Control paid a sightseeing visit to the historic Statehouse, where they bumped into then-Gov. John H. Sununu.

Introduced by a friendly state legislator whom the visitors had met by chance, Sununu merely glared. "I wish you people would do a better job," one official recalled Sununu saying. Then Sununu turned on his heels and stalked off.

Sununu had been pushing a controversial proposal in the legislature to require premarital AIDS testing and had assumed—incorrectly—that the three officials were in the Statehouse lobbying against his initiative, according to state and federal public health officials.

The visitors learned of this on their return to their offices in Atlanta and Boston because, officials said, Sununu had complained to the White House about

their presence in Concord. "The next thing we knew, all hell was breaking loose," one recalled.

The episode was classic Sununu: a hasty conclusion, an emotional response, a thrust through the bureaucratic niceties to go right to the White House with his complaint. His forceful, often impetuous style propelled Sununu through three generally successful two-year terms as governor of New Hampshire, but sometimes that style caused him grief. Now Sununu is trying to settle into an entirely new role as President Bush's chief of staff, a job that requires a combination of diplomatic skills, self-effacement and patience. Some politicians in New Hampshire wonder whether their old governor can muster all of those.

Sununu's first weeks in Washington have been rocky. He has reacted defensively to criticism, earning a reputation as thin-skinned. When he learned that The Washington Post was examining his career, he angrily protested to executives of the newspaper. According to sources, he then boasted to colleagues

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Sununu's abrasive style often proved effective. In his first term, he moved quickly to erase a \$33 million deficit by speeding up revenue collections and raising taxes while keeping his pledge to avoid an income tax or a broad-based sales tax. But in January, after Sununu stepped down, Gov. Judd Gregg (R) said the state now has a \$13 million deficit.

Gov. Sununu received high marks in some unlikely areas for a conservative Republican. He took the lead in setting aside \$20 million in surplus state funds for a bank designed to preserve land and he oversaw dramatic—and costly—improvements in the state mental health system.

Before Sununu became governor, according to Donald L. Shumway, the mental health director Sununu inherited from Gov. Gallen, a Ralph Nader-sponsored group ranked New Hampshire in the bottom third of state-managed mental health programs. By the time Sununu left office, Shumway said, the same

Nader group ranked New Hampshire's as the third-best program in the country.

Like other state officials, Shumway said he often experienced Sununu's wrath, but added that Sununu respected his competence and persistence. "Shrinking violets won't do well around him," Shumway said. "If you've shown him you've done your homework, and you stand up for what you believe is right, he'll give you a chance."

But Sununu's combative, independent style sometimes proved costly. His call for mandatory premarital AIDS testing was a case in point. He made the proposal without consulting New Hampshire's top public health officials, who learned of it from the governor's office just a day before it was announced. They strongly disapproved of the idea, state officials said, but were forced to voice their concerns privately after a governor's aide asked them not to "shoot [the governor's office] in the foot."

As Governor, Sununu Was Dubbed 'King John'

SUNUNU, From A1

that he had persuaded the paper to kill a critical article.

He has had apparent difficulty reading the political tea leaves in the nation's capital. As recently as Wednesday, for example, Sununu was telling colleagues that the decision of Sen. Lloyd Bentsen (D-Tex.) to vote in favor of John G. Tower, President Bush's first nominee as secretary of defense, meant the Senate was moving toward the nominee—who was rejected 53 to 47 just 24 hours later.

Many Republicans, including veterans of earlier White House staffs, have privately criticized Sununu, saying that he has failed to organize an effective operation in the executive mansion.

In his six years as governor, Sununu so dominated New Hampshire that the generally supportive Manchester Union-Leader newspaper once dubbed him "King John."

A Dominant Executive

Dozens of interviews with state politicians and officials and a review of the Sununu governorship suggest that as governor he was more an engineer (his original profession) than a politician—a manager who preferred to work outside the conventional channels of government, who often chose political arm-twisting over the art of compromise and who frequently acted alone rather than delegate authority.

"It has been said that he doesn't suffer fools gladly," said state Democratic Party Chairman J. Joseph Grandmaison. "The fact is he doesn't suffer many people well."

An outsider in an often insular state, Sununu succeeded through a combination of acute intelligence and raw determination. He moved to Salem, 20 years ago, when he was a professor of mechanical engineering at Tufts University, outside Boston.

Salem is in booming southern New Hampshire, an area only an hour's drive or so from Boston, which has grown rapidly in recent years and come to play a crucial role in the state's politics. Sununu's political success symbolized the importance of the newcomers in southern New Hampshire.

His political career began undramatically. It included an undistinguished term as a state representative and unsuccessful campaigns for the state Senate, executive council and U.S. Senate.

But in 1982, Sununu defeated Gov. Hugh Gallen (D) in a hard-fought race. Sununu attacked Gallen as a big spender and pledged to balance the state budget without imposing a state income tax and general sales tax.

After winning the governorship, Sununu consolidated power and quickly impressed government operatives ranging from department heads appointed by his predecessor to lower-level bureaucrats surprised by his detailed grasp of their budgets.

State medical professionals opposed to mandatory testing said that married couples are the least likely group to have exposure to AIDS. They predicted that of the 22,000 people expected to be married within a year's time in New Hampshire, only two would be found to be infected with the AIDS virus. They wanted the state's resources to be concentrated on high-risk groups such as gay and bisexual men and intravenous drug abusers.

The day after Sununu's announcement, then-Vice President Bush came out in favor mandatory premarital testing. Some New Hampshire legislators accused Sununu, who was then chairman of Bush's state presidential campaign, of playing politics. Sununu denied it.

Sununu threatened to veto an overall AIDS education bill developed by the state public health division unless it included his mandatory testing provision. The Union-Leader accused Sununu of "brow-beating politics."

Because the legislature could not agree on the governor's mandatory testing plan, the entire AIDS education bill—a \$640,000 package that would have represented the first state funds to fight AIDS—was lost. The next year the legislature approved a program with no provision for premarital testing.

At the height of a fierce legislative battle in 1986 over changes in insurance regulations, Sununu convened private meetings in his Statehouse office to work out a bill to limit insurance awards to accident victims.

These "tort reforms" had provoked a battle that pitted the insurance industry, which was seeking to reduce liability insurance awards, against lawyers and consumer groups, which said limits on insurance claims hurt attorneys and their clients.

At the meetings, a top lobbyist for the insurance industry and key legislators fashioned a bill that the industry decided it could support.

Lobbyists for the lawyers and their allies in the legislature complained that Sununu and the others had shut them out of the meetings. Sununu was accused of meddling in the legislature's affairs and of acting as a "superlegislator."

Sununu, who noted that legislators often reach compromises in private, said his role was largely confined to providing a neutral site. The compromise worked out in his office was enacted into law.

A judge later dismissed a suit brought by five legislators who alleged that the meetings violated the state's "right to know" law.

Throughout this episode, tort reform opponents said, they were unaware that Sununu was part-owner of an insurance agency. New Hampshire's loose financial disclosure statements do not require such filings. "I never felt a conflict," Sununu said in an interview. He said that his agency sold only homeowner's insurance, which he said would not have been affected by tort reform.

Throughout 1983, Sununu's first

year in office, he battled with the board of trustees that oversees the state retirement system for public employees.

Facing a huge, inherited budget deficit, Sununu tried to persuade the board to alter an actuarial assumption to allow the state to reduce its contribution to the retirement fund by about \$4 million over two years.

The board balked at Sununu's suggestion. As a quasi-independent entity, it was not under the governor's direct control and felt its main responsibility was to the public employees, according to current and former board members.

Richard Charpentier, the chairman of the board at the time, said Sununu reacted angrily when the board disagreed with him. "He said absolutely he was the boss and he could control and replace me," said Charpentier, a holdover appointed by Gallen.

Governor Is Reversed

Over the board's protests, Sununu was successful in having the contribution to the retirement fund reduced by the legislature. But in 1984, the state's voters overwhelmingly approved an amendment to the constitution prohibiting the governor in the future from altering board-approved actuarial assumptions. Then in 1985, the legislature reversed Sununu's 1983 action on the actuarial assumption and agreed to restore to the retirement fund the full \$4 million over time.

A separate controversy erupted in 1983 and spilled over into 1984 when the retirement board decided to terminate a \$60 million investment contract it had with Amoskeag Bank (at the time called Amoskeag National), a Manchester-based institution then headed by Howard Keegan, Sununu's chief political fund-raiser.

Retirement board chairman Charles Baldwin and other board members said Amoskeag lost its contract because it permitted retirement funds to be placed in high-risk investments and because of excessive fees paid to independent brokers who invested the funds.

Board member A. Roland Roberge, a Republican who also is state banking commissioner, said Sununu privately complained to him that he thought the retirement board was using the Amoskeag contract to vent its hostility toward him. Sununu, Roberge said, asked him to have the board reconsider.

'To Try and Embarrass Me'

In an interview, Sununu denied that any such meeting took place and questioned Roberge's motivations.

"Roland Roberge is lying," said Sununu, who added that Roberge was upset with a Sununu reorganization plan that would have curtailed the bank commissioner's powers.

In another interview, Sununu said he had heard reports that Roberge had boasted that "he really had stuck it to the governor" in interviews with reporters.

"I always suspected . . . that [the board] took [the contract] from Amoskeag to try and embarrass me because of the relationship they knew I had with Howard Keegan," Sununu said. "And I accepted that as part of the politics of the day, you know."

According to board chairman Baldwin, the board dropped Amoskeag because there were "real problems" and the decision "had nothing to do with politics whatsoever." Baldwin was selected chairman by Sununu. Keegan, Sununu's fund-raiser, said he had recommended Baldwin for the post.

For his part, Roberge said that Sununu would not listen when he tried to explain the board's reasons. "He just kept on talking," Roberge said. "He just felt they were attacking him."

Sununu Has Embraced Controversial Issues

Arab Americans Hear Plea To Try to 'Make a Difference'

When President Bush first named John H. Sununu his chief of staff, some Jewish leaders expressed concern that Sununu had been the only governor in the nation who refused to endorse a 1986 proclamation condemning a U.N. resolution equating Zionism with racism.

Bush and Sununu quickly moved to diffuse the issue. Bush pointed out that Sununu had strongly supported a plank in the 1988 Republican Party platform calling for repeal of the U.N. resolution. Sununu insisted that he supports "the integrity and protection" of Israel.

He said his decision not to sign the proclamation was "procedural" and based on his belief that it was "inappropriate" for a governor to sign a resolution seeking to influence foreign policy issues.

Sununu, who is partly of Lebanese descent, has been active in the National Association of Arab Americans (NAAA). He has reported receiving \$4,000 in honoraria from the group over the last two years.

In a speech delivered to the group in May 1984 that has not been widely reported, Sununu called for increased Arab-American participation in the political process as a way to influence U.S. foreign policy, according to a tape recording of the speech obtained by The Washington Post. Though Sununu never mentioned American friends of Israel explicitly, the speech contained what appear to be references to them. "We have an obligation . . . to remind people that there is a far different side that for all too long has not been heard, has not been understood, and to the detriment [of] the foreign policy of this country, has not been made part of the decision-making process," Sununu said.

Calling for "a foreign policy that is even-handed," a formulation often used by critics who think the United States is too closely tied to Israel, Sununu said, "Others with perspectives very different from us have influenced the decision-making process in this country to the detriment of this nation's foreign policy."

He urged his audience of Arab Americans too "mimic the success formula of those who have opposed" their views by giving time, money and energy to "a cause that must be served."

Token participation in politics is not enough, Sununu said. Arab Americans should "want to get a result—you want to achieve the election of somebody who believes in issues as you do."

"If all we do is give the opposition cause and concern to double their effort . . .," Sununu said, "if all we do is target ourselves, instead of putting enough effort into it to achieve a success, that would have been worse than nothing at all."

Sununu called on Arab Americans to commit money, time and other resources to develop "grass-roots" political strength.

"If all we do is achieve a handful of successes each election for the next decade," Sununu added, "I guarantee you that that will be enough to make a difference and begin to allow you to watch the news at night without that same knot in the pit of your stomach."

Asked to comment on the speech, Sununu said through a spokesman, "I'm proud of my heritage as an Arab American. I was invited by NAAA as an elected Arab American . . . and that speech urged Arab Americans to get involved in the political process."



Sununu refused to condemn U.N. resolution equating Zionism with racism but insists he believes in a strong Israel.

Despite Cost at Polls, Governor Fought for Seabrook Reactor

Of all the policy positions John H. Sununu took while governor of New Hampshire, none more clearly illustrated his willingness to pursue an objective despite the cost than his dogged support for the controversial Seabrook nuclear power plant.

During his six-year tenure, Sununu used virtually every means at his disposal to get the plant on line—an effort that hurt him politically. In 1984, he was elected to his second two-year term with a 34 percentage-point margin. Two years later, after his Democratic opponent attempted to transform the election into a referendum on Seabrook, Sununu's victory margin was cut to 8 points.

"It's amazing he was able to survive politically with his support for Seabrook," said Jay Smith, a longtime Sununu media consultant.

Sununu's association with nuclear power is a long one. In the 1970s and early 1980s, while a professor of mechanical engineering, he spoke at public forums sponsored by industry-funded organizations.

In 1981, a year after an unsuccessful bid for the U.S. Senate, he appeared in a full-page magazine advertisement paid for by utility companies that said the 1979 accident at Three Mile Island in Pennsylvania demonstrated nuclear power posed little threat to the public. "Three Mile Island has made nuclear power even safer," Sununu is quoted in the ad.

During this period, Sununu worked as a consultant to firms that either built nuclear plants or supplied their parts. They included Westinghouse Electric Corp., Stone & Webster Engineering Corp. and Kieley & Mueller.

Westinghouse, which supplied the reactor for the Seabrook plant for \$190 million, would play a significant role in Sununu's political career. Media consultant Smith said he first met Sununu in 1980 through Leo Wright, a Westinghouse lobbyist in Washington, D.C.

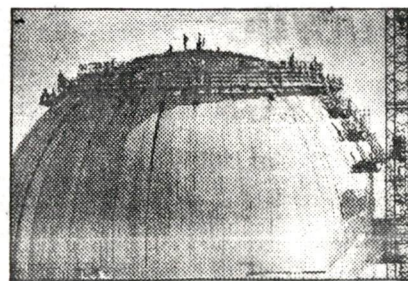
In four statewide campaigns, Sununu received more than \$50,000 from nuclear interests, according to an analysis by a campaign operative for Paul McEachern, Sununu's 1986 gubernatorial opponent.

Sununu bristles at any suggestion that his stand on nuclear power was influenced by the industry. "I do not like having what I say cast in the context of, 'Here is somebody whose strings are being pulled by somebody else, or who is being influenced by campaign contributions,'" he said in an interview. "I guarantee you I would be as tough on this energy issue no matter what." Although Seabrook became increasingly unpopular during Sununu's governorship, he never abandoned his efforts to see it open. Sununu intervened with the federal government, tried to make sure state government remained supportive, and even tried to help the plant's primary owner, Public Service Co. of New Hampshire, sell bonds.

Nevertheless, six years after Sununu assumed office, the completed \$6 billion Seabrook plant remains idle, its future imperiled by a lengthy federal safety review and bankruptcy proceedings. Public Service Co. of New Hampshire has filed for bankruptcy protection, and New Hampshire rate-payers could face huge increases in their electric bills.

Foes of nuclear power and some energy specialists said Sununu's unyielding position on Seabrook stemmed from an unwillingness to concede that the cost of nuclear power was becoming prohibitive.

"My experience is that people who take [Sununu's] position tend to be engineers," said I.C. Bupp, managing director of the consulting firm Cambridge Energy Research Associates. "They don't understand that the problems with the technology are basically political."



Containment facility at New Hampshire's Seabrook nuclear power plant shown under construction in July 1983.

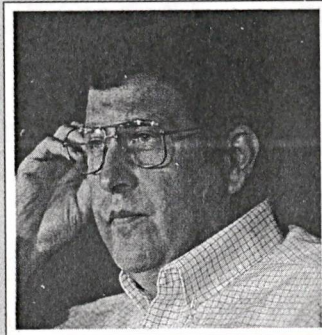


JOHN H. SUNUNU

- **BORN:** Havana, July 2, 1939
- **EDUCATION:** BS, Massachusetts Institute of Technology, 1961; MS, 1962; PhD, 1966
- **PERSONAL:** Married Nancy Hayes in 1958; eight children.
- **PROFESSIONAL HISTORY:** Chief engineer, Astro Dynamics, 1960-65; president, J.H.S. Engineering Co. and Thermal Research Inc., Salem, N.H., 1965-82; associate professor of mechanical engineering, Tufts University, 1966-82; New Hampshire House of Representatives, 1973-75; Governor's Energy Council, 1973-78; New Hampshire governor 1983-1989; White House chief of staff, 1989-.

Staff chief Sununu and President Bush turn toward news secretary Marlin Fitzwater in first week of the new administration.

Bush's Bad Cop



DIANA WALKER

Sununu: provocative questioner

George Bush takes pains to overcome what he calls "the intimidation factor" by encouraging visitors to speak freely. Bush's good-cop demeanor, however, is balanced by his combative chief of staff John Sununu, whose role is to keep discussions pointed, to make people defend their positions—and occasionally just to cut through the bull.

A group of bankers found that out the hard way recently after telling the President that they supported his efforts to rescue the savings-and-loan industry. Sununu pulled out an ad the bankers were running trying to scare depositors away from S & Ls and into banks.

"I take it, then," he growled, "this sort of thing will stop." When a utility boss complained that Bush's clean-air proposals would drive up his electricity rates, Sununu retorted that the utility already enjoyed rates below the national average, which the Government subsidized.

Sununu puckishly allows, "I have been known to ask provocative questions." His bad-cop act has the President's support, but Sununu has drawn fire from Congress and has left some staffers afraid to voice unpopular advice in his presence. Many consult more easily with Sununu's own good cop, deputy to chief of staff Andrew Card. Colleagues were relieved when Card decided to stay at the White House rather than run for Governor of Massachusetts.

Inauguration



John H. Sununu

Sununu is grateful for Bush's past help

CONCORD, N.H.
John H. Sununu met George Bush while helping the 1980 Bush presidential campaign but really got to know him two years later when it was a Sununu campaign in need of help.

In need of money, actually.

Mr. Bush showed up in New Hampshire, on just a few weeks' notice, and starred at a dinner that earned more than \$250,000 for Mr. Sununu's fight for the governorship. He won, taking his first statewide office and capturing the Concord Statehouse for the Republican Party.

"We have a September primary for governor and a November election," Mr. Sununu said. "I came out of a tough primary and needed somebody to help me raise some money for the general election.

"And Vice President George Bush, on very short notice, came up to New Hampshire. We had a major

dinner, a fund-raiser, and raised about a quarter of a million dollars," Mr. Sununu said.

"I first met him in 1979 in preparation for the 1980 primaries, but it was not until that fund-raiser in 1982 that it became more than political acquaintance. We got to know each other well through that process and over the last six years got to know each other even better," he said.

Mr. Sununu brushed off a suggestion that he might have joined the 1988 Bush team so early out of "gratitude" for that assist.

"You might put it that way, but I felt it was the recognition that here's somebody who cares enough about the Republican Party and Republican candidates, conservative Republican candidates, that he's willing to take the extra time to campaign and help them win elections," Mr. Sununu said.

In any event, in early 1987 when Vice President Bush was preparing to mount a new campaign for the presidency, it was Mr. Sununu whose help was asked and given.

In February, a full year ahead of the crucial New Hampshire primary whose result hinged on Mr. Sununu's help, the governor flew to Washington and held a news conference endorsing Mr. Bush.

"I came out a year ahead of time and said I'm for George Bush," he recalled.

"I wanted to get involved early enough to help it get done right. Anybody can endorse a candidate," Mr. Sununu said. "I wanted to get involved to the point where I could help participate in the campaign planning and give it a direction that I thought would help it win."

— Frank J. Murray

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President Bush was

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WASHINGTON TIMES

Jan 19, 1989

After Shaky Start, Sununu Comes Into His Own As Savvy—but Sometimes Abrasive—Operator

By GERALD F. SEIB

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—Putting John Sununu and Ted Kennedy to work on a problem is like putting two scorpions in a bottle.

Mr. Sununu, President Bush's chief of staff, is a combative, conservative Republican with a history of ambushing liberal Democrats like Sen. Kennedy. Yet Mr. Sununu has just finished going head to head with the Massachusetts senator—and succeeding in negotiating an agreement on landmark legislation giving sweeping new rights to disabled Americans.

Mr. Sununu was typically tough; at one point, he tracked down Sen. Kennedy on a boat for a blunt phone conversation to break a logjam in Senate-White House talks. Another White House negotiating session ran triple its scheduled length. In the end Mr. Sununu committed the White House's support to the legislation while winning some concessions to minimize the effects on small business—and a mutually acceptable bill now is whisking through Congress.



John Sununu

"His role on that [legislation] was really impressive, an impressive tour de force," Sen. Kennedy says. "Once he got involved, we were able to identify the key issues."

As that encounter suggests, Mr. Sununu, the brainy former New Hampshire governor, has begun thriving in Washington even though his brusque style still rubs some people the wrong way. His boss, President Bush, is enjoying high public approval; important legislation is moving ahead and Mr. Sununu's relationship with the president is strong. Inside the administration, aides say Mr. Sununu has grown more relaxed, more willing to delegate responsibility and surprisingly content to play the role of a detached broker in policy debates.

This represents a significant change from the administration's rocky opening months, when some wondered whether the new chief of staff would survive. Mr. Sununu was pilloried as John Tower's nomination as defense secretary went down in flames, as an ill-advised idea to charge fees on savings and loan deposits blew up in the administration's face and as the process of filling government jobs bogged down.

Many political analysts here believe that Mr. Sununu has moderated his brash style, and that the former governor has adjusted to his White House role. But the relentlessly self-confident Mr. Sununu claims that it is Washington that has changed—that the rest of the city has accustomed itself to the deliberate pace that Mr. Bush chose for tackling thorny problems like the savings-and-loan mess, air pollution and arms talks with the Soviets.

"I think this administration takes pains to work hard to make sure the whole is built up of a lot of pieces done in exactly the right way," Mr. Sununu says. He likens the Bush style to the process of forming a mosaic by carefully putting in place small parts one at a time. "I hope the good feelings that are out there now are reflective of the fact that people are beginning to appreciate that the pieces are coming together," he says.

Mr. Sununu was a hard-charging governor who ran the New Hampshire statehouse with an iron hand, earning Mr. Bush's trust when he engineered a crucial victory in the 1988 New Hampshire primary. But despite the initial fears of some in Washington, Mr. Sununu insists, he has carefully avoided using his powerful new post to be a "gatekeeper" who blocks others from the president. Indeed, cabinet members and other advisers have enjoyed unusually broad access to the president.

Moreover, Mr. Sununu is proving more adept than expected at reining in his personal views and instead brokering compromises among other advisers. In the last stages of preparing Mr. Bush's mammoth Clean Air Act proposals, for instance, Mr. Sununu called together Environmental Protection Agency chief William Reilly and White House staffers for a marathon meeting to craft a compromise settling a dispute over regulations to cut auto emissions.

Mr. Reilly recalls that in a private chat later, Mr. Sununu, an engineer in his own right, disclosed that he still harbored reservations about one small piece of the bill but had chosen not to push his personal view. "We're not preparing this legislation for you or for me. It's for him [Mr. Bush]," Mr. Sununu explained. Adds Mr. Reilly: "Contrary to what some people had feared, that he would simply impose his own view because he's a strong man, I don't have the sense that he did that."

Despite such deft internal maneuvering, though, some Democrats and Republicans alike suspect Mr. Sununu, with his combat-

ive style, still may be accumulating too many enemies for his own good. This was particularly evident during the Tower debacle, when Mr. Sununu privately lashed out at Sam Nunn, the powerful chairman of the Senate Armed Services Committee who led the fight against Sen. Tower, threatening to sour the administration's relations with this critical lawmaker.

And although the White House chief of staff has toned down since that early encounter, in a recent meeting with GOP House members, Mr. Sununu suggested that Republicans attack a crime package proposed by Democratic Sen. Joseph Biden of Delaware—chairman of the Senate Judiciary Committee—as "mostly plagiarism," because it allegedly stole ideas from Mr. Bush's plans. The charge offended Sen. Biden, whose presidential campaign last year collapsed amid charges that he had plagiarized speeches. The senator was particularly rankled because he carefully backed up his crime plan with a 50-page appendix crediting others with many of the ideas.

Mr. Sununu's charges reportedly led to an acrimonious telephone confrontation between the two men, who refuse to discuss the episode. But Sen. Biden does say that when Mr. Sununu has "substantive differences" with someone, "the inclination is to respond with personal attacks—which is bush league, no pun intended. It surprised me."

Mr. Sununu also rankled some Republican congressional leaders by dressing them down at a recent White House meeting for failing to properly support Mr. Bush's programs. And a group of conser-

Photo Copy Preservation

"After Shaky Start, Sununu Comes Into His Own As Savvy -
But Sometimes Abrasive - Operator"

vative supporters was stunned at another meeting when one conservative began raising a concern about personnel issues, only to be cut short by Mr. Sununu, who snapped: "Get your facts straight."

Mr. Sununu suggests that sometimes when he knocks heads he does so because it's part of the job of being the top aide to a president who doesn't like to knock heads himself. "There are natural obligations that I have to be willing to carry out," he says. "It goes with the territory."

One group Mr. Sununu has generally succeeded in pleasing is conservatives, who view him as their champion in a generally moderate White House. Mr. Sununu does appear ready to move in when he thinks conservative principles aren't being followed adequately. When the Supreme Court rendered its controversial decision curbing abortion rights, for instance, lower-ranking staffers recommended that the White House avoid commenting on the politically explosive decision. But Mr. Sununu rejected that advice, ordered up a lengthy statement reiterating Mr. Bush's opposition to abortion, then read the statement personally to reporters.

And whatever his relations with others, Mr. Sununu's most important relationship—the one with President Bush—appears sturdy. Mr. Sununu is confident enough, for example, to weigh in on foreign-policy as well as domestic issues. He acknowledges arguing that Mr. Bush should propose even deeper cuts in U.S. and Soviet conventional forces than those he ultimately proposed this spring.

And Mr. Sununu is comfortable enough with Mr. Bush to pull an occasional practical joke. The other day, Mr. Sununu and two other advisers were sitting in front of Mr. Bush's desk waiting for the president. It occurred to Mr. Sununu that the sight of three aides staring at an empty presidential chair was reminiscent of the Doonesbury cartoon strip that lampoons Mr. Bush by portraying him as a transparent wisp of

air. So he had a White House photographer snap a shot of the scene, later inscribed the picture accordingly and gave it to Mr.

Bush—who was so amused he immediately hurried to the White House press room to show it off.

Photo Copy Preservation

U.S. to Press Israel, PLO To Act to Ease Tensions

By John M. Goshko
Washington Post Staff Writer

The United States plans to use Israeli Foreign Minister Moshe Arens' visit here Monday to begin pressing Israel and the Palestine Liberation Organization for steps to reduce tensions in the West Bank and Gaza Strip in hopes that an improved atmosphere will increase chances for peace negotiations.

The U.S. campaign, which one State Department official described as "asking each side for some practical, on-the-ground concessions to make life less onerous in the occupied territories," will begin during Arens' day-long round of talks with President Bush, Secretary of State James A. Baker III and other senior administration officials.

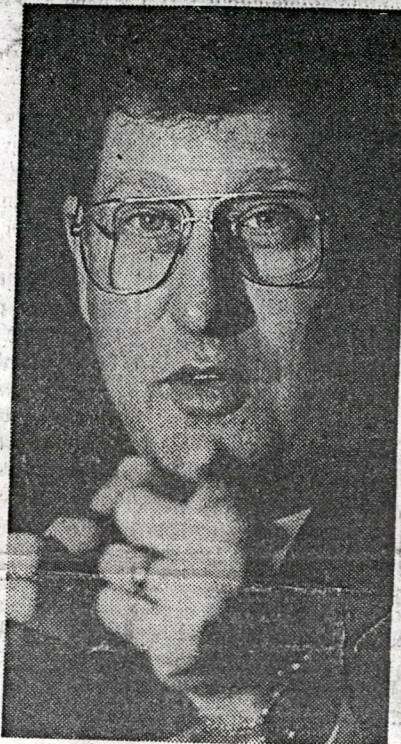
The campaign will continue in Tunis later this month at the first

formal U.S. meeting with PLO representatives in three months.

Officials said Israel will be asked to expand steps it has taken to avoid massing large numbers of soldiers in areas heavily populated by Palestinians, to release more Palestinians who have been detained as a result of the unrest and to allow Palestinians to travel in and out of the territories more freely.

On the other side, the officials continued, Ambassador Robert H. Pelletreau Jr., designated by the State Department as the conduit for the dialogue with the PLO, will tell PLO leaders that the United States wants them to try to influence the leaders of the Palestinian uprising, known in Arabic as the *intifada*, to tone down actions and rhetoric encouraging the violence that has in-

See STRATEGY, A32, Col. 1



CONCORD MONITOR
JOHN H. SUNUNU
... trouble reading capital tea leaves

The Forceful Style of John Sununu

Often Brash as Governor, Bush Aide in Job Built for Patience

By Joe Pichirallo and Michael Rezendes
Washington Post Staff Writers

After completing a routine audit of federally funded health programs in Concord, N.H., in 1987, three officials from the U.S. Centers for Disease Control paid a sightseeing visit to the historic Statehouse, where they bumped into then-Gov. John H. Sununu.

Introduced by a friendly state legislator whom the visitors had met by chance, Sununu merely glared. "I wish you people would do a better job," one official recalled Sununu saying. Then Sununu turned on his heels and stalked off.

Sununu had been pushing a controversial proposal in the legislature to require premarital AIDS testing and had assumed—incorrectly—that the three officials were in the Statehouse lobbying against his initiative, according to state and federal public health officials.

The visitors learned of this on their return to their offices in Atlanta and Boston because, officials said, Sununu had complained to the White House about

their presence in Concord. "The next thing we knew, all hell was breaking loose," one recalled.

The episode was classic Sununu: a hasty conclusion, an emotional response, a thrust through the bureaucratic niceties to go right to the White House with his complaint. His forceful, often impetuous style propelled Sununu through three generally successful two-year terms as governor of New Hampshire, but sometimes that style caused him grief. Now Sununu is trying to settle into an entirely new role as President Bush's chief of staff, a job that requires a combination of diplomatic skills, self-effacement and patience. Some politicians in New Hampshire wonder whether their old governor can muster all of those.

Sununu's first weeks in Washington have been rocky. He has reacted defensively to criticism, earning a reputation as thin-skinned. When he learned that The Washington Post was examining his career, he angrily protested to executives of the newspaper. According to sources, he then boasted to colleagues

See SUNUNU, A16, Col. 1



Irish Immigrants Struggle In Urban 'Underground'

With Alien-Law Sanctions, Work Is Erratic

INSIDE



Photo Copy Preservation

As Governor, Sununu Was Dubbed 'King John'

SUNUNU, From A1

that he had persuaded the paper to kill a critical article.

He has had apparent difficulty reading the political tea leaves in the nation's capital. As recently as Wednesday, for example, Sununu was telling colleagues that the decision of Sen. Lloyd Bentsen (D-Tex.) to vote in favor of John G. Tower, President Bush's first nominee as secretary of defense, meant the Senate was moving toward the nominee—who was rejected 53 to 47 just 24 hours later.

Many Republicans, including veterans of earlier White House staffs, have privately criticized Sununu, saying that he has failed to organize an effective operation in the executive mansion.

In his six years as governor, Sununu so dominated New Hampshire that the generally supportive Manchester Union-Leader newspaper once dubbed him "King John."

A Dominant Executive

Dozens of interviews with state politicians and officials and a review of the Sununu governorship suggest that as governor he was more on

Sununu Has Embraced Controversial Issues

Arab Americans Hear Plea To Try to 'Make a Difference'

When President Bush first named John H. Sununu his chief of staff, some Jewish leaders expressed concern that Sununu had been the only governor in the nation who refused to endorse a 1986 proclamation condemning a U.N. resolution equating Zionism with racism.

Bush and Sununu quickly moved to diffuse the issue. Bush pointed out that Sununu had strongly supported a plank in the 1988 Republican Party platform calling for repeal of the U.N. resolution. Sununu insisted that he supports "the integrity and protection" of Israel.

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In 1981, a year after an unsuccessful bid for the U.S. Senate, he appeared in a full-page magazine advertisement paid for by utility companies that said the 1979 accident at Three Mile Island in Pennsylvania demonstrated nuclear



Staff chief Sununu and President Bush turn toward news secretary Marlin Fitzwater in first week of the new administration.

JOHN H. SUNUNU

- **BORN:** Havana, July 2, 1939
- **EDUCATION:** BS, Massachusetts Institute of Technology, 1961; MS, 1962; PhD, 1966
- **PERSONAL:** Married Nancy Hayes in 1958; eight children.
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year in office, he battled with the board of trustees that oversees the state retirement system for public employees.

Facing a huge, inherited budget deficit, Sununu tried to persuade the board to alter an actuarial assumption to allow the state to reduce its contribution to the retirement fund by about \$4 million over two years.

The board balked at Sununu's suggestion. As a quasi-independent entity, it was not under the governor's direct control and felt its main responsibility was to the public employees, according to current and former board members.

Richard Charpentier, the chairman of the board at the time, said Sununu reacted angrily when the board disagreed with him. "He said absolutely he was the boss and he could control and replace me," said Charpentier, a holdover appointed by Gallen.

Governor Is Reversed

Over the board's protests, Sununu was successful in having the contribution to the retirement fund

Photo Copy Preservation

that as governor he was more an engineer (his original profession) than a pol—a manager who preferred to work outside the conventional channels of government, who often chose political arm-twisting over the art of compromise and who frequently acted alone rather than delegate authority.

"It has been said that he doesn't suffer fools gladly," said state Democratic Party Chairman J. Joseph Grandmaison. "The fact is he doesn't suffer many people well."

An outsider in an often insular state, Sununu succeeded through a combination of acute intelligence and raw determination. He moved to Salem, 20 years ago, when he was a professor of mechanical engineering at Tufts University, outside Boston.

Salem is in booming southern New Hampshire, an area only an hour's drive or so from Boston, which has grown rapidly in recent years and come to play a crucial role in the state's politics. Sununu's political success symbolized the importance of the newcomers in southern New Hampshire.

His political career began undramatically. It included an undistinguished term as a state representative and unsuccessful campaigns for the state Senate, executive council and U.S. Senate.

But in 1982, Sununu defeated Gov. Hugh Gallen (D) in a hard-fought race. Sununu attacked Gallen as a big spender and pledged to balance the state budget without imposing a state income tax and general sales tax.

After winning the governorship, Sununu consolidated power and quickly impressed government operatives ranging from department heads appointed by his predecessor to lower-level bureaucrats surprised by his detailed grasp of their budgets.

Sununu's abrasive style often proved effective. In his first term, he moved quickly to erase a \$33 million deficit by speeding up revenue collections and raising taxes while keeping his pledge to avoid an income tax or a broad-based sales tax. But in January, after Sununu stepped down, Gov. Judd Gregg (R) said the state now has a \$13 million deficit.

Gov. Sununu received high marks in some unlikely areas for a conservative Republican. He took the lead in setting aside \$20 million in

in a speech delivered to the group in May 1984 that has not been widely reported, Sununu called for increased Arab-American participation in the political process as a way to influence U.S. foreign policy, according to a tape recording of the speech obtained by The Washington Post. Though Sununu never mentioned American friends of Israel explicitly, the speech contained what appear to be references to them. "We have an obligation . . . to remind people that there is a far different side that for all too long has not been heard, has not been understood, and to the detriment [of] the foreign policy of this country, has not been made part of the decision-making process," Sununu said.

Calling for "a foreign policy that is even-handed," a formulation often used by critics who think the United States is too closely tied to Israel, Sununu said, "Others with perspectives very different from us have influenced the decision-making process in this country to the detriment of this nation's foreign policy."

He urged his audience of Arab Americans too "mimic the success formula of those who have opposed" their views by giving time, money and energy to "a cause that must be served."

"Token participation in politics is not enough, Sununu said. Arab Americans should 'want to get a result—you want to achieve the election of somebody who believes in issues as you do.'"

"If all we do is give the opposition cause and concern to double their effort . . .," Sununu said, "if all we do is target ourselves, instead of putting enough effort into it to achieve a success, that would have been worse than nothing at all."

Sununu called on Arab Americans to commit money, time and other resources to develop "grass-roots" political strength.

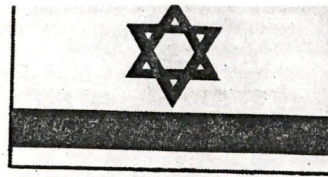
"If all we do is achieve a handful of successes each election for the next decade," Sununu added, "I guarantee you that that will be enough to make a difference and begin to allow you to watch the news at night without that same knot in the pit of your stomach."

Asked to comment on the speech, Sununu said through a spokesman, "I'm proud of my heritage as an Arab American. I was invited by NAAA as an elected Arab American . . . and that speech urged Arab Americans to get involved in the political process."

Nader group ranked New Hampshire's as the third-best program in the country.

Like other state officials, Shumway said he often experienced Sununu's wrath, but added that Sununu respected his competence and persistence. "Shrinking violets won't do well around him," Shumway said. "If you've shown him you've done your homework, and you stand up for what you believe is right, he'll give you a chance."

But Sununu's combative, inde-



Sununu refused to condemn U.N. resolution equating Zionism with racism but insists he believes in a strong Israel.

paid for by utility companies that said the 1979 accident at Three Mile Island in Pennsylvania demonstrated nuclear power posed little threat to the public. "Three Mile Island has made nuclear power even safer," Sununu is quoted in the ad.

During this period, Sununu worked as a consultant to firms that either built nuclear plants or supplied their parts. They included Westinghouse Electric Corp., Stone & Webster Engineering Corp. and Kieley & Mueller.

Westinghouse, which supplied the reactor for the Seabrook plant for \$190 million, would play a significant role in Sununu's political career. Media consultant Smith said he first met Sununu in 1980 through Leo Wright, a Westinghouse lobbyist in Washington, D.C.

In four statewide campaigns, Sununu received more than \$50,000 from nuclear interests, according to an analysis by a campaign operative for Paul McEachern, Sununu's 1986 gubernatorial opponent.

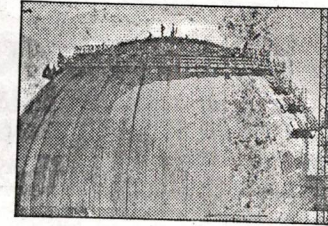
Sununu bristles at any suggestion that his stand on nuclear power was influenced by the industry. "I do not like having what I say cast in the context of, 'Here is somebody whose strings are being pulled by somebody else, or who is being influenced by campaign contribu-

tions,'" he said in an interview. "I guarantee you I would be as tough on this energy issue no matter what." Although Seabrook became increasingly unpopular during Sununu's governorship, he never abandoned his efforts to see it open. Sununu intervened with the federal government, tried to make sure state government remained supportive, and even tried to help the plant's primary owner, Public Service Co. of New Hampshire, sell bonds.

Nevertheless, six years after Sununu assumed office, the completed \$6 billion Seabrook plant remains idle, its future imperiled by a lengthy federal safety review and bankruptcy proceedings. Public Service Co. of New Hampshire has filed for bankruptcy protection, and New Hampshire rate-payers could face huge increases in their electric bills.

Foes of nuclear power and some energy specialists said Sununu's unyielding position on Seabrook stemmed from an unwillingness to concede that the cost of nuclear power was becoming prohibitive.

"My experience is that people who take [Sununu's] position tend to be engineers," said I.C. Bupp, managing director of the consulting firm Cambridge Energy Research Associates. "They don't understand that the problems with the technology are basically political."



Containment facility at New Hampshire's Seabrook nuclear power plant shown under construction in July 1983.

Because the legislature could not agree on the governor's mandatory testing plan, the entire AIDS education bill—a \$640,000 package that would have represented the first state funds to fight AIDS—was lost. The next year the legislature approved a program with no provision for premarital testing.

At the height of a fierce legislative battle in 1986 over changes in insurance regulations, Sununu convened private meetings in his State-

Lobbyists for the lawyers and their allies in the legislature complained that Sununu and the others had shut them out of the meetings. Sununu was accused of meddling in the legislature's affairs and of acting as a "superlegislator."

Sununu, who noted that legislators often reach compromises in private, said his role was largely confined to providing a neutral site. The compromise worked out in his office was enacted into law.

A judge later dismissed a suit

Sununu was successful in having the contribution to the retirement fund reduced by the legislature. But in 1984, the state's voters overwhelmingly approved an amendment to the constitution prohibiting the governor in the future from altering board-approved actuarial assumptions. Then in 1985, the legislature reversed Sununu's 1983 action on the actuarial assumption and agreed to restore to the retirement fund the full \$4 million over time.

A separate controversy erupted in 1983 and spilled over into 1984 when the retirement board decided to terminate a \$60 million investment contract it had with Amoskeag Bank (at the time called Amoskeag National), a Manchester-based institution then headed by Howard Keegan, Sununu's chief political fund-raiser.

Retirement board chairman Charles Baldwin and other board members said Amoskeag lost its contract because it permitted retirement funds to be placed in high-risk investments and because of excessive fees paid to independent brokers who invested the funds.

Board member A. Roland Roberge, a Republican who also is state banking commissioner, said Sununu privately complained to him that he thought the retirement board was using the Amoskeag contract to vent its hostility toward him. Sununu, Roberge said, asked him to have the board reconsider.

'To Try and Embarrass Me'

In an interview, Sununu denied that any such meeting took place and questioned Roberge's motivations.

"Roland Roberge is lying," said Sununu, who added that Roberge was upset with a Sununu reorganization plan that would have curtailed the bank commissioner's powers.

In another interview, Sununu said he had heard reports that Roberge had boasted that "he really had stuck it to the governor" in interviews with reporters.

"I always suspected . . . that [the board] took [the contract] from Amoskeag to try and embarrass me because of the relationship they knew I had with Howard Keegan," Sununu said. "And I accepted that as part of the politics of the day, you know."

balance the state budget without imposing a state income tax and general sales tax.

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Gov. Sununu received high marks in some unlikely areas for a conservative Republican. He took the lead in setting aside \$20 million in surplus state funds for a bank designed to preserve land and he oversaw dramatic—and costly—improvements in the state mental health system.

Before Sununu became governor, according to Donald L. Shumway, the mental health director Sununu inherited from Gov. Gallen, a Ralph Nader-sponsored group ranked New Hampshire in the bottom third of state-managed mental health programs. By the time Sununu left office, Shumway said, the same

for the next decade, Sununu added, "I guarantee you that that will be enough to make a difference and begin to allow you to watch the news at night without that same knot in the pit of your stomach."

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But Sununu's combative, independent style sometimes proved costly. His call for mandatory premarital AIDS testing was a case in point. He made the proposal without consulting New Hampshire's top public health officials, who learned of it from the governor's office just a day before it was announced. They strongly disapproved of the idea, state officials said, but were forced to voice their concerns privately after a governor's aide asked them not to "shoot [the governor's office] in the foot."

State medical professionals opposed to mandatory testing said that married couples are the least likely group to have exposure to AIDS. They predicted that of the 22,000 people expected to be married within a year's time in New Hampshire, only two would be found to be infected with the AIDS virus. They wanted the state's resources to be concentrated on high-risk groups such as gay and bisexual men and intravenous drug abusers.

The day after Sununu's announcement, then-Vice President Bush came out in favor of mandatory premarital testing. Some New Hampshire legislators accused Sununu, who was then chairman of Bush's state presidential campaign, of playing politics. Sununu denied it.

Sununu threatened to veto an overall AIDS education bill developed by the state public health division unless it included his mandatory testing provision. The Union-Leader accused Sununu of "browbeating politics."

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"My experience is that people who take [Sununu's] position tend to be engineers," said I.C. Bupp, managing director of the consulting firm Cambridge Energy Research Associates. "They don't understand that the problems with the technology are basically political."

Because the legislature could not agree on the governor's mandatory testing plan, the entire AIDS education bill—a \$640,000 package that would have represented the first state funds to fight AIDS—was lost. The next year the legislature approved a program with no provision for premarital testing.

At the height of a fierce legislative battle in 1986 over changes in insurance regulations, Sununu convened private meetings in his Statehouse office to work out a bill to limit insurance awards to accident victims.

These "tort reforms" had provoked a battle that pitted the insurance industry, which was seeking to reduce liability insurance awards, against lawyers and consumer groups, which said limits on insurance claims hurt attorneys and their clients.

At the meetings, a top lobbyist for the insurance industry and key legislators fashioned a bill that the industry decided it could support.

Lobbyists for the lawyers and their allies in the legislature complained that Sununu and the others had shut them out of the meetings. Sununu was accused of meddling in the legislature's affairs and of acting as a "superlegislator."

Sununu, who noted that legislators often reach compromises in private, said his role was largely confined to providing a neutral site. The compromise worked out in his office was enacted into law.

A judge later dismissed a suit brought by five legislators who alleged that the meetings violated the state's "right to know" law.

Throughout this episode, tort reform opponents said, they were unaware that Sununu was part-owner of an insurance agency. New Hampshire's loose financial disclosure statements do not require such filings. "I never felt a conflict," Sununu said in an interview. He said that his agency sold only homeowner's insurance, which he said would not have been affected by tort reform.

Throughout 1983, Sununu's first

In an interview, Sununu denied that any such meeting took place and questioned Roberge's motivations.

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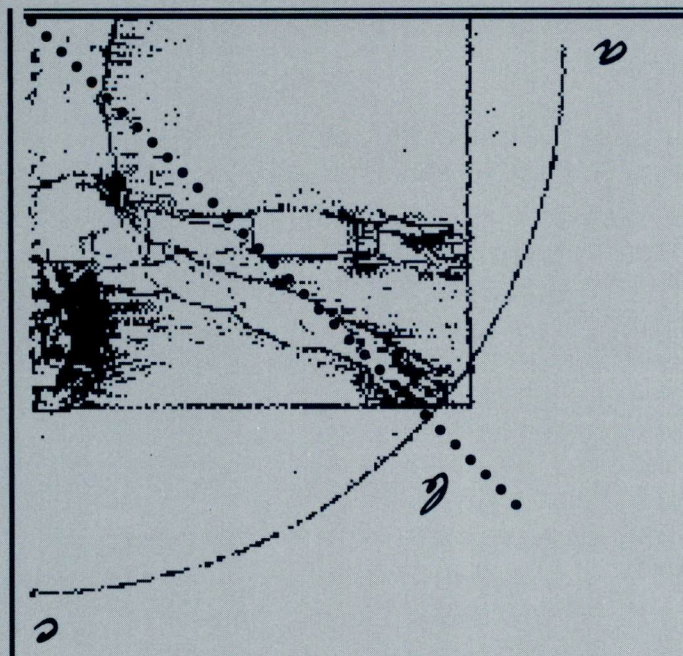
"I always suspected . . . that [the board] took [the contract] from Amoskeag to try and embarrass me because of the relationship they knew I had with Howard Keegan," Sununu said. "And I accepted that as part of the politics of the day, you know."

According to board chairman Baldwin, the board dropped Amoskeag because there were "real problems" and the decision "had nothing to do with politics whatsoever." Baldwin was selected chairman by Sununu. Keegan, Sununu's fund-raiser, said he had recommended Baldwin for the post.

For his part, Roberge said that Sununu would not listen when he tried to explain the board's reasons. "He just kept on talking," Roberge said. "He just felt they were attacking him."

Engineering and Human Welfare

NAE 25



Engineering and Human Welfare

Proceedings of the 25th Annual Meeting
of the National Academy of Engineering
3–4 October 1989

Edited by Hedy E. Sladovich

National Academy of Engineering
1990

The National Academy of Engineering was established in 1964, under the charter of the National Academy of Sciences, as a parallel organization of outstanding engineers. It is autonomous in its administration and in the selection of its members, sharing with the National Academy of Sciences the responsibility for advising the federal government. The National Academy of Engineering also sponsors engineering programs aimed at meeting national needs, encourages education and research, and recognizes the superior achievements of engineers. Dr. Robert M. White is president of the National Academy of Engineering.

This volume consists of papers and speakers' remarks presented during the public portions of the Twenty-Fifth Annual Meeting of the National Academy of Engineering, including the symposium "Engineering and Human Welfare," 3-4 October 1989 in Washington, D.C. The interpretations and conclusions expressed in the symposium papers are those of the authors and are not presented as the views of the council, officers, or staff of the Academy.

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THE WHITE HOUSE

WASHINGTON

September 29, 1989

I am pleased to send greetings to the National Academy of Engineering as you celebrate 25 years of contributions to a better America.

These years have brought great change and achievement in our world. As we stand on the threshold of a new century, we will need the assistance of American engineers to help us meet new challenges while solving old problems.

We will be calling on the members of the Academy for innovative solutions to challenges such as global warming, environmental pollution, and increased competition in the world marketplace. American engineering has always been synonymous with excellence, and I am confident that the NAE will help maintain that reputation.

In the next century, America will embark on space voyages to new worlds to discover the unknown. The possibilities capture the imagination and promise a renewal of our pioneering spirit -- the daring and optimism that made our country great. We will be counting on the creativity and vision of the members of the NAE to help us reach our goals.

Barbara joins me in sending our best wishes for a wonderful celebration.

Gay Bush

PREFACE AND ACKNOWLEDGMENTS

The first 25 years of the National Academy of Engineering, 1964 to 1989, have been a period during which technology has significantly changed the global context of our lives. A growing number of major government decisions deal with technology-based issues. In the future the linkage between technology and public policy will grow closer as scientific discovery and technological innovation continue to produce new benefits and, perhaps, some unforeseen risks.

As a global society we face many challenges: reconciling economic growth with environmental responsibility and peacekeeping; the evolution of economic and political relations among nations; and advancing technologies that address the public's concern for safety. Engineers have the training—and the responsibility—to contribute to meeting these challenges, including helping others understand the technological aspects of these issues.

Seen in this light, the NAE's 25th anniversary year celebrates the achievements of engineering in the past quarter century and the challenge to engineers for the future. Recognizing past engineering achievements is complicated by the sheer number of contributions that engineers have made to our world. The NAE has begun this task with the presentation of the first Charles Stark Draper Prize, the world's foremost award given exclusively for engineering achievement, which in 1989 went to J. S. Kilby and R. N. Noyce for their independent coinvention of the monolithic integrated circuit. The NAE has taken a second step with the publication of a booklet entitled *Engineering and the Advancement of Human Welfare: 10 Outstanding Achievements 1964–1989*, which conveys, in layman's terms, some of the excitement of this age of technology. The presentations at the annual meeting on October 3, 1989, and at the "Engineering and Human Welfare" symposium on October 4, collected in Parts 1 and 2, respectively, of this volume, examine the potential role of engineers, engineering, and technology in the resolution of societal problems. They make a forward-looking analysis of future chal-

lenges to engineering in a number of areas critical to the improvement of human welfare, and explore the engineering methodology of past achievements. The Academy will be expanding on these themes as we look forward to other activities that will characterize our future programs.

This volume reflects the efforts of many individuals. Specifically, I would like to acknowledge the contributions of the 25th Anniversary Advisory Committee, listed inside the back cover, and Jesse Ausubel, Harvey Brooks, Alvin Weinberg, and other members of the Academy's Advisory Committee on Technology and Society, who first suggested the "Engineering and Human Welfare" theme. Special thanks are due to our distinguished symposium speakers: Alan Boyd, Robert Charpie, Koji Kobayashi, Simon Ramo, George Shultz, John Sununu, and Alvin Weinberg. In addition, I wish to thank Bruce Guile, Hedy Sladovich, Dale Langford, Douglas Wolford, Bette Janson, and Jay Ball, who coordinated the meeting and prepared and edited this text.

Looking back, the National Academy of Engineering has come a long way in its first 25 years. Its members—and millions of engineers around the world—have much to celebrate. They have been a part of the greatest age of technology yet to unfold; their countless innovations have transformed our world. And their work continues. The social, political, and technical issues of the next 25 years will require the knowledge, perception, and persistence that are the core of the engineering profession. Engineers can and must use their special skills to contribute to the many difficult issues ahead. I believe that the NAE's "Engineering and Human Welfare" program has made an important step toward that goal.

STEPHEN D. BECHTEL, JR.

Chairman

25th Anniversary Advisory Committee

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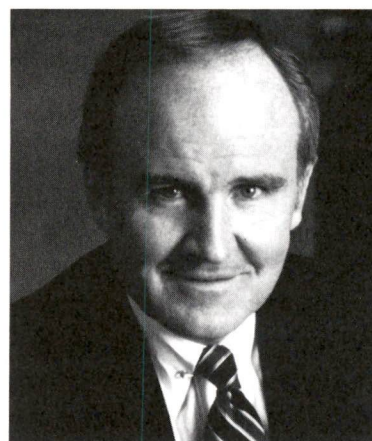
Part 1

This is my final opportunity to speak to you at an annual meeting in my capacity as chairman of this institution. Before I begin to fade away to ex-officio or emeritus status, or some other euphemistic description of my status, I'd like to leave you not with specific answers to the many challenges that confront American engineering—you'll hear many of these in the days ahead—but with a few questions I suggest we might ask each other, and ourselves, every day as we grapple with the issue of American competitiveness, and how American engineering can increase that competitiveness.

What is the state of American engineering? That depends on the vantage point from which you view it. Walk through a start-up company in Boston, the Midwest, or in Silicon Valley, and you come out astonished and inspired by people who are so totally consumed by what they do. They are wild-eyed, often bleary-eyed, true believers, on fire with visions and dreams of what could be. Those start-ups, those pockets of passion and fulfillment are filled with people whose self-confidence stems not from their titles or the size of their offices, but from winning in desperate market struggles. Those places are the petri dishes that grow the very stuff that made America.

Talk to those engineers about reporting layers, reports, administrative procedures, job security, and organizational lines. They laugh. It doesn't compute. They consider all that stuff bureaucratic nonsense that gets between them and their visions, and they don't stand for it.

But too many of us still stand for it, don't we? In fact, we spend some of our time and effort either creating it or maintaining it through structures and procedures and ever more management in our organizations, be they business, government, or the universities.



John F. Welch, Jr.
Chairman and CEO
General Electric Company
Chairman, National Academy of Engineering

*The following remarks were presented at
the opening of the 1989 annual meeting of the
National Academy of Engineering,
October 3, in Washington, D.C.*

Chairman's Remarks

John F. Welch, Jr.

How much time do our engineers waste on numbing, mundane paperwork, endlessly reporting, pointlessly publishing, in general devoting their talent to pleasing a boss, a dean, or a system? How many dreams are aborted because of the bureaucracies we create? How many opportunities are missed because people have to make their way through a bureaucratic maze to chase them? How many visions evaporate? How many talented people throw up their hands and go along to get along?

Or sophistication? Since when did sophistication become a virtue in engineering? We bathe in sophistication. Those driven engineers in those start-up companies resent it. Their visions are strikingly simple and blinding in their clarity and they refuse to allow things to be hung on them, to turn them into what they contemptuously call “kluges,” compromises, or designs by committee.

Too much of management establishment in this country—and engineering is part of that establishment—likes complexity in systems the way we enjoy it in wine, lots of nuances, hints of this and that. Those who foster that sophistication are rewarded by curtain calls from the bureaucracy, but they often receive catcalls from the marketplace.

We have to find, we have to reach for a start-up mentality, the passion, the vision, the fulfillment. If those qualities sound like odd qualities in an engineering context, perhaps it is because we, as a profession, too easily drift from creating miracles to administering and organizing the residue of our past success. The tendency is to manage, control. The secret of American engineering excellence certainly lies in the strength of our education, the quality of our equipment, but certainly to an equal extent, in my judgment, in the energy and freedom and creativity, the irreverence and passion of the American spirit. Those traits, when mixed with scientific excellence and huge rewards for the spirit and

wallet, produce creative explosions that are awesome and uncontrollable. But bureaucracy can douse the fuse before it ignites. We can't manage genius into existence. We can only get out of the way and let it happen.

We have a lot to savor and celebrate over the next days on the 25th anniversary of the Academy. But won't you reserve, as you listen to plans and presentations, one small corner of your mind to a question that occupies much of my mind, which is not “How can we organize and manage, control and structure engineering talent and creativity?” but “How can we unleash it, liberate it, turn it loose, and make it the most important weapon in our competitive arsenal?”

If we can do that, if we can rebaptize American engineering with some of that wild-eyed lust to create and win we will add a significant dimension to the contribution of this Academy to the well-being of this country.

It's a staggering opportunity for us, and the best thing about it is that there's no reason but ourselves why it can't happen.

Anniversaries are punctuation marks in the unfolding story of institutions. The quarter-century anniversary is special. It marks a span of time long enough for a retrospective on what we have become and achieved. Yet it is short enough that many of those who had the wisdom to bring the Academy into being are still with us to provide an appraisal of whether their hopes and aspirations are being realized. And as we acknowledge the debt to our founders, we welcome into the Academy our new members and foreign associates in the annual renewal of our ranks.

In 25 years, national and global issues have radically altered, and it is fitting to ask how our engineering enterprise is faring as a new millennium approaches. This meeting seeks to address this question. Its theme is the contribution of engineering to human welfare and freedom.

In that connection, we will announce the first recipient of the Charles Stark Draper Prize, which we expect to be the world's foremost prize for engineering achievement contributing to human welfare and freedom. And in a symposium entitled "Engineering and Human Welfare," we will examine how engineering is changing the nature of society—its transportation systems, the safety and welfare of our citizens, economic growth, and the relations among nations.

Any attempt to assess as complex and pervasive an activity as engineering and technology must suffer because of the contrast between the richness of the subject and the frailty of the human ability to capture its essence. Nevertheless, presidents of academies of engineering are elected to attempt such tasks, however daunting they may be.

A Quarter Century of Engineering Achievement

As engineers, we can be proud of engineering achievements of the past quarter century. In what was only a distant vision in 1964, humanity



Robert M. White
President
National Academy of Engineering

The following paper was presented as the President's Address at the 1989 annual meeting of the National Academy of Engineering, October 3, in Washington, D.C.

Technology and the Interdependence of Nations

Robert M. White

broke free from the chains of gravity to land on and explore the moon. We sent planetary probes to explore what had never been seen with such clarity—the exotic environment of Mars, the enigmatic rings of Saturn, the great red spot of Jupiter, and our first views of mysterious Neptune and Uranus. Satellites brought the changing patterns of the weather into our homes. They allowed us to communicate to the remotest corners of the earth and brought us live pictures of the Olympics from Japan and Korea, the student revolt in Tiananmen Square in Beijing, and the terror of the conflicts in the Middle East.

Our exploration and achievements on the scale of the solar system were matched by those on the scale of the atom. The large scale integrated circuit and the microprocessor became ubiquitous, completely transforming the business and home environment. The personal computer and work station, and its associated software, made every employee an integral part of the business system. Linked to microsensors and suitable communication, automatic control of man-made systems—of aircraft, autos, manufacturing, and chemical processes entered a new era. The engineer's life was forever altered by computer-aided design. No facet of industry, old or new, was untouched. The world of banking and finance, along with retailing and the services industries, joined the ranks of the innovative. Color TV, videocassette recorders, and compact discs brought new dimensions to entertainment.

These achievements in engineering and the physical sciences were matched, and in many ways surpassed, by advances in molecular biology. The world of genetic engineering brings the synthesis of new pharmaceuticals, the modification of animals and plants, and the possibilities of gene therapy to relieve human suffering.

And what marvelous devices and materials we invented. The laser became a tool with almost limitless applications in surgery, in manufacturing, and in optical communications. The

CAT scan and MRI revolutionized medical diagnosis, sharply reducing the need for invasive diagnostic surgery. The catalytic converter was an environmental achievement of the first order. Wide-bodied aircraft brought air travel within reach of millions. New materials, “made-to-order,” to provide strength, flexibility, resistance to heat and cold, and electronic properties changed the meaning of natural resources. The very nature of matter was revealed by devices that 25 years ago were almost unimaginable, as in the case of the scanning tunneling microscope.

And we have literally modified the planet itself to serve the needs of mankind. Cities rose in the deserts of Saudi Arabia, and gargantuan platforms, marvels of engineering technique, enabled the search for energy in ever deeper ocean waters. Continent-spanning pipelines delivered energy to the furthest corners of the world. The dams and roads we constructed throughout the world shaped our planetary environment, to meet our insatiable needs for water and flexible transportation.

A World Transformed

Above all, our first 25 years have been a time in which the human spirit's drive for freedom and democracy asserted itself across the globe—in the Soviet Union, China, Poland, Hungary, and other nations in the twilight of Marxism. The failure of their political systems was not only economic and social but also technological. It was a period in which the drives for higher standards of living gripped the political world. The period culminated in the explosive economic growth of the nations of the Pacific and the economic revitalization of European nations. These are remarkable successes of U.S. policy to foster political independence, democracy, and economic growth among all nations—a success like those of our engineering achievements, which in turn, have presented us with economic and environmental challenges we have yet to master.

As technology was recognized to be essential to economic growth, the diffusion of scientific and engineering capabilities throughout the world accelerated. This global spread of technological capabilities has brought with it an unprecedented integration of the global economy, exposing new dimensions of the interdependence of nations. Coupled with population pressures, and the universal yearning for higher standards of living, the management of this technology has also confronted us with an unsustainable rate of global environmental and ecological deterioration that threatens the habitability of the planet. We now find ourselves in a unique dilemma. The forces that drive the engine of economic growth and increased standards of living are also undermining the integrity of the planetary environment. Our Academy is well positioned to lead the engineering community in addressing this dilemma.

The Competitiveness Challenge

For nearly 10 years the National Academy of Engineering, responding to growing national concerns, has focused its attention on the declining competitiveness of U.S. industry. We have pointed out that, for want of a broad technology policy, the nation has moved rudderless in a global economic and technological storm, and the ship is in danger of foundering.

Growing agreement between our views and those of others in industry, universities, the Congress, and the executive branch have now resulted in hopeful actions both institutional and substantive. We see new vigor in the government—in the White House, the Department of Commerce, the National Science Foundation, and the Department of Defense. We see new directions in industry, where new partnerships and consortia have been formed to address critical problems. Industry has rapidly been adopting new approaches to manufacturing and services. Our universities have recognized the important role they play in economic development and have been leaders in creating new

linkages to industry and government, and creating new institutional initiatives. There has been undeniable progress toward the goal of regaining and advancing our competitiveness in the automotive, steel, chemical, pharmaceutical, electronics, and other industries.

Competitiveness is, and will continue to be, a central issue facing us, but it is only one part of the larger issues that I pose. Yes, it will be essential for us to keep up the pressure for increased productivity and high quality in the goods and services produced within the United States. Yes, it will be necessary for us to continue to sustain and improve our educational system at all levels. And yes, it will be essential that we adopt economic policies necessary to develop the pool of capital essential for investment in new plant and equipment, which embody technological change. And it will be necessary for government to join with industry in the support of economically strategic technology. Without these efforts our national economic future will be bleak.

Beyond Competitiveness

As a nation we now need to go beyond competitiveness in our thinking and actions. A central challenge to nations in the decades ahead is achievement of twin aspirations of humanity—economic growth and planetary habitability in a world of interdependent sovereign states. Engineering and technology are keys to the solution of this dilemma.

I am struck by the commonalities that underlie the issues of prosperity and environmental protection and the relationship between the two. Both of these issues result from the diffusion of engineering and technology throughout the world; both reflect the increased interdependence of nations and the universal desires for economic and environmental well-being. In both cases, actions in one country affect the welfare of all others. Achieving both prosperity and environmental protection is beyond the capacity of any single country and must be ap-

proached through multilateral collaboration. Both of these goals are related to the drive for economic growth; both depend in large measure on the management and use of engineering and technology.

There is growing recognition that prospering as a nation depends on sustaining the global environment, and vice versa. Throughout the world, people are insisting on a habitable environment. They will not see their forests destroyed, their water contaminated, their air polluted, and their climate altered. In response we see the "greening" of governments and industry. The very ability of industry to operate at all is now directly dependent on public acceptance of the environmental consequences of industrial activities. Corporate leaders are awake to the problems. In many industries, leaders now speak out about the need to operate in environmentally benign ways and to commit their companies to environmentally sound practices. In turn, we see new thinking among environmental groups. Many environmental leaders have begun to see the future not as a continuing series of adversarial challenges to corporate and government practice, but a continuing series of cooperative undertakings. Environmentally concerned groups increasingly work with industry and government to reduce emissions and effluents and lessen the pressure on the carrying capacity of the environment. They increasingly now join with industry in seeking free market incentives to achieve environmental objectives.

Governments too are taking steps and formulating policies to address these problems. The economic summit meeting of the leaders of the seven leading industrial nations held in July in Paris is but the most recent indication of the growing intent of nations everywhere to avert global environmental degradation. They have called for a concerted effort of nations to reduce polluting emissions. The global environmental movement knows no ideological boundaries. President Gorbachev of the USSR speaks out about global ecological security as the most

prominent challenge for mankind in the years ahead, overshadowing our present concerns about military security.

If people everywhere have recognized the global environmental imperative, they have also recognized the imperative of economic development. The generation of wealth and jobs has become a primary goal for most nations of the world, not just for those nations we think of as "developing" nations. Increasingly, policymakers and industrial leaders are recognizing that the two issues—global habitability and global economic growth—are inextricably linked. The growing economic and technological interdependence of nations makes this abundantly clear. If a nation's drive for economic growth leads to unbridled industrialization, the profligate use of natural resources, and the treatment of the environment as a free dump, there are real and severe environmental consequences for other nations. No nation interested in economic growth will be able to ignore the increasing international emphasis on environmental quality.

The relationship runs the other way, too. No realistic assessment of possible futures envisions improved environmental quality as free or easily attained; as industrial production increasingly crosses national boundaries, so must the cost penalties of halting environmental degradation. Without agreement on methods of sharing the economic burden of global cleanup, few nations will move forward environmentally—the disadvantages created for domestic industries in global markets are too great. The two issues are also joined at the most fundamental level. History shows that without economic development there is no hope for changing global population demographics that are the root cause of global environmental pressures. In short, although national interests are often defined in terms of national defense and foreign policy, a broader concept is now emerging. This concept embraces not only the needs of defense and foreign policy but also economic and environmental welfare.

If global ecological security is to be the challenge to nations in the future, then global economic security must be its companion. And global economic security will be achieved only when each nation can prosper in a global economy. Similarly, global ecological security will be achieved only when each nation can be assured that the habitability of its territory is not threatened by the actions of others.

The challenge to engineering posed by global environmental deterioration lies in reshaping the global industrial metabolism—a concept introduced by Robert Ayres of Carnegie Mellon University. Industrial metabolism is the sum of the processes that convert energy and materials into products and associated wastes. It is not only the wastes of industrial systems that find their way into the environment as pollutants, it is also the consumption of products that increasingly results in environmental degradation. The latter may very well be more difficult to control.

Throughout history engineering has changed this metabolism by finding innovative uses for waste products. Coal tar was a waste material until it was used to produce useful organic chemicals. Natural gas was a waste product of oil production until it became an important feed stock for synthetic rubber. The consumption of products, however, generates wastes that are unrecoverable for alternative uses. Packaging materials, solvents, detergents, cosmetics, and pesticides after use are dissipated and contaminate the environment. To change the industrial metabolism is to engineer not only for cost and quality but also for the minimization of waste and for product characteristics that do not burden the environment. This implies a systems approach from engineering design and production to distribution and use. It implies a need for rethinking what we expect of engineering.

Let me give an example of the dilemma we face. No solution to global environmental problems is possible without a transformation of the global system for the production, use, and distribution of energy. Many of our environmental

problems at local, regional, and global levels stem from the use of fossil energy. It is at the root of urban air pollution, regional acid deposition, and global climate warming. The challenge to engineering is to deliver the energy society needs while also minimizing the environmentally objectionable wastes—carbon dioxide (CO₂), the oxides of sulfur (SO_x), and the oxides of nitrogen (NO_x), among others. Energy efficiency and the clean burning of fuels offer significant promise. But so also do the nonfossil energy technologies like nuclear power, solar energy, and biomass. The environmental challenge to engineering is to transform the global energy system.

What is true for the energy industries is also true for the materials industries—the chemical and manufacturing industries. Here industrial metabolism can be changed by altering not only energy inputs but also the natural resource inputs, or substitutes for them, or using them more efficiently. This process has been called dematerialization and it includes substituting composites for metals, optical fibers for copper, microchips for vacuum tubes. These are ultimately the way engineering can protect our forests, keep our ground water pure, prevent acidification of lakes, and stabilize our climate.

History has proved time and again that faced with environmental challenges, engineering has provided successful responses. Sanitary water supply systems have eliminated dread diseases and contamination. Tetraethyl lead has been eliminated by new technologies of petroleum refinement and engine design. Auto emissions have been controlled by the catalytic converter, and SO_x scrubbers have reduced acid emissions in power plants.

Global and Economic Developments

Just as environmental deterioration cannot be addressed within a single nation, so the economic growth of nations is no longer sus-

tainable within their political boundaries. Just as environmental sovereignty is a thing of the past, so is economic sovereignty. Just as pollutants flow from nation to nation, so capital and technological knowledge flow across national borders, altering economic sovereignty as they diffuse.

Just as nations are forced to collaborate for environmental integrity, so they are being forced to collaborate for economic growth. Europe 1992 is the latest confirmation of a trend that will swamp more traditional approaches for market access. Trading blocks will be a way of life and those outside trading blocks, or without access to them, will find their aspirations blocked.

How do nations then prosper economically in this new world? Where does true national interest lie? How do nations satisfy the aspirations of citizens, corporations, universities, and other groups? The interests of all overlap but they are not coincident.

In our country, citizens are concerned about their standard of living, income, access to health care, and a quality environment, in addition to their concern for the general welfare of the nation. Often this transcends their interest in who owns the corporations for which they work.

Corporations, in order to meet their responsibilities to shareholders, will seek financing and locate and operate wherever in the world is most favorable for achieving corporate objectives, while seeking to be good corporate citizens.

The interest of the university is still different. Its bottom line is to provide the resources and the environment for the advancement of knowledge of scholars, scientists, and engineers and for the training of young minds. The source of funding or talent is less important, provided there is no compromise of the traditions of academic freedom, traditions that make universities the unique institutions they are.

Our national economic interest is in good jobs for our citizenry, whatever the source of

management and ownership of corporations—meaningful jobs that tap fully the capabilities of our work force at all levels. It is in viable and profitable U.S. corporations wherever they need to operate; and in the free flow of capital to build industry on U.S. soil. Our national interest is served by the movement of foreign corporate activities to the United States, provided these are not hollow operations like assembly plants or warehouses, but ones that encompass the full range of expertise and talent available in the United States. Our national interest is served if the United States is a place where both foreign and domestic corporations can carry out the research and development related to production and marketing. It is served by strong universities independent of the source of funding or the student body or faculty. Finally, our national interest is served by strong educational and training systems for our work force.

To prosper economically it is, therefore, in our national interest to encourage foreign-based corporations to locate economically productive facilities and activities in the United States. Independent of national ownership, these can be wealth-generating mechanisms that permit the standards of living we all seek to enjoy. What is true for foreign corporations operating in the United States should be equally true for U.S. corporations operating abroad. We need to rid ourselves of xenophobic attitudes toward foreign ownership. Legislation now on the books is sufficient to guard against foreign ownership of vital manufacturing and service activities. There are dangers, however. For example, the political power of foreign ownership could present problems that will need to be addressed.

Finally, we need to ask whether our national security needs can be met in such a world? Can we maintain the broad industrial base essential not only for military security but also for economic security in an uncertain world. Clearly, we will need “insurance” policies. Critical engi-

neering capabilities and industrial production will need to be sustained if international market forces cannot do so. This is not a problem new to this country. The concept of the government as flywheel to meet critical military or economic needs is well established. Sometimes, unfortunately, it is the rationale for sustaining inefficient and obsolete industries.

Global Bargains

At a global level what is true for our economic welfare is also true for our environmental welfare. Our national environmental interest is served only if other nations join us in reducing emissions of pollutants; for example, reducing carbon dioxide emissions to arrest global climate warming. It is served only if the rate of deforestation in other nations is arrested and global programs of reforestation are implemented. Our national interests are served only if other nations adopt environmentally benign energy technologies. It is served only if the extinction of species is arrested and biological diversity maintained.

In short, our national interests can be served only by global bargains of interdependent nations—economic, industrial, and environmental bargains. The future will demand greatly expanded cooperation and alliances of all kinds among corporate entities, scientific bodies, educational institutions, and governments.

This new world of global alliances is already upon us. The unprecedented variety of alliances among corporations that tap capital, human, and technological resources and ensure market access grows with each passing year. Alliances among nations for economic purposes as in Europe and North America, will be the order of the day in the next quarter century. Nations will find that isolation for even the most economically and militarily powerful is a prescription for economic deterioration.

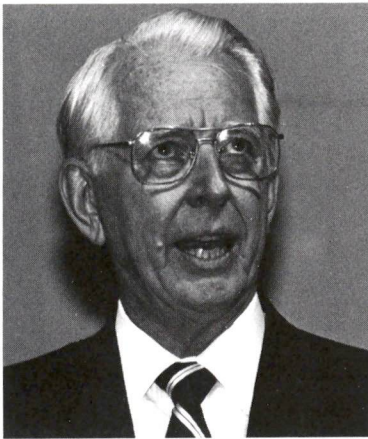
The world of environmental alliances is also with us. Treaties now prevent trade in endangered species and protect the great whales. They

govern ocean dumping and pollution of enclosed seas like the Mediterranean. Nations have agreed to restrict the use of chlorofluorocarbons to protect the stratospheric ozone layer. Agreements among nations seek to reduce acid deposition, while deliberations leading to international conventions to control emissions and slow global warming are under way.

The fact is that national interests will be served only if environmental and economic bargains result in a reasonable balance between rights and obligations among nations. Economically there must be comparability of access to markets and protection of intellectual property; comparability in the use of scientific and engineering capabilities of the various nations and of course in the trade of goods and services. Environmentally there must be a balance between rights and obligations in the use of the environment. There must be recognition of bargains that enhance the flow of technology and other assistance to nations to encourage actions that prevent global environmental deterioration.

Fortunately we are well positioned as a nation to prosper both economically and environmentally in this interdependent world. We need to recognize that our future interest is the global interest. We will prosper only if there is economic and environmental reciprocity among nations and only if we assert our rights as well as meet our obligations.

Finally, we will prosper only if we can make the United States, as it has been in the past, the global leader in engineering and technology. For it is engineering and technology that will enable the achievement of our aspirations. This is the challenge to the engineering community as we look to the millennium.



James C. Fletcher
Former Administrator, NASA
Distinguished Public Service
Professor, University of Pittsburgh

Dr. Fletcher was appointed administrator of NASA a second time in 1968 to rebuild the agency in the wake of the *Challenger* space shuttle disaster. He is the seventh recipient of the National Academy of Engineering Arthur M. Bueche Award, given for demonstrated statesmanship in the field of technology.

These remarks were presented at the 1989 annual meeting of the National Academy of Engineering upon presentation of the Bueche Award.

When the Call Comes

James C. Fletcher

It is indeed an honor to have the National Academy of Engineering select me to receive this year's Arthur M. Bueche Award. Art Bueche was a good friend of the Academy and, especially, of mine. His untimely death was a great loss to the Academy and to me personally.

Much has happened since 1982, when the Bueche Award was established by the NAE with the support of the General Electric Company. I was then a member of the Academy Council and, along with participating in a number of other interesting board and committee assignments, was enjoying a relatively peaceful academic career. Then, on January 28, 1986, the *Challenger* exploded 70 seconds into its flight, killing all seven people aboard. The whole world was shocked at the event: it was the first serious accident that had ever occurred in space outside of the Soviet Union. The event was watched by thousands of people, including the families of those who were killed and by millions on television around the world. Every one of us, I believe, remembers where we were when the tragedy occurred, much the same as we remember where we were when the first humans landed on the moon.

What was for most people a deep, but perhaps temporary, traumatic experience became a 32-month ordeal for me, because 2 months later President Reagan called, and in his words "drafted me to volunteer" to head up the space program once more. Clearly it was not what I, nor probably any other qualified person, really wanted to do—but there it was. After briefly conferring with my wife, I called back and agreed to return.

Although such tragedies do not involve most of us very often, at some time or another in our lives a similar call will come, and we may have to agonize over the response. It seems to me that such calls need to be taken seriously, and when the call comes, we need to ask ourselves three questions: First, Is the job important? Second, Can I do it and do it better than most others? Third, What is the extent of the sacrifice?

Sacrifices can take many forms: financial, interruption of a career, health-related, or family-related. In my case, especially since I was returning to the same job for a second time, it was the complete loss of personal privacy along with the severe public criticism that was bound to follow the accident.

The only one of these three questions that I could truthfully answer in the negative was whether I could do it better than anyone else. Clearly many others, better qualified and certainly much younger than I, could do the job better (the President, obviously, disabused me of the notion that I was too old for the job!), but apparently others had problems with the answers to the other two questions. At any rate, the President convinced me that I was the only one suited for the job, and in retrospect, he was probably right.

You may well ask: Why did I think the job was so important? My reasons were as follows. In the first place, there seemed to be a national crisis. The National Aeronautics and Space Administration (NASA), which had so spectacularly placed a man on the moon before the end of the decade of the 1960s, as President Kennedy had required, had "screwed up"! In fact there have not been many government agencies that had done their jobs so well. It used to be said that "if the nation can land a man on the moon, it can . . ." you fill in the blank for almost any national problem. NASA, has indeed done well, both before its component parts were merged to form NASA in 1958 and after they were combined. In many respects, the laboratories that were combined to form NASA—the Naval Research Laboratory, the Jet Propulsion Laboratory, the National Advisory Committee for Aeronautics, and the space part of the Army Ballistic Missile Agency—were the premium research laboratories in government. The leadership of the agency over the years has been relatively free from political partisanship (for example, I do not know the politics of either the current NASA administrator, Richard

H. Truly, or the deputy administrator, James R. Thompson). When presidential leadership changes, it is rare that more than two or three "must hires" are sent to NASA by the new administration. Yet, for a government agency that had performed so remarkably well to suddenly fail caused a severe morale problem at NASA, but, what is more important, the nation itself felt a loss of self-confidence—its "star performer" messed up. What does that failure say about the rest of the nation?

A second point: both space and aeronautics are important to the nation's economic and technical well-being. Aerospace technology, developed cooperatively with industry, has found its way into the nation's commercial and military aircraft. In fact, there is hardly a commercial or military airplane flying anywhere in the world today that does not have some major NASA technology aboard. In space, the economic benefits are broader but more subtle. For example, in space science we observe the solar system, the galaxy, and the universe, but we also turn our instruments to look at our own planet. Earth observations include climate and weather studies, earthquake damage assessment, hurricane warnings, flood damage assessment, and pollution evaluation. Landsat makes regular observations of crop production or damage, potential mineral and oil and gas deposits, soil erosion, and many other "remote sensing applications." The world has come to take these, as well as communications satellites, for granted. A further extension of our study of the planets has led NASA to begin studying global climate changes on our own planet. The studies so far have discovered the various chemicals that have been eroding the stratospheric ozone layer that protects all life on the planet from the destructive ultraviolet radiation of the sun. Moreover, the recent alarm about global warming (although somewhat exaggerated by some scientists who have become the "darlings" of the Congress and the media) has come from what used to be called planetary science. Even

acid rain, although not at first noticed by atmospheric scientists at NASA, has been intensively studied through measurement of weather patterns and through studies of chemical reactions in the troposphere.

The more subtle economic benefits are the "technology" spin-offs that have begun to penetrate all sectors of the economy. NASA has quite a large number of mechanisms in place for technology transfer, but much of this technology finds its way into the economy through the numerous industrial contractors who are involved in the NASA space venture. From time to time, economists have tried to quantify these spin-offs and, despite the sometimes shaky assumptions, they consistently get a return 7 to 9 times the total investment in the space program (about 20 to 30 percent return on that investment every year!).

Consider the problem of our children and their role in the future well-being of the nation. It seems to me that the world has entered into a kind of postindustrial society—one in which everyone's familiarity and comfort in it will depend on one's formal education in science and mathematics. Space may not be producing all, or even the most part, of this new technology, but it certainly is the most visible part of many of the new technologies. Whatever is the case, the vast majority of school children are excited by the nation's space ventures, and most know a great deal more about what is going on in space than their parents. Almost a million students have belonged at one time or another to the "Young Astronaut" organization started by President Reagan with the National Space Society and supported by Jack Anderson, the columnist. Of course, not all of them will turn out to be astronauts (unless the program expands a lot quicker than I think it will!), but all must study math and science in the primary and secondary schools, which is a step in the right direction for properly training our youth for the future.

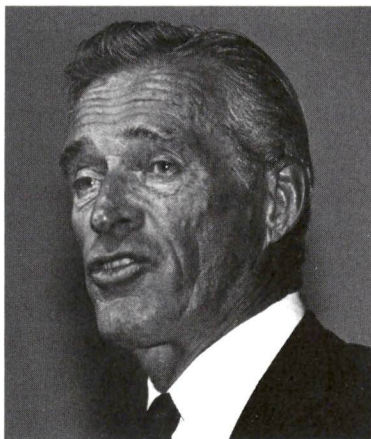
Since space activities are the most visible part of U.S. technological progress, they become a symbol of national prestige. Perhaps that is why in the past two or three years the rest of the world has been planning similar programs. Europe and Japan are planning sophisticated manned space programs; Russia is planning more sophisticated unmanned programs, without dropping their long-term goal of sending humans to Mars (despite rumors to the contrary, the Russian space program is alive and well!). Even China is competing for space launches and a number of countries, including the United States, have already committed to launch payloads on the Chinese Long March vehicle. Americans, without really thinking about it, perceive their country very positively when NASA has just had a mission success. Landing Neil Armstrong and Buzz Aldrin on the moon "before the end of the decade" partially made up for the national failure in Vietnam. As President Reagan said when he called me, "When the space program is doing well, the nation is also perceived as doing well, but when we fail in space, all of our other failures seem to be amplified."

To be effective at NASA, no matter at what level, you must be able to visualize, enjoy, and commit to a global view of mankind, be interested in its long-range future, and truly believe that man is something special, deserves to be preserved for centuries, nay, millennia. Coming to NASA you must be willing to translate that belief into a hi-tech enterprise, whether it be exploration of the solar system, commercial satellites, or the structure of the solar system—or even the universe. Not all Americans are committed to this course. Many have suggested that NASA be reorganized and be cast into a different structure. One such structure would consist of three separate parts: manned space flight, space science, and aeronautics—the very same sectors that were merged in 1958 to form NASA. Another suggestion is that we drop manned flight

altogether. As some argue the merits of this last suggestion—NASA would become merely a space science and aeronautics agency, and it would leave to the rest of the world the human exploration of space. From a budgetary point of view, this would be ideal: we could save more than half of NASA's \$13 billion budget (0.5 percent of the total federal budget) and adventures like the recent flyby of Neptune would still continue. But I believe that for a nation that has been the greatest in the world to leave out the human element of the space adventure would be to admit, first, the folly of the Apollo program and, second, that this nation no longer desires to be the greatest. It would mean admitting that we cannot afford half of one percent of the federal budget to continue what Americans, young and old, believe is the essence of NASA's program: human beings traveling, exploring, and working in space.

The fortunate situation, however, is that no American president would suggest any of these options for the simple political reason that it would be an extremely unpopular decision, even during the dark days after the *Challenger* accident. NASA is now alive and well, the program is on the proper track, its costs are within reasonable bounds, and its current directions embrace all three components. These directions are highlighted by the long-range goal of exploring the solar system—first the Space Station *Freedom*, next a permanent base on the moon, and then an exploratory mission to Mars. Meanwhile, we will systematically explore the solar system with unmanned spacecraft. The solar system is now clearly the abode of mankind. But with the great space observatories, the first of which is to be in orbit in March 1990, we will look out into our galaxy and into the rest of the universe and, from vast distances, try to resolve the question of whether our solar system is the only one in the universe to contain intelligent life.

Considering that there are 200 billion suns in the Milky Way and that there are probably 10 billion galaxies in addition to our own, the possibility that we are alone hardly seems likely. But to eliminate that possibility will be difficult. As technology improves, so will our ability to reach into our galaxy. Perhaps in the lifetime of some now living on this planet, an indication of intelligent life elsewhere in the galaxy will be observed. Meanwhile, the most attractive planet is still the earth itself, so we must place high priority on taking care of our birth planet, but at the same time we should search out other possible places to live in our solar system. That approach is both possible and affordable, and it can supply vision and excitement for generations to come.



John S. Foster, Jr.
Retired Vice President for Science and Technology, TRW Inc.

A former director of the Livermore National Laboratory, Dr. Foster was appointed by President Johnson as director of defense research and engineering, U.S. Department of Defense. Dr. Foster received the twenty-fourth National Academy of Engineering Founders Award in recognition of his technical and management contributions in nuclear technology and his leadership and public service in defense research, development, and engineering.

Dr. Foster presented the following remarks as the Founder's Award Lecture at the 1989 annual meeting of the National Academy of Engineering.

Government Service: Developing a Climate for Change

John S. Foster, Jr.

I am very pleased and deeply honored to accept this award. The Founders Award clearly ranks as one of the major highlights in my career. Frankly, I am overwhelmed at being chosen to receive it. I thank the members of the Academy, and especially the members of the selection committee.

Throughout my career in the academic world, in government service, and in industry, I have had the privilege of working with some of the most talented, most experienced, and most dedicated people in the world—truly the best and the brightest. I see this Founders Award as a recognition of their contributions as much as mine.

As I reflect on the people who have influenced my career, I think about how men and women in and out of government have contributed not only to whatever success I may have had personally, but more importantly, to our nation—people like Anne Armstrong, Norman Augustine, Harold Brown, Gene Fubini, Clare Luce, Ruben Mettler, David Packard, Sam Phillips, Simon Ramo, Edward Teller, Albert Wheelon, and many others. Most of these people have worked on both sides of the system—in government service and in the private sector. I am, however, very concerned that the quality of service these and other people give our country is being severely restricted and that our nation may lose access to one of its greatest assets—the fine minds of people like those I just mentioned.

Thus, my purpose in the next few minutes is threefold: First, it is to outline the situation our nation is facing in attracting, retaining, and motivating the best people in government service. Second, it is to convince you of the urgency to address and redress the situation. Third, it is to put forward the proposition that the National Academy of Engineering (NAE) and its sister organizations, the National Academy of Sciences (NAS) and the Institute of Medicine (IOM), must do their part to initiate a set of actions to bring about the necessary changes to revitalize federal service and improve the effectiveness of our government.

These three organizations were established to respond effectively to both the disciplinary concerns of the research community and the interdisciplinary problems facing American society. The current issue is whether our government has what it takes to do something constructive with our past and current recommendations, or whether the “human resources erosion” we are experiencing among the government’s 3 million-member work force has crippled our nation’s ability to make meaningful decisions about programs vital to everyone’s future. So my challenge to you as scientists, as engineers, as medical doctors, as academicians, and as concerned Americans is to help our government work the way it is supposed to.

Our government plays many vital roles in nearly every aspect of our lives—from providing for our national security, negotiating and verifying arms control agreements, to providing much needed services, such as education, Social Security, and ensuring the safety of our automobiles and airplanes. We must depend on our government to provide policy leadership and resources to tackle such problems as drugs, AIDS, terrorism, and global environmental decay.

The nature of the problems confronting our nation and our ability to deal with them has changed dramatically in the last few decades. The problems are more complex and our flexibility to deal with them is more restricted. Nuclear waste disposal, for example, turns out to be much harder to deal with than was the development of nuclear reactors several decades ago. The same is true in the area of environment and possible global warming, which is more difficult to resolve than discovering and using fossil fuels.

Perhaps the worst problem, and one of the root causes for our current difficulties, is the dismal state of our educational system. The leadership for education must come from federal and state government. It is impossible to

imagine that this great country, which was built on its commitment to excellence in education and the application of science and technology to achieve unparalleled prosperity and economic competitiveness, has allowed its educational system to sink to its present levels of inefficiency and ineffectiveness. Unless something is done with federal and state leadership, we are headed for a time when other nations will lead in the development and application of science, engineering, and medicine and our nation will atrophy.

Paul Volcker perhaps put it best: “For all the glories of Adam Smith, somebody has to set the rules and adjudicate disputes. Somebody has to keep the air clean and the environment safe for the next generation. Somebody has to respond to those more mundane, but nonetheless quite challenging, assignments of keeping government working effectively and efficiently if self-government is to work at all.”

And, we must expect our government to do all this according to the highest standards of ethics and conduct. Clearly the government is no place for amateurs; we should expect no less than our very best people and the highest degree of professionalism in government service.

Given that awesome task, what is the public’s perception of our government? The Volcker Commission report says the public is very dissatisfied with its civil servants. The report says, “The public believes that the public servant is less productive and enjoys more benefits than his or her counterparts in business.” When it comes to Congress, public opinion polls regularly lambast “the mess in Washington” and decry congressional inaction. There are, of course, plenty of examples to support such harsh assessments. Just look around. We have crippled nuclear weapons plants, savings and loans failures, public housing program graft, and defense contract scandals.

Of course humans, even the best of them, are not perfect by any means. With 3 million

civilian and military people in the government work force, there are thousands of important decisions and actions taken every working day. A very small percentage of these will turn out to be wrong, but it is important that our system be able to detect these errors and correct the situation sooner rather than later.

When these lapses in judgment are selected by the news media for special attention, it can be painful; but if the reporting is accurate, there is little cause for complaint. To my mind, however, the most serious damage to the image of government service happens when "horror" cases involving a very tiny fraction of government employees are highlighted. This leads the public to conclude that our government consists of incompetent, self-serving bureaucrats who do not deserve their pay or our support. In turn, this negative public attitude leads to fewer good people entering public service for their life's work, and that leads to a less capable government and the public and the country less well served.

The report of the Volcker Commission makes it clear that we have a complicated mess on our hands and that no single set of actions by the executive or legislative branches or by the private sector will quickly redress the decline. Given that the scope of such issues is too large to deal with here, I will focus more specifically on the attraction, retention, and development of the best professionals for the executive branch of government.

The executive branch relies on two types of people. The first type enters government service to build a lifetime career. These career civil servants make up the bulk of the personnel in the executive branch and may, as they advance professionally, end up running hospitals and national laboratories, commanding military forces, or managing multibillion-dollar space and defense programs. Clearly we must have the highest quality professionals managing these critical activities.

The problem is that we do not pay or support these career civil servants anywhere near as well as we should. For example, a senior-level government engineer, a GS-15, currently earning \$71,000 a year, would make over \$85,000 annually working in the private sector. Philosophically, money should be secondary in any consideration of government service. The high calling, the challenge of the job, the opportunity to serve one's country, and the chance to make a difference should be paramount. But, because the pay gap has become unnecessarily large, and the financial burdens of today's world are heavy indeed, too few of our most promising young scientists and engineers are choosing civil service careers.

The second type is invited into government service intending to serve only a few years in senior positions in the executive branch. These people are attracted to government because they have achieved excellence in their careers and their excellence is needed by the government. They usually stay 5 to 10 years and then return to the private sector. Political appointees generally stay shorter periods—unfortunately, often not long enough for their full potential to be realized. However, I believe this rotation of people from the private sector into government and back is a good thing for the country and a good thing for those people—it is the "revolving door" put to its best use. Government service is a high calling, one that should attract more of our best citizens. If we bring the best people to the top positions, it becomes much easier to attract, motivate, and retain the best professionals in middle- and senior-level positions.

Over the past two decades, however, we have managed to make it increasingly difficult to attract the best people to serve as presidential appointees. Let me sketch for you a picture of an executive who has received a call to serve his country. The person I have in mind is, say, 40 years old. He is a vice president of research and engineering for a large industrial company.

He is married and has two college-age children. He earns about \$200,000 a year and enjoys all the normal executive perks: stock options, a well-funded retirement plan, an excellent benefits package, and so on. Our executive has been asked to serve as an assistant secretary for research and development, a job that pays about \$80,000 a year.

If our executive decides to accept the job, conflict-of-interest laws require him to sell his stock and buy out of his pension plan, actions that will undoubtedly cost him hundreds of thousands of dollars. He will have to foot his own moving expenses since the government will not pay them and federal rules concerning gratuities forbid his company from paying them.

Finances aside, our executive, who has held positions of trust and responsibility for the past 20 years, must face microscopic congressional and public scrutiny. His personal and professional life, and the lives of his wife and children, will become an open book to inquiring congressmen and probing news media. Past investments, family illnesses, even "revelations" that one of his kids cheated on a high school algebra exam are likely to make the evening news.

The ability to attract presidential appointees raises at least two important issues. First, the confirmation process is now taking much too long. Lengthy investigations, hearings that drag on for weeks, and interminable delays have all but crippled the government's ability to bring such people on board in a timely manner—further discouraging prospective employees from serving. Second, complex and confusing ethics rules are penalizing the many good people who wish to serve. Certainly we want honest men and women in government, but Congress now asks questions a mother would not ask about the most intimate details of her child's life, then makes those disclosures public. To my way of thinking, this is simply not civilized.

Don't get me wrong. Federal regulations to prevent wrongdoing in industry and government are vital to protecting the interests of the government and the American taxpayer. But stringent revolving-door policies and draconian rules governing conflict of interest have made government service akin to navigating through a minefield. It all boils down to maintaining perspective—an element badly lacking in today's "hang-the-bastards" mentality in Washington.

If our executive does serve, he will work harder than he has ever worked in his life—with some of the most dedicated and talented people he will ever meet. But he will be micromanaged by Congress and second-guessed by the news media and the public every step of the way. He will take heat for any bad decision and get little or no credit for the good decisions. His political loyalties will be tested and retested. In short, he will be put in a political straightjacket that will often force him to act on behalf of narrow party interests rather than in the best interests of the nation.

Because of blatant partisanship, cabinet officers do not usually get to choose their own team; the team is usually selected on the basis of party background. We have seen the embarrassment that results from news stories about ambassadorial appointments made on the basis of political friendships and campaign contributions. What is needed is loyalty to the mission and professional competence over loyalty to the party in power. This is especially true in such non-political areas as medicine, science, and engineering.

Finally, after putting in four hectic years, years that Norm Augustine called "the most exciting, challenging, and demanding experiences of my life," our executive will want to return to his company and resume his career. Now 45 or so, he will be in an excellent position to become an executive vice president or even a CEO.

But recently enacted federal procurement laws may effectively preclude his company from hiring him back in his old job. So for now, our executive's career is on hold. Of course, he might be able to go back to another job, or to another company in a completely different field. Either way, his career may have been dealt a deathblow—all because he decided to answer the call of government service. In essence, we have created major problems for people leaving government service. These problems, in turn, make federal employment even more unattractive, especially to senior-level professionals.

R. James Woolsey, who served as under secretary of the Navy and is now a distinguished Washington lawyer, has written that the problem with current ethics laws is that they are written by and are best applied to lawyers, who specialize in understanding the nuances in the law, and that they are not realistic in their broader application. The situation facing scientists and technical people is different in that these people are normally experts on substance, not procedure. Their knowledge pertains to such fields as immunology, materials science, acoustic signal processing, and so on. When technical people leave government service, writes Woolsey, "the whole nature of their professions requires them to interact with colleagues on these substantive issues. Their substantive knowledge, unlike lawyers', is essentially a seamless web."

All of this conjures up an imaginary ad for government executive service that reads like this:

Wanted: Senior-level business executive willing to take the last test of devotion. The challenge is to execute programs designed and managed by Congress. Must have strong masochistic streak. Must thrive on poor working conditions, relish abuse, and tolerate libelous public exposure; intimidation is guaranteed. Rhinoceros skin preferred and ability to work with difficult people vital. Termination of government

employment will require pursuit of a different career. For this ego trip, family must accept major pay cut and divestiture of industrial holdings. Send resume to the junior administrative assistant of the special assistant to the deputy undersecretary of the Office of Personnel.

Seriously, the low prestige afforded government employees has done a tremendous disservice to our nation. The much-heralded bureaucracy bashing of recent administrations has undermined public confidence in government agencies and eroded the morale of existing government employees. Decision makers eager to avoid grief from Congress, the public, and the media, often forgo making tough decisions altogether. Such gun-shyness then leads to new attacks on "do-nothing" bureaucrats wasting the taxpayers' money, thereby creating a vicious circle of inaction, criticism, and more inaction. The result, of course, is that little of any real value gets done.

Gone are the days of the "dollar-a-year men," those tough-minded company executives who stayed on company payrolls while earning a dollar a year keeping the wheels of government turning during the dark days of World War II. Who would have cried conflict of interest then? Who would have questioned their patriotism in any way as they oversaw the buildup of our armed forces that led us toward victory? I fear those days may be gone forever.

Now, let me give you a few real-life statistics on the problem of finding and keeping qualified career civil servants and presidential appointees:

- The National Institutes of Health, one of the world's premier medical research organizations, has lost 28 percent of its senior research scientists in the past 10 years, the vast majority of them to the private sector.

- The National Aeronautics and Space Administration recently lost nearly 200 managers and scientists, including 34 members of the Senior Executive Service. Most of these people left the space agency for higher salaries or were escaping the new restrictions being imposed on postgovernment employment. The rules impose gaglike restrictions on who government employees can and cannot talk to in the scientific community when considering procurement decisions. One NASA scientist summed up the situation by saying, "The reason I've stopped talking is because I don't want to go to jail."

- In the executive branch, President Bush has been unable to place 45 percent of his appointees in top government jobs because of political wrangling, low salaries, new conflict of interest rules, and increased public scrutiny of the nominees' private lives. Of the several hundred people approached for senior jobs in the Bush administration, 40 have refused service on financial grounds alone. The financial hardship was simply too great.

- The future for government service looks equally grim. Derek Bok, president of Harvard University, has written that of the 10 percent of all college seniors earning 3.5, or B-plus grade averages, only 2 percent enter public service. And, among college seniors belonging to honor societies, less than 5 percent will even consider a government career.

The federal government's inability to attract, motivate, and retain the type of people we need to do work that is essential to our nation cuts across all levels of government employees—from senior officials in the Pentagon to those who sweep floors of the Capitol building. These jobs include everything from designing advanced defense systems and managing multibillion-dollar space programs to collecting taxes, reforming our education system, and keeping tabs on Social Security checks.

Even America's international competitiveness can be tied to the government service. Government jobs do not enjoy the same status and respect in the United States as civil service positions in other countries. In Japan, for instance, graduates of the University of Tokyo fight tooth and nail for positions in various government ministries. In France, top students regularly enter fast-track government careers. And in Britain, honors graduates from Oxford and Cambridge see government service as a rewarding and satisfying career. It is no wonder, then, that America is often outmatched and outthought when it comes to negotiating international issues!

Let's face it, when it comes to attracting good people to serve, the government is in head-to-head competition with the private sector, and the government is not very competitive. Think about it. The government is trying to attract only 3 percent of the total work force. And it is becoming less competitive all the time.

So what can be done about the problem? The Volcker Commission and others have studied the issue of government ineffectiveness. Out of these studies have come numerous well-supported recommendations for the executive branch, Congress, and the media. In short, much work has been done, and there is yet no mandate for change.

Americans should regard inaction as simply unacceptable. Many discouraged people both in and out of government believe that things will have to get worse before they get better. Now, what does that mean? I guess that means that at this time there is no consensus for change. But as Machiavelli once observed, "Change has no constituency." It takes leadership. At this time, the responsibility of leadership is to take actions that create a climate for change and then to build the constituency for change. Only then can our political system initiate actions that will solve the problem and make government work the way it must work if America is to succeed and prosper.

The situation is far from hopeless. In fact, definite signs of improvement can be seen:

- President Bush has upgraded the status of his science adviser. He has attracted an outstanding scientist and administrator, D. Allan Bromley, and made him a member of the senior councils, with direct access to and support of the President. Dr. Bromley, in turn, is in the process of filling four associate director positions, which should not be difficult, given their improved status and Dr. Bromley's obvious talent.

- President Bush also is taking actions to improve conditions for federal employees, through his federal pay-raise plan and through recent speeches praising our nation's civil servants. These efforts are a definite step in the right direction.

- The President directed the Secretary of Defense to develop "a plan to improve the defense procurement process and management of the Pentagon." In particular, he called upon the Department of Defense to accomplish full implementation of the recommendations of the Packard Commission. Those efforts are under way.

- The President, in his efforts to stem the flow and use of illegal drugs, to upgrade the nation's space program, and to improve our education system, is setting a personal example of what highly motivated government employees can do to make a difference. President Bush's meeting in September with our nation's governors for the first "education summit" was especially encouraging.

It is evident, then, that the President is doing his part to make the public realize that he and his administration are working for the good of the people. And, with a growing confidence in the executive branch, we can improve the climate for change. Given the President's mandate for action, Congress, business, and the academic community must do their part to bring about change.

Congress must remove the overburdening checks and balances it has established for the executive branch so that public servants can feel that they have the opportunity and authority to accomplish something. And, while most of the emphasis is on the executive branch, standards should be set for all three branches of government. Our lawmakers must work to improve the pay structure to bring federal salaries closer in line with the private sector. Congress should define reasonable requirements for a blind trust for people like our hypothetical business executive who have to give up their stocks and pension plans. And, it should provide better incentives for those already engaged in government service. The goal should be not only to recruit professionals but also to develop and retain professionals within the government's ranks.

Our three branches of government constantly receive demands to establish policies, practices, and laws to prevent bad things from happening. Frequently, in attempting to prohibit isolated incidents, additional burdens and barriers are imposed on the whole. More often, it seems to me, people in all three branches of government should stand back and ask, "Would such a practice, policy or law really help the country?" And when the answer is no, they should have the courage to work the details to see that whatever action is taken leaves the country better off, not worse.

It is much more than just a government issue. Those in the academic community must be more supportive of people who choose government service, either as a career or on an appointive basis. Those in industry must do their part by acting more responsibly in controlling program costs and in working more closely with Congress and the news media to improve their image and that of their customers.

That brings me to us, members of the National Academy of Engineering, the National Academy of Sciences, and the Institute of Medicine. What can we do to help bring about

the necessary changes? We must realize that the effectiveness of the NAE, NAS, and IOM depends on the effectiveness of the legislative and executive branches of government in their consideration and implementation of the recommendations we make on science and technology policies and programs. Therefore, we must assure ourselves of the effectiveness of government as a part of our advice and counsel to government.

My proposition is that the NAE, NAS, and IOM review the reports of the Volcker and Packard commissions and forward a specific set of recommendations to the President of the United States to redress this situation. Each recommendation should have as its goal the improvement of the current state of the government's human resources in engineering, medicine, and education. We should examine the talent and trends in government and develop inducements to attract and retain the best people to serve our country.

Changing long-standing attitudes, trends, and regulations is difficult, but it is vital to America's future. It is urgent and a matter of paramount importance to heed the words of Ruben Mettler and "accept the burden of initiative." Let us hope that at future annual meetings of the Academies we will have a fresh supply of outstanding people who have heeded their country's call.

Part 2

It is clear to engineers and scientists and, surprisingly enough, even to those who do not have the advantage of that kind of education and training, that science and technology—engineering—not only continue to play a role in improving quality of life, creating jobs, and providing opportunities, for individuals and countries, but also are critical to developing and implementing policy at the national and international level. Other speakers at this symposium will address various aspects of that dual role in relation to economic growth, the environment, transportation, and safety. In some cases the linkage between technology and policy is rather clear, and in other cases it may be a bit more subtle. But the fact of the matter is that virtually no major decision, made by a world leader today, can be made without at least a constructive participation on the part of those that can help sort out the difficult technical issues related to virtually any given topic, including arms control and international trade. All aspects of public policy that deal with economic progress and potential and the reality of peace are clearly dependent on technology.

I stress this point because I am concerned that engineers in general have been negligent in their direct participation in the process of shaping, and implementing public policy. In a sense it is a luxury that the engineering profession can no longer afford. It is a luxury to focus on the fundamental aspects of a profession without having to carry the ancillary responsibility of interacting with those who are outside it. It is a luxury because it allows us to say we will not participate in the difficult public debates that must take place. It is a luxury because it allows us to back off at the cocktail party and not get into the difficult, heated discussions that will expose both what we know and what we do not know. I think the other speakers today will make it clear that both as a profession and as individuals within that profession, we have an obligation to be



John H. Sununu
Chief of Staff to the President

Dr. Sununu was elected governor of New Hampshire after almost 20 years in education, engineering, small business, and community service. He was president of JHS Engineering and Thermal Research, Inc., and was an associate professor of mechanical engineering and associate dean of the College of Engineering at Tufts University. As governor, he served on the President's Council on Environmental Quality and as chairman of the New Technology Education Task Force of the National Governors' Association.

Dr. Sununu presented the following remarks at the opening of the National Academy of Engineering symposium "Engineering and Human Welfare," October 4, 1989.

Engineers and Policy

John H. Sununu

more active in that tough arena of making national and international choices.

I practiced as an engineer, as a very dedicated engineer who loved the profession, until the day before I was inaugurated in 1983. In a sense, I believe I have continued to practice that profession as governor and now as Chief of Staff to the President. Let me try to explain what I think engineers bring to the policymaking process.

Engineers and Policymaking

The simplest way of looking at it, and yet probably as important as anything else, is that we bring a *quantitative sense*. One need only visit Congress and listen to some of the presentations being made before whatever committee or subcommittee is holding hearings on any given day, to understand that policymakers and policy advisers all too often do not have an intuitive sense of the difference between a billion and a million. This handicap is apparent in debate not just on budget issues, but also on rules and regulations and constraints. It is not a trivial change of one letter to write a regulation in terms of parts per billion instead of parts per million. And yet we allow policy to be established that affects our economy, our competitive capacity, and even our capacity to continue to do critical research. We allow policy to be made by those who cannot distinguish the impact of what to them is a trivial change and who in many cases are responding to an uninformed constituency.

There are other things the engineering profession brings to the policymaking process. We bring a sense of propriety, a *sense of what is valid and not valid*. For example, a great deal of discussion is being heard about the issue of global warming; about how this is something we have to address. Although I agree that it is a critical issue, the fact is that the models with which analysis is being done and with which policy is being moved, as good as they may be, still are based on element sizes measured in hundreds of kilome-

ters in length and width, and tens of kilometers in thickness. I suspect that no one who has ever been involved in engineering simulation would feel comfortable making major decisions in which the elements were orders of magnitude greater than the details on which they were looking for information. And yet the fact is that we are moving toward binding international policy based on conclusions being drawn by policymakers who have no sense at all of the difference between the levels of confidence they should have and levels of confidence they want to have.

A system is not valid just because it gives you the answers you want. And yet so much policy is being made in reaction to that principle. This doesn't mean you do not get information out of such an analysis. It does not mean that such information may not be correct in the long run. But it does mean that policy should be made with an understanding of both what is known and what is not known. Engineers, I think, have a major contribution to make in areas of policymaking dependent on that level of data validity and on that level of capacity to be deterministic. And yet there is a reluctance to talk about the limitations of what is there.

I think engineers also bring to the policymaking process a well-honed *capacity to solve problems*. There are not many problem-solving professions in this world. And unfortunately most of the professions involved in policymaking are not part of that set. And yet the fact is that engineers have been reluctant to get in and mix it up with the lawyers and others in the process. Engineers have not just the *right* to do so; they have the *responsibility* to do so.

All too often, issues will be addressed in such a way that all but the most critical aspects are dealt with. Engineers understand that, although you can break a problem down and address solutions to the pieces, it is not a complete solution unless we can reconstitute the pieces into a whole that is consistent, realistic,

and not self-contradictory. And the fact is, on almost a daily basis, we see problems being addressed without that kind of understanding. We see rules and regulations that have such self-inconsistency that they are unenforceable and in which there is a disproportionality between the burden carried by a part of the system and the contributing performance of that part of the system. And again I think the engineering profession brings a sense of balance, a sense of what a problem solution ought to look like, and a sense of moving toward results that can achieve the goal rather than merely being something that people can talk about.

Another quality that engineers bring to policymaking is an *intuitive understanding that there is a true difference between those solutions that are valid in the ideal world and those solutions that are valid in the real world*. I suggest that the biggest problem in policymaking today is in not understanding that distinction. Whenever I have tried to make the analogy to policymakers that the difference in solutions between viscous and nonviscous flows is such that in one case you can fly and in the other you cannot, they do not understand what I am saying.

And yet we still make policy based on emotional idealism and expect the real world to provide results consistent with that false model rather than a model based on reality. There is nothing wrong with idealism. But idealism that forces itself to neglect all the parts of the problem, or all the parameters that must be included in the solution, leads to policy that not only does not work but in many cases is counterproductive and provides nonintuitive results. I do not think it oversimplistic to suggest that that kind of idealistic approach leads to unintended consequences that the talents of the engineering profession might help to avoid.

One last point is that I know of no other profession that better understands that its integrity, its

quality of performance, is measured in the real world. If you design a car, the consumer will tell you whether it works or not. If you design a bridge, mother nature will, at some point, point out your mistakes. If you design a high heel on a shoe and you have made errors in your stress analysis, the lawsuits will remind you of your failure. Engineering is, as a profession, sensitive to what has to be done to achieve a result, *and sensitive to the reality that engineering performance will be measured in the real world*.

Conclusion

These are things that engineers take for granted. They are, in a sense, characteristics of the engineering profession that engineers can contribute to the debate in that very difficult arena of public policymaking. I am convinced that this obligation has to be communicated, not just to members of this Academy, but to young people entering the profession and to citizens around the country who sometimes do not realize that individuals still can make a difference.

Let me say that as much as I love my profession, and with all the satisfaction I got as a consultant, as an academic, as an owner of a business in the private sector, all dedicated to practicing engineering as I believe it ought to be practiced, there is nothing more gratifying than being able to make changes in important issues that affect the lives of hundreds of thousands or millions of people. So my plea is that we as a profession come to understand our obligation to the policymaking process and communicate the need for that kind of participation. Moreover, I suggest that *not* to be involved is to miss something that is fun, worthwhile, satisfying, gratifying, and also absolutely necessary. This world will continue to become more complex, and issues will continue to become more difficult to separate and to resolve. And as that happens, the need for engineers to make their voices heard becomes more and more critical. As you listen to

The world is shifting gears. Enormous changes are under way, affecting everything from science to superpower relations. In any time of profound change, one of the hardest adjustments to make is intellectual adjustment. We must discard outdated habits of thinking and make room for new possibilities.

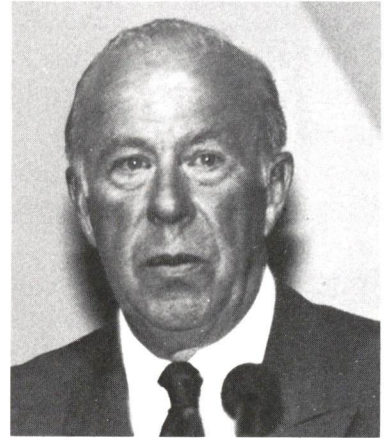
The new possibilities arise in considerable part from the intersections of technology, most especially information technology, and sovereignty—that capacity and responsibility of a nation to govern national life and to conduct its relations with other nations and with the world community. It is as though we have a race between the engineer and the politician, the creators of new knowledge, and the statesmen: for the very idea of a nation, the concept of national sovereignty, is affected.

Geography and borders have always constrained everyday life. Today, the information revolution is undermining their ancient dictates. What we see is a paradox. National borders are transcended by the forces of change, even as nationalism, abetted by the emotional pull of ethnic and religious identification, grows more intense. National sovereignty has never been more cherished, even as sovereign prerogatives yield to new global realities.

Today, as national boundaries blur, sovereign power is dispersed, and new players vie for international influence, the time-honored concept of sovereignty needs to be reexamined. We must hold on to what is essential for governance, even as we adapt the concept to the opportunities and problems on our doorstep.

Sovereignty is a big concept. You hear it used to cover a wide array of issues and settings and often with deep feeling:

- When our government's policy differs from the government of, say Israel, administration spokesmen point out that "Israel is a sovereign nation, and the United States is a sovereign nation, too."



George P. Shultz
Honorary Fellow, Hoover Institution
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Dr. Shultz has served as Secretary of State, Secretary of Labor, Director of the Office of Management and Budget, and Secretary of the Treasury. He was president and director of the Bechtel Group, Inc., and is a former professor of economics at the Massachusetts Institute of Technology and the University of Chicago.

Dr. Shultz presented the following paper at the National Academy of Engineering symposium "Engineering and Human Welfare," October 4, 1989.

On Sovereignty

George P. Shultz

- Yasser Arafat calls on the nations of the world to acknowledge Palestinian sovereignty over territories in the Middle East.

- When one nation constrains the activities of a corporate subsidiary located in another country, that action is resented and resisted as an invasion of sovereignty.

- Margaret Thatcher gives a blistering speech on Britain's determination to retain its sovereignty despite the big step toward European unity set for 1992.

- A *New York Times* article headed "In Search of Sovereignty" details the tormented struggle of Cambodia from the end of the French colonial rule in 1953 to the international conference in Paris this summer, which sought without success to achieve national reconciliation.

- A ten-day armed standoff erupted this summer between the Mohawks and New York state troopers. The Mohawks claimed immunity from state gambling laws because they consider their reservation a sovereign nation.

So, sovereignty can be a hot and controversial topic. But, let's look at what is happening to sovereign capacities today.

What we see taking place in the world just now is a wide array of shifting sovereign arrangements. I have organized them into five categories of interest and concern:

First are examples where the very borders of nations are no longer under genuine sovereign control:

- Financial markets are no longer just geographic locations; they are linked into networks that transmit data instantaneously throughout the world. They respond quickly to important news, so that, in Walter Wriston's words, we are now on an "Information Standard." National borders do not mean much to these markets.

- Ideas are flowing along communications links almost without impediment. Information

technology challenges political efforts at denial and compartmentalization. As President Reagan said, "Electronic beams blow through the Iron Curtain as if it were lace." Totalitarian societies can no longer control what their citizens see and hear; to the extent that they succeed in doing so, their societies slip farther behind in the race for knowledge and modernization. Recall the dramatic example of information about the Chernobyl nuclear accident. The Soviet people learned about it from "outside" because the practice of suppressing the news became impossible: private, let alone government, satellite observations beamed the facts throughout the world.

- People are now moving across borders in extraordinary numbers in search of opportunity and freedom. Sir Arnold Toynbee noted that repeatedly in history, "a wandering of the nations" has occurred between the disappearance of the old society and the beginning of the new—a development sometimes hopeful, sometimes ominous.

- Smugglers and criminals have always crossed borders illegally. But terrorists and narcotics traffickers have turned a problem into a plague.

- And borders mean much less in the age of ballistic missiles. As sophisticated weapons spread into regional areas of antagonism, established doctrines of strategic security become obsolete.

Second are cases where a nation's control over its borders is being voluntarily relinquished in limited but important ways—for common economic benefit:

- Mutual understandings in the General Agreement on Tariffs and Trade (GATT) created a remarkably open world market. And open-market nations have gained unprecedented prosperity as a result.

- New, significant free trade agreements, such as those recently concluded by the

United States with Canada and Israel, limit each nation's possible actions in order to attain broader markets and consequent mutual benefit.

- Further steps toward a European "Common Market" to take effect in 1992, point ahead to a momentous rearrangement of sovereign powers—of great political as well as economic significance.

As Simon Ramo predicts (in this volume), all nations will come to adjust their policies to an open world of technological advance. The very nature of pivotal technological progress makes national regulation of these ideas virtually impossible. It is bound to happen, and it is a good thing, too. Our destiny is openness.

Third are the historically unprecedented cases in which a nation's sovereign powers over its own domestic and security affairs are voluntarily curtailed as part of an international agreement.

- Article 9 of the Constitution of Japan states unequivocally that "the Japanese people forever renounce wars as a sovereign right of the nation."

- The Helsinki Final Act and Universal Declaration of Human Rights turned a powerful spotlight on the relation of a sovereign to its own citizens. At Helsinki in 1975 the Soviet Union signed on to an agreement under which they could no longer legitimately assert that other countries' concern for human rights inside the USSR would be an intervention in internal Soviet affairs. The West has made the most of the opening, and the evidence is mounting that the Soviets are changing dramatically their attitude toward human rights and the rule of law.

- The Conference on Security and Cooperation in Europe (CSCE) agreed at Stockholm in

1986 on measures that bring transparency to some military matters through on-site inspection that cannot be refused. This enables the NATO and Warsaw Pact countries to observe some of each other's military maneuvers in the interest of building confidence and avoiding misunderstandings that could lead to crisis.

- The 1988 Treaty on Intermediate Range Nuclear Forces (INF) provides for American teams to conduct on-site inspections of sensitive military facilities in the Soviet Union and for the Soviets to do the same here—an unimaginable development in the chilliest days of the Cold War.

- And the exchange of observers from the two superpowers at nuclear test sites has meant that experts with their measuring instruments were present for test firings at these heretofore closed facilities.

These are cases in the sensitive areas of national security and human rights. But other agreements to limit voluntarily a nation's activities are coming into effect in areas such as the environment and health.

Fourth, there are the situations, ranging from grave to desperate, where a nation's central authority and fundamental ability to govern have been challenged or virtually destroyed.

- In Colombia, entrenched criminal networks with vast sums of narcotics-generated money and terrorist connections pose a life-or-death threat to the state. This pattern has also appeared in Peru, and early signs of the virus can be seen elsewhere in Latin America.

- Most devastatingly in Beirut, a once civilized but delicately balanced society has been rent by confessional rivalries under pressures of demographic, economic, and political change. The sovereignty of Lebanon cannot be exercised today because the country has become a battleground for outsiders—Syria, Iran, Israel, Iraq, and the PLO—fighting each other or

Lebanon's own warring factions.

Fifth, and finally, there are those territories where sovereignty is no longer exercised or its nature is a matter of fierce dispute:

- Take the Baltic republics. The United States has consistently refused to recognize their incorporation into the USSR. The flags of Estonia, Latvia, and Lithuania have hung in the diplomatic entrance hall of the Department of State for 50 years. Our policy was formerly scorned, even by friends of freedom, as quixotic and self-defeating. Now those republics are reasserting their own identity. They want something called sovereignty. Moscow has said, do not secede. But, also, we will be flexible about the structure of our relationship. Can sovereignty itself now be undergoing redefinition?

- In a sense the turmoil and political contest in South Africa are about the very exercise of sovereign power in that rich but troubled land.

- There are areas in all too many of our own big cities, war zones, where most of us would never go. Drug pushers, muggers, the known record of murders keep you away. In essence, no sovereign is able to provide elemental functions of government in these areas.

Throughout history, sovereignty has been an evolving idea. The ways in which it has evolved over time and the way it is changing today, will be important for us all.

In traditional China, at the top of the pyramid of government stood a hereditary emperor in whose person sovereignty resided. Political authority was delegated by divine authority to an emperor or king, an earthly representative. This *personal* and all-encompassing tie, of ruler or chief to people, later developed to include the idea of *territorial* sovereignty—sovereignty over a limited portion of the earth's surface.

With the emergence of the nation-state

system in Europe in the seventeenth century, sovereignty became identified with a political entity, one capable of entering into independent relations with other, similar centers of political authority. And the notion of a political entity acknowledged, implicitly or explicitly, that there was a body politic and that some areas of individual life were outside political life, that they were in effect, private. So, the passing of the idea of divine authority, with all its sweep, left a conceptual space in which intellectual, political, and economic life could develop, including the idea of individual freedoms.

In the course of the nineteenth century, sovereignty, statehood, and nations became bound together. The unification of Germany, for example, brought together sovereignty, symbolized by the Kaiser, international recognition of the German state, and the extension of one jurisdiction over almost all of the German-speaking nation. But today, sovereignty, statehood, and the nation may be becoming disentangled in important ways. There are few places where the situation is as unambiguous as it was in Germany, France, Britain, and other Western European countries when the nation-state was at its peak a hundred years ago.

This should not create discomfort for Americans. Our country always has been ambiguous about sovereignty. The Declaration of Independence places sovereignty in the people. Under the Constitution, the people retain all powers not delegated to the federal government. Fundamentally, sovereignty—or major attributes of it—is exercised on behalf of the people by both federal and state authorities.

As nations have bound themselves more closely in the international community, states have accepted limitations on their sovereign rights to act as they choose. I have set out some illustrations earlier. In a way, a balance is being sought between the needs of the international society and the desire of states to maintain their sovereignty to the fullest practicable extent. And

that “practicable extent” is affected powerfully by technology, by the way borders are becoming porous, almost irrelevant, in more and more areas of sovereign importance: money, ideas, information, missiles.

So the concept of absolute sovereignty is long gone, if there ever was a completely sovereign community in fact. The model of divided sovereignty—which has been part of the fabric of our own country since its birth—has become applicable on the international scene at large.

Let me conclude with a case where changing realities might lead to a practical solution to an intractable problem—if those involved can break free of old habits of thinking. I speak of the West Bank and Gaza, where some creativity about the concept of sovereignty might help. After all, ideas, information, and ballistic missiles cross borders in the Middle East, too.

In these territories a vision is needed that transcends the boundaries of traditional nation-states and addresses the clear requirements for the parties’ security, political voice, economic opportunity, and community life on an equal basis. Concepts based on absolute, unimpeded sovereignty and rigid borders cannot provide the ideas for which Israelis and Palestinians are groping.

The paradox—which should be recognized and overcome—is that just as the concept of the traditional nation-state is fading in Europe, it is becoming the cherished aspiration of peoples in the Middle East.

The facts, and the human requirements, call for a fresh approach.

- Security for Israel must reach beyond old demarcation lines.

- Territory cannot be the possession of one side only, when the realities of water, power, and communications must finally be arranged on a regional basis.

- Political rights—citizenship, self-government, international recognition—need not be bound up with territorial claims.

- Some form of confederation between Israel, the Palestinians, Jordan, and perhaps Egypt seems as necessary as it is inevitable.

- A little creativity about new mixes of sovereignty might help right now. The juxtaposition of territory and peace need not be a question of where to draw a line but of how to divide responsibilities and rights on a basis that recognizes just how complex are history, aspirations, and realities themselves.

In the Virginia State Capitol building there is a famous statue of George Washington. He stands with his arm around the classic symbol of sovereignty passed down to us from the ancient world—an axe, representing power, encased in a bundle of rods. Each rod stands for an attribute of sovereignty. Throughout history that bundle has been made up of a changing number of rods, each with its own meaning. You can pull some out and put others in their place. And right now the changes are so pervasive that the axe, let alone the bundle, has new and different meanings.

I began by saying that the world is shifting gears, a vivid image taken from the past. Engineers have led us several generations beyond gear-shifting, but the habitual pictures in our minds change slowly and only with enormous effort. I have outlined how, in the race between the engineer and the politician, it is long past time that the politician caught up with reality. But, if the lag between political concept and technological reality creates problems, the opportunities that such vast change now offer should provide us with optimism and inspiration to turn these times to our advantage.



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Engineering and Changing World Relations

Simon Ramo

On the 25th anniversary of the National Academy of Engineering it is appropriate to look back at the impressive engineering achievements of the past quarter century. It is also worthwhile to look ahead to challenges of the next 25 years. Of course, further discoveries in science and advances in technology will enable engineers to exceed present capabilities enormously. At least as significant, however, is that different demands will be made of engineers as an altered world social-economic-political environment reshapes objectives and priorities for the allocation of engineering resources.

In this address I shall make some predictions about the impact of changing world relations and engineering on each other, and describe future possibilities that seem both probable of occurrence and of great consequence should they eventuate. Calling them out might help identify policies and actions that could influence coming developments so as to maximize their positives and minimize their negatives.

The Coming Technological Society

In a quarter of a century of further planetary aging we will not yet have—perhaps we will never have—a single world government guaranteeing to people everywhere the same rights, privileges, protection, and free movement. The globe will remain divided into sovereign states, each with a government attempting tight control over people, things, and information that cross its borders. Despite this, every technology advance, wherever it might occur, will tend in the future to move to all nations that want it, organize to get it, and are willing and able to pay or trade for it. Adoption of the latest technology will be rapid and widespread because the twenty-first century will be intensely and pervasively technological, with all nations sharing the firm conviction that engineering strength is an absolute requirement for economic growth, national security, and social stability.

In the period ahead, as in the past, every country will continue to characterize its problems as social-economic-political, not technological. However, the separate facets will intersect, and technology-based influences will be found plunk in the middle of each intersection. At times technology developments will give rise to problems or exacerbate them. Equally often technological advances will point the way to solutions. Almost always, an expanding technology frontier will uncover opportunities that, if grasped, will lead to a more satisfying life. Overall, the technology status of a nation will come to be rated universally as the most powerful determinant of its standard of living.

With technological effort globally ubiquitous, the totality of advances produced by the entire family of nations in the next 25 years will greatly transcend the technology originating in any one nation. No country will rely solely on its internal intellectual and physical technological resources as it competes in the world arena. Technology developments will become so vast that any nation failing to persevere in acquiring and employing technology from all sources will find the economic penalties intolerable. No country, not even the United States or Japan, will elect to handicap its future by acting as if it will enjoy general preeminence in technology.

To be sure, an individual engineer or scientist, a corporation, or a single country may happen upon a great discovery or invention, or opt to focus large resources on one technology. That entity might then possess an initial superiority—in that one specialty—exceeding the expertise or output of the rest of the world. But if the advance is truly significant, other centers of aggressive concentration on that development will pop up immediately all about the globe, creating waves of advances that combined will inundate the beginning contribution from the original source.

Political entities may be expected to continue their regulating of technology transfer. The generation, dissemination, and application

of technology advance will come to be seen, however, as predominantly global, not local, phenomena. All nations, it can be predicted, will adjust their policies and operations to accord with this concept, tending to create an “open” world of technology. Of course, certain pivotal technology developments (for example, communication networks that link nations to their mutual advantage) will be impossible to confine by their inherent nature. Many synergistic influences acting at once will propel the technological society to an elevated plateau of openness.

The Future Relation of Technology to Security

Consider, for example, what is likely in the future advance of military technology, a field to which the superpowers have devoted a large fraction of their economic resources during the past half century. Substantial, even radical, changes may be in the offing in the relation of technology advance to national security. While we cannot be certain that recently accelerated arms reduction efforts will lead to large-scale decreases in offensive nuclear weapons, that possibility must be given serious consideration. The critical factor here is verification. The deeper the degree of arms reduction contemplated, the greater the importance of openness and inspection. Verification through indirect observation systems, like spy satellites, undoubtedly will be expanded, but the potential for cheating must be drastically reduced. This can only be accomplished through agreed-upon implementation of close-in, detailed verification by permitting almost unrestricted movement of observers on land, sea, and air. This amounts to an unprecedented degree of international access, yet without such openness, the danger of cheating, and hence the security risk, will be judged too severe to enable realistic initiation of truly major arms reduction, no matter how much we might invest in research to develop innovative technological verification systems.

Strategic arms reductions must stand high on our speculation list because it is becoming widely accepted that neither the United States nor the Soviet Union is likely to launch an all-out nuclear attack against the other. Success in that strike would require that it essentially eliminate the stricken nation's capability to retaliate and that the resulting nuclear fallout should not harm the aggressor. No competent weapons engineer would expect to attain such near perfection in an operation that is of unparalleled complexity and yet not rehearsable even once.

Should a USSR raid destroy most of our land-based intercontinental ballistic missiles (ICBMs), Russian blitz planners still would have to consider it likely that the unscathed ICBMs, including some launched during the attack, might knock out their principal cities in retaliatory attack, killing many tens of millions of their people. Each U.S. missile-launching submarine carries over 100 nuclear warheads. A single surviving submarine targeting its payloads on Soviet industry might eliminate half of it. Strategic nuclear bombs are so destructive that a small deviation from perfection in an offensive strike might be expected to permit an intolerable counterattack.

The two superpowers have each spent over a trillion current dollars—on everything from the first atomic bomb research to the creation and maintenance of manned bombers, ICBMs, and missile-launching submarines—to create strategic nuclear capabilities neither nation can justify using first, and whose function is solely to deter the other from executing an attack. If nothing changes, the superpowers could spend a trillion more to ensure continued mutual deterrence. Meanwhile, in the United States, we have an untenable \$200-billion annual deficit, they in the USSR a stagnant economy; we must strive to regain global technology competitiveness, they to develop their natural resources; we must struggle to maintain our standard of living, they to raise theirs. With the feeling grow-

ing that it is possible to deter, distrust, scare, and fear each other adequately at a much lower cost, powerful economic forces are driving both nations toward a solid interest in large-scale strategic force reductions.

Lowering present offensive forces by a factor of ten would change the way strategic nuclear warfare is regarded. With that large a decrease in offense, backed by adequate verification, both nations could put in place defense systems at reasonable cost with the ability to shoot down 90 percent of incoming missiles. Then the number of bombs surviving to arrive on target during a strike would be reduced to a tenth of a tenth of present inventories and the idea of contemplating that strike would become obsolete. Moreover, strengthened defense systems would provide added security against cheating, an accidental launch, or a raid by a terrorist nation.

During the past 25 years, advances in offensive strategic weapons technology made total destruction attainable. This dominated peacekeeping. It was peacekeeping by deterrence. In the future, peacekeeping may reflect changed social-economic-political relations among the industrialized nations that will emphasize reduced offensive arms, verification, openness, and defense systems. Before the end of the next 25-year period we may adopt a global regulatory procedure to announce and verify as peaceful, beforehand, every launching into space and to shoot down any launched vehicle not so identified. This would ensure the safety of countries with no desire to inflict nuclear warheads on others, and provide a sensible, cooperatively arranged guarantee that no country could launch a successful surprise attack.

Consider next the European theatre. The Western European nations and the United States undoubtedly will continue to consider it mandatory to maintain a military force capable of opposing any attempts by the USSR to occupy Europe. At the same time, many Americans and many more Europeans view such a So-

viet thrust as extremely unlikely. As a result, both Europeans and Americans want smaller military expenditures; both strongly reject a buildup of their armies to match Warsaw Pact forces. Further technology advance will encourage this thinking and European theatre military strength will cease to be measured mainly by the numbers of soldiers, tanks, and airplanes. Rated higher will be sophisticated technology for command, control, communications, intelligence, and reconnaissance, as well as smart robotic missiles that can spot and destroy enemy tanks, planes, and military concentrations.

Advanced electronics and robotry can make a defensive army more effective than a less well equipped offensive army, even if the latter is much larger in man- and fire-power. For example, superior electronics can enable the simultaneous clocking of offensive communications and protection of defensive communications. Also, advanced computer systems can permit high-speed processing of incoming data during battle for rapid situation analysis, so that NATO forces can be optimally employed in highly focused military actions while attacking Warsaw forces can be befuddled. Such capabilities will require high-volume production of semiconductor microchips, computer gear, and precision electromechanical equipment, just where America, Western Europe, and Japan are strong and where the USSR is weak.

New Economic Imperatives

These technologies are almost precisely what are needed to increase the productivity of civilian industry. Advanced computer networks, fast semiconductors, and electromechanical devices for automatic control, when well designed for defense and verification applications, will be close cousins to technological systems capable of yielding more efficient manufacturing of commercial products and of enhancing all manner of consumer, industrial, governmental, and professional operations. Consequently, the re-

sulting hardware, software, and process technology will be sought vigorously by all nations and thus will become principal items in world trade.

The Soviet Union undoubtedly will want desperately to share in the benefits of these technologies, so they will issue ever-louder denials of having a plan or desire to start a war in Europe. They will back these disclaimers with offers of major cuts in offensive forces. The West will find such offers attractive—if the arms reductions are verifiable, a condition requiring, again, more openness. As European offensive forces are diminished, the shift to defensive systems will drop the cost of attaining confident national security. Then, with the associated civilian technology ballooning in East-West trade, this will strongly buttress added openness in technology transfer.

Mr. Gorbachev's new openness in the USSR has relevance here. Though it is concerned mainly with added freedom in the Soviet Union, the underlying attitude encourages more peaceful world relations. Of special pertinence is the concept of "perestroika," which connotes the objective of USSR leadership to reorganize and strengthen its economy. We should expect this effort to include the increasingly vigorous promoting of credit grants from, and joint ventures with, the capitalist countries, even as the Soviets introduce new motivational measures internally somewhat akin to a free market and free enterprise.

The European Eastern Bloc and the world's other communist countries will expand programs already started along these lines. They will develop hybrid economies that will combine their previous rigid and total government control with substantial, novel, semiprivate domestic activities. As a burgeoning array of deals develop between the communist countries and the multinational technological corporations of the noncommunist states, technology transfer will be accelerated and technology-based production in the communist countries will increase. The resulting economic growth there

will be dependent, their leaders will well understand, on their maintaining openness with the outside world.

These trends will sharpen and expand operating approaches already favored by multinational technological corporations. These companies design products for the world market and seek to locate operations of all kinds—basic research, product development and design, manufacturing, purchasing of parts and materials, warehousing—wherever the combination of markets, human and physical resources, infrastructure, geography, and social-economic-political policies yield cost and value-adding advantages. The success of the multinationals—whether producing automobile parts, microchips, robots, or pharmaceuticals—will hinge increasingly on their ability to incorporate and exploit rapidly technological advances occurring anywhere and to bring innovations to the market everywhere. As these companies go about moving technology, materials, equipment, people, and money to maximize their operating and financial performance, they either will pass by investment opportunities in any country that erects barriers or they will press its government strongly to change its ways.

With the sources of customers, suppliers, capital, and innovations becoming more internationally diffuse and dynamic, competitive advantage will go to those companies most skillful at developing efficient geographical spreads of their operations and those countries most helpful to the process.

Economic Growth and Sovereignty

The collective effect of some international technological systems will inherently lower national barriers and dilute national autonomy and sovereignty. Take the example of international electronic information networks. Seeking to attain lowest manufacturing costs and quickest marketing responses, operating companies will want the pertinent information to cross national borders without impediments and virtu-

ally instantaneously. This information will control the flow of materials and components, the scheduling of parts fabrication and assembly, the assigning of labor, and the distribution of finished products. Companies with access to such an information network will have conspicuous initial advantages over their competitors, who then will act posthaste to possess equal capabilities, resulting in the networks' rapid expansion and near universal adoption. Any country presenting barriers to network entry into its territory would chance being bypassed.

An even more startling example is the movement of funds electronically. Rapid handling of credits and cash transfers will become necessary to support financially the ordering, selling, and moving of goods and materials. Continuous electronic money shifts also will be made in response to, and probably in speculative anticipation of, currency exchange rate adjustments (which will come to include the communistic countries in time, difficult as providing for the interchange of their currencies with noncommunist countries' currencies now appears to be). These money shifts probably will exceed in speed and quantity those occurring in direct response to government actions, such as interest rate setting by the U.S. Federal Reserve System. National governments will be forced to adjust to new levels and types of global money supply and movement.

The foregoing speculations sum up to a shift away from the firm and autonomous grip by each nation's government on its domestic activities and its interactions with foreign entities and towards increasingly influential free-market and government-private arrangements. This shift will be only partly the consequence of national imperatives to be technologically strong and globally competitive. It also will result from the implementation of technological systems that require more openness in international relations in order to operate at high efficiency.

Greater Engineering

The superior application of basic discoveries and innovative advances to meet societal demands in the future will require going well beyond handling the scientific and technological components of such tasks. Because of changing world relations, the ability to harmonize science and technology activity with societal demand will assume vastly increased importance. Either the engineering profession will broaden greatly or the society will suffer because the matching will be too haphazard. At present there is only a weak coupling between the science and technology opportunities available to society and the organizational maturation and innovation effort needed to pursue them fully. Consequently, only a fraction of the benefits of our knowledge is being realized. Furthermore, the disbenefits to the society some technology developments bring with them, such as those that seriously threaten the environment, are hardly being addressed.

It would not be realistic to redefine the engineering profession, so it is understood to encompass every facet of the enormously complex process involved, from science and technology to economics, business management, sociology, politics, government, public psychology, and the many other disciplines and influences that together will shape the technological society of the future, and do so, moreover, on a global scale. Numerous professional and nonprofessional groups always will be in the act, some organized, others chaotic and hit or miss, some rational, others irrational. Despite this, a "greater engineering" needs to evolve in which more of the nontechnological realm associated with putting science and technology to work effectively is encompassed. The engineering profession clearly should handle fully some aspects and, on most of the others, it should provide the remaining team of players with timely, authoritative descriptions of potentials, costs, and consequences, both beneficial and adverse. Engineers should be active partici-

pants in allocating resources, setting priorities, and creating practical organizational units suitable for seizing technological opportunities.

Today, engineering is perceived and practiced as a far narrower activity. I predict, however, that the next 25 years will see a great flowering of the profession. It will come to embrace much more of the issues at the technology-society interface for two reasons: (1) the great need for handling the broader spectrum of tasks professionally will become conspicuous to leaders in industry, government, academe, and engineering, and they will respond by pressing to broaden the profession to fill that need; and (2) the economic rewards for enhancing the profession will impel and motivate such effort.

It is not accurate to say that global enterprises will be somewhat more dependent on technology advance than now, or a bit more international in the scope of their operations. Rather, there will be an order-of-magnitude step-up, all at the same time, in every one of the following facets: speeds of change; number of factors important in decision making; variety of ways to exploit technology globally; number of international sources of new technology; severity and kinds of international competition; scope of considerations important in managing operations.

While the risks of failure will be heightened by the necessity of dealing with such complex changes and interactions, the potential rewards for exceptional performance will zoom. The quality of the key people involved will make an enormous difference in the degree of attained success. Accordingly, the worth of people combining wisdom with imagination will rise.

Companies and governments that successfully employ technology-society matchers will excel in competition against those lacking practitioners of greater engineering. The losers will be driven to identify, educate, and train enough engineers with the proper aptitudes for the interface problems, offer them the challenges, and encourage them to rise to the tasks. Gradually,

the basic underlying intellectual disciplines will evolve and be taught in the universities. In the future, student engineers may elect to prepare for careers devoted to the technology-society interface much as students today specialize in computer, aeronautical, or materials sciences. As the return on investment for training these experts is realized, worldwide competition will accelerate the process of producing "greater engineers."

The Potential U.S. Engineering Leadership Lag

These optimistic predictions about the future broadening of the engineering profession are based on recognizing engineering competence to be a large component of national strength in a highly competitive world. As to the future of United States engineering specifically, it is harder to be optimistic. We know we have been neglecting math and science education in our primary and secondary schools, and that the fraction of our college students choosing science and engineering has dropped below the corresponding ratio in competitive nations. It is clear that in the years ahead the United States will possess a much smaller portion of the world's engineers than in the past.

In the world at large it seems justifiable to predict that executives and politicians will gradually reshape their concepts and priorities about education and career development so as to match the needs of the increasingly technological society. One result will be in time that fewer of those managing the affairs of the world will be scientific illiterates, as is the rule today. Future leaders, even if educated primarily in law, finance, political science, history, or economics also will come to have significant understanding of science and technology, or they most likely will fail. If, indeed, the idea of relying on broadly educated leaders should develop into a general world trend, we can be forgiven if we harbor a concern that the United States may fall behind. Most American universi-

ties happily grant degrees to students who elect to take only one science course, and that a very superficial one, during their entire college experience, hardly a way to prepare Americans for leadership in a globally competitive technological society.

It has become commonplace for the captains of academic, industrial, governmental, and professional groups concerned with engineering matters to deplore our nation's loss of technology preeminence. Still, even as we have gone from surpluses to deficits in key areas of international trade, and entire U.S. industries have disappeared as they are bested by foreign rivals, concerted campaigns have not yet been organized to attack the roots of our nation's technology slip.

For example, while manufacturing has been prominently labeled a relatively weak sector of the United States economy for well over a decade, government, industry, and the universities have only recently cooperated to establish first-class manufacturing technology courses in engineering schools. The whole of the effort in manufacturing technology in all the nation's universities is at a level far below one percent of the yearly expenditure in the country for the manufacture of technological products. Again, practically no attempts whatever have been made to find ways to educate students in the art and technique of moving technological innovation toward marketable products where, again, our performance is recognized as slipping relative to competitive nations.

In recent years, it is true, action by certain leaders of industry, government, universities, and the National Academies of Sciences and Engineering has led to the creation of new engineering research centers and centers for interdisciplinary scientific research at a number of universities. The programs, operated jointly by industry professionals and academicians, will introduce students to frontier science and engineering and accelerate U.S. technology advance. But this effort alone is far from enough

to stem the drop in American's technology stature or spearhead a drive to regain lost pre-eminence. The total annual budget for these programs is in the low tens of millions, about one-tenth of one percent of the funding for a major weapons system.

In the United States, experts at relating science and technology advances to society emerge through the workings of the system without much planning. Successful interface engineers typically start out as research scientists or product designers. Then, as a consequence of career developments and natural talents and interests, these individuals acquire skill in handling matters of organization, personnel, financing, budgeting, and marketing, and rise to become industry or government executives or heads of major projects and laboratories. In some cases leading scientists with no initial thought of engaging in engineering become engineers, and no less scientists, as they design complex instruments and systems for science advance, be they spacecraft, nuclear reactors, particle accelerators, supercomputers, or genetic engineering machinery. They spend much time "selling" their projects to the Congress, the media, and any and all sources of funds, and learn in the process how to compete against rivals.

There is nothing basically wrong with this way of producing American practitioners of greater engineering. But if we are going to train technology-society matchers solely in the school of hard knocks, we should recognize that other countries have been knocking harder. This is evidenced by the way international competitors have succeeded regularly in applying our early advances better and quicker than we have to create and satisfy international market opportunities.

The University Role

Should we look more to our universities to produce technology-society interface engineers? Today, a typical university education in

engineering stands in wide contrast to real-world engineering. Engineering schools educate mainly in the science and technology underlying engineering while real-world engineering involves activities of great consequence barely touched upon in most universities. These include designing products and systems of quality that can be manufactured and used in a cost-effective way; will fill a true market need better than alternatives or will generate new markets; will be globally competitive; will provide a satisfactory return on the capital invested to create them; and will satisfy social, economic, political, national security, and environmental requirements. Many engineering graduates leave college with no realization that such matters constitute the heart of their chosen profession. Equally important, they do not emerge with their innovative powers turned on, endowed with entrepreneurial zeal, knowing they are about to enter a tough world Olympics of technology.

Many of us in industry used to advise (some still do) that university education need only cover the underlying science and technology. Industry experience, we used to claim, would train much more efficiently in the art and technique of application. That such a viewpoint may have been carried too far is suggested by analogy to medical education and training. Suppose, although it may appear a bit exaggerated, we were to graduate physicians whose university courses were limited to biology, chemistry, and physics. Upon graduation, we further imagine, they begin work in hospitals under the tutelage of practicing doctors, where they first learn about disease symptoms, diagnoses, and treatment and discover that what physicians mainly do is apply drugs and knives to the human body.

University programs should not be expected to provide the equivalent of years of experience in performing real-world engineering. But engineering students should not graduate ignorant of social-economic-political systems

that will exert decisive influences on what they will be assigned and privileged to do and on what will be the degree of success they can expect.

Beyond an overly narrow concept of engineering, a number of other factors limit America's competitive position. Consider technological entrepreneurship. In the past, the United States has led the world in mating capital at risk with technology advances to produce innovative products. Alone among the nations, this country has a thousand venture capital firms that assemble funds from pension funds, bank trusts, insurance reserves, large and small individual investors, and other private sources to finance new companies; a nationwide brokerage system to market equity in start-ups; and a special stock market to trade these equities. Why is it, then, that technological entrepreneurship in the United States is not a more powerful vehicle for reattaining world leadership in technology advance?

For technological entrepreneurship to be effective, the economic environment must be conducive to risk investment. What is needed is a long, steady period of low cost of capital, low inflation, low real interest rates, high savings rates, and low taxes on capital gains. For two decades, the United States has performed poorly by these criteria. For us to meet even half these requirements is clearly difficult and surely unrealistic in the short term, but doing so would violate no laws of economics. Japan and Germany have achieved all these conditions for decades.

Conclusion

At the beginning of this paper, I argued that speculating about the next 25 years might help us identify actions worth taking in anticipation of likely developments. In my view, the engineering profession in the United States badly needs enhancing to match the needs and opportunities of the future. The existing trend favors the nation's competitors and justifies pessimistic predictions about our relative excellence in putting science and technology to work.

The United States government in 1989 still finds it acceptable to muddle through on its decision making about multibillion-dollar science and engineering projects. Short-term, highly politically motivated thinking is dominant. There is only limited input from the science and engineering fraternities of the nation on national policies. Asking for studies and reports is not the equivalent of defining and implementing in a timely fashion such policies and programs as will raise the nation's overall science and technology stature.

Some technological industry and government officials have risen above the preoccupation of most with short-term issues. Their efforts have led to limited success in fashioning industry-government cooperation to uplift U.S. performance in global competition. By comparison with leading competitive countries, however, where such teaming is ordinary and expected, U.S. government-industry relations remain largely adversarial.

Building and broadening the profession of engineering in the United States should be a priority issue for government, industry, and academe, and thus also for the National Academy of Engineering for the next 25 years.

On the occasion of the 25th Anniversary of the National Academy of Engineering, I think it is a meaningful exercise to try to imagine the course of technological development and economic growth over the next 25 years, as doing so may help us extract principles which might make our progress easier. In this rapidly changing world, forecasts are often embarrassingly far off the mark, so it requires some courage to predict what will take place in 25 years. However, I will take my chances with history and put my views on record.

This paper will deal with technology and its role in economic development in the area of information technology, the integration of computer and communications (C&C) technology. First there is a perspective on the development of information technology over the next 25 years and its role in economic development. Then there are some speculations on how this may affect economic development in several parts of the world, including Asia, the People's Republic of China, India, the USSR and Eastern Europe. And lastly, there is a list of minimum business conditions necessary in order for economic development in developing countries to proceed.

Developments in Information Technology

Quite recently Integrated Services Digital Networks (ISDN) have begun to be introduced in the industrialized countries of the world. In a simple example of its capability, ISDN enables us to use the telephone while sending or receiving facsimile messages or electronic mail by personal computer. Since ISDN is based on internationally agreed standards, it will be possible to interconnect the networks of different countries. It is expected that the use of the present, narrowband ISDN will spread first within the business community, then to homes, and eventually cover most of the world. Because in ISDN information is transmitted and received in digital form, it is less expensive than conventional analog networks, thanks to the advance-



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Technology and Economic Growth

Koji Kobayashi

ment of technology. This advance makes it easier for developing countries to adopt state-of-the-art systems (Kobayashi, 1989).

By the mid-1990s broadband ISDN technology, using optical fibers instead of copper wires, will also carry TV or video signals, enabling TV conferencing for businesses and high-definition television (HDTV) programs for the home. By the year 2000, integrated intelligent networks will provide a wide variety of new services (Kobayashi, 1989).

For example, before 2014, 25 years from now, I hope that my dream of an automatic interpretation telephone system can be realized. When this system is completed, I will be able to speak in Japanese over the telephone with my American friend talking in English, while the telephone system handles the perfect simultaneous interpretation of our conversation. In 1983 NEC Corporation demonstrated such a research prototype between Japanese and English, and English and Spanish at TELECOM 83 in Geneva, Switzerland. The demonstration attracted a huge crowd of people and helped to communicate what we wish to achieve. In the beginning this system may be large, but as the related technologies advance it will eventually become small enough to be incorporated in a telephone set. I regard the completion of this system as a benchmark for measuring the progress of information technology. It is my heartfelt wish that this automatic interpretation system will overcome language barriers and contribute to deepening the mutual understanding between the people of the world (Kobayashi, 1983; 1986).

Role of Information Technology in Economic Growth

In the developing countries, communication networks based on information technology are useful in expanding economic activities. For example, if the people involved have immediate access to the latest domestic and overseas market information through communication

networks, they can profitably control the shipment and production of agricultural products, livestock, marine products, mineral products, and so on. If a country has communications networks in addition to other essential infrastructures such as harbors, airports, roads, and electricity, corporations from industrialized countries will be attracted there to build factories and utilize natural and human resources. This will not only help the local economy develop, but also serve to transfer manufacturing or processing technology to that country. Moreover, communication networks, including broadcasting, can be used to educate and train the local people, which will also attract more companies and create more employment. In this way, communication networks, supported by information technology, can have a snowballing effect in stimulating the economies of developing countries.

For developing countries, it is essential that they earn foreign currency in the international markets by exporting labor intensive products made using the surplus labor of farming communities. The foreign currency thus acquired can then be used to obtain the technology necessary for building heavy industry and the infrastructure required for further economic growth.

In industrialized countries, information technology already plays a central role in every aspect of life. It is no longer possible to pursue economic activities without its help. If we wish to develop our economic activities further, we must rely heavily on information technology.

Some Perspectives on Economic Growth

The economic growth of the NIEs (newly industrializing economies) and ASEAN (Association of Southeast Asian Nations), which are located on the western rim of the Pacific Ocean, has been remarkable during the past decade. American corporations first moved their manufacturing plants to these countries to employ inexpensive labor. Japanese corporations started

direct investment in these countries in the early 1970s and greatly increased investment since 1986 as the rapid rise in the value of the yen made it economically necessary for Japanese corporations to move production sites overseas. Most Japanese direct investment has been in the machinery industry, centered on household electrical appliances, semiconductors, and communication equipment.

It is important to note that the NIEs (the Republic of Korea, Taiwan, Hong Kong, and the Republic of Singapore) already have the industrial infrastructure in place to manufacture components, intermediate products and machines. Although they are competitors, their industrial production is complementary, each nation supplying goods not manufactured by the others. This horizontal supplemental relationship is further strengthened by NIEs investments in the ASEAN countries, as evidenced by a rapid increase in investments by Taiwan in the Kingdom of Thailand, Malaysia, and the Republic of the Philippines (Watanabe, 1988).

As western Pacific developing countries have expanded the base of their export industry and raised their income and living standards, their domestic markets have grown, much of this due to technology, in general, contributing to economic growth. Twenty-five years from now, the western Pacific developing countries, which are presently in the midst of an industrial revolution, will be the force behind the balanced expansion of the world economy; it is also likely that present economic differences in Asia between Japan, the NIEs and ASEAN will greatly shrink because of the rapid economic growth of the latter two groups.

The Chinese government has designated four coastal economic zones where foreign investment and technology are to be introduced. In these zones the labor-intensive processing industry operated by town and village enterprises imports raw materials from the international markets and exports value-added goods back to the international markets. These exports earn

foreign currency which can be used to build heavy industry and economic infrastructure, and to absorb surplus farming labor. The Republic of Korea, Taiwan and Hong Kong have invested heavily in these coastal zones, and they are favored by good conditions in trade and investment (Watanabe, 1988). I am afraid that the unfortunate incidents in Beijing and other cities in June 1989 might delay economic development programs, but I hope that such activities will help the People's Republic of China become one of the key players on the Asian economic scene in the next 25 years.

Since 1984 direct investment in India by the West has increased. The United States surpassed the USSR in 1986 as top trading partner and now also leads in the number of joint ventures with Indian companies. Electronics production has been growing and is estimated to expand by about 40 percent to \$7.5 billion by 1990. An even more optimistic estimate sees it reaching \$33 billion by the year 2000 (Rayner, 1989). With a long tradition of producing mathematical geniuses, India should provide an excellent environment for software creation and production, and large growth is expected in these areas. If the Indian government could remove the 40 percent equity ownership restrictions against foreign companies, much more advanced foreign technology would be introduced, which would increase the rate of growth of the Indian economy.

Thanks to Mr. Gorbachev's policies of "perestroika" and "glasnost," the people of the Soviet Union and the Eastern European countries will slowly gain exposure to the wealthier lifestyle of citizens in industrialized countries. This will stimulate the desire to improve their living standards, and hopefully create pressure to divert economic resources from producing weapons to creating consumer goods. If so, the next 25 years may see a flourishing of peaceful economic activities in this region that will eventually approach those of the industrialized nations.

Economic Development in Developing Countries

There are a number of minimum business conditions necessary in order for economic development in developing countries to proceed. Those that will attract foreign investment and technology to developing countries include the following:

Political stability Without political stability, corporations in industrialized countries will hesitate to make any investment or provide any technology because they cannot guarantee any return on their investment.

Infrastructure The country must also have established certain essential infrastructures, such as communication networks, harbors, airports, roads, electricity, and city water.

Work force An educated or trained and diligent working force must be available.

Favorable government policies The government should not be too strict in its restrictions on foreign investment and approval of licensing of patents and knowhow, and there must be adequate intellectual property laws to protect patents and copyrights.

Unhindered business transactions Here the degree of bureaucratic red tape is a factor, as illustrated, for example, by the time it takes to approve an application for a joint venture with a local firm.

On the other side of the coin, I think that it is the duty of industrialized countries to extend assistance to developing countries in at least two areas: (1) cooperation and help to build those infrastructures required to allow a country to enter the economic development cycle; and (2) provision of facilities and software to educate and train children, students and the young work force.

Conclusion

In each era there has been a guiding principle. During the next 25 years I believe that C&C technology will serve as such a principle and will greatly contribute to economic growth and human welfare. I sincerely hope it will help reduce or eliminate the gaps in living standards among nations which now prevail. This is most important as we direct our efforts toward the ultimate goal of prosperity for all the people on our planet and for true world peace.

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Ours is an age of anxiety.¹ Though life expectancy (corrected for infant mortality) in the United States has increased by an astonishing 20 years since 1900, so has our fear of death. We no longer accept death, especially death from cancer, as “natural”—every death, even the inevitable deaths of old age, must be caused by some malign, and identifiable, outside influence. In this we seem to be reverting to a primitivism identified long ago by the French philosopher and anthropologist Levy-Bruhl, that primitive societies do not accept natural death.² Every death is attributed to a definite cause—if not to a hostile arrow, then to the malediction of a hated enemy.

Modern technology is viewed, by and large, as a prime source of our anxiety. A succession of spectacular technological failures: Three Mile Island, Bhopal, *Challenger*, Chernobyl—have shaken the public’s confidence in our engineering. And hardly a month goes by without one or another pesticide being proscribed, and our fruits and vegetables being regarded as tainted.

Some of our anxiety is justified. Bhopal and Chernobyl were disasters: no rationalization after the fact can undo the enormous loss in public confidence that these incidents engendered. Moreover, our ever more interdependent technologies are more fragile because of their very complexity and reach: the Northeast power blackout demonstrated to the public just how vulnerable a highly interconnected system is to inadvertent collapse. On the other hand, our preoccupation with man-made environmental insults at levels far below those imposed by nature’s pollutants is hardly rational.

All of this heightened concern, this dizzy oscillation from one fear to another, is amplified by our superefficient methods of mass communication. Had I the slightest idea of how to reduce the enormous amplification of public worry caused by television; had I a neat technological fix—an “inherently safe” television system that both guarantees our freedom yet avoids scaring us out of our wits—I would urge



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Engineering in an Age of Anxiety: The Search for Inherent Safety

Alvin M. Weinberg

its development and adoption with the highest priority. Much of our effort to develop inherently safe systems would then be unnecessary!

The Engineers' Response To Public Concern

These public concerns, both those that are justified and those that are unjustified, place constraints on our technologies. Engineering always has required judgment as to how safe is safe enough; and more safety can always be bought at a price. Where an engineer places his design point in a plot of "safety" versus "cost" is a judgment that is powerfully influenced by the public's concerns. This is illustrated by the difference between Western and pre-glasnost Soviet attitudes toward containment around pressurized water reactors (PWRs). Containment shells have been standard practice on Western commercial pressurized water reactors since the first plant at Shippingport went critical in 1957. Soviet PWRs were largely uncontained until Chernobyl. This difference was attributed to the West being more sensitive to public opinion than was pre-glasnost Soviet Union. And of course the design point must always conform to regulatory standards, which themselves are sensitive to the public's concern. Thus, we read in the February 1987 report from the U.S. Environmental Protection Agency (1988, p. xix) ". . . EPA's priorities appear more closely aligned with public opinion than with our estimated risks . . .", an extraordinary admission that EPA, apparently at the behest of Congress, takes into consideration not only those public concerns justified by the facts, but also those concerns that are not so justified!

I take as given then that the amount of safety a technology must provide is ultimately decided by the public; but the public is fickle, and at least as viewed by engineers, often ill-informed. Though public attitudes are distilled and codified through various regulatory bodies such as EPA, Nuclear Regulatory Commission (NRC), Federal Aviation Administration (FAA),

conformance to standards promulgated by such bodies no longer guarantees acceptance by the public. Consider the Shoreham Nuclear Plant; the Nuclear Regulatory Commission has certified that Shoreham meets all regulatory standards, "that there is reasonable assurance that it can be operated without undue risk to the health and safety of the public."³ Yet, the State of New York, perhaps more sensitive to the mood of the public than is NRC, has killed Shoreham.

Traditionally, engineers design devices to conform to safety standards established either by their own standards committees, or by government regulators. Perhaps the first such standards were those imposed on boilers by the Engineering Insurance Companies of Manchester, England, following a series of boiler explosions about 100 years ago (Nichols, 1987). The worst such catastrophe was the explosion of the boiler on the Mississippi River Boat, *Sultana*, on 27 April 1865 with the loss of 1,500 lives. In the United States, the first American Society of Mechanical Engineers (ASME) boiler code was adopted in 1914. Designers were required to incorporate safety factors—that is, if the bursting pressure of a vessel was P , the vessel was certified for operation at, say, $P/4$. Safety factors, as customarily formulated, were regarded as conferring "absolute" safety: a component designed and built in conformance with the appropriate code will not fail—provided approved operating conditions are not exceeded. Before the "age of anxiety," the public trusted the engineer: devices designed according to code were "absolutely" safe—or at least did not engender public apprehension.

Unfortunately, failures occur, even in components designed according to code—either because operating conditions are exceeded through human error, or the component ages, or the component was defective in the first place—or because the code itself may be defective. In instances where failure can cause

massive harm—as, for example, in high-powered nuclear reactors—probabilistic risk assessment (PRA) has become an accepted tool for determining how safe a device is. In PRA one tries to identify all the sequences of component failures that can lead to failure of the system as a whole. The components are generally designed to code; their failure rates, which theoretically are zero, must be estimated from historical data. For each sequence that leads to system failure, one estimates the consequences of that failure—the consequences may be loss of life, damage to equipment or to other property, ecological insult, etc. Thus, a probabilistic risk assessment results in a curve $P(C)$, that is, the probability, P , of a failure (that causes consequences of magnitude C), as a function of C .

Probabilistic risk assessment became a recognized, and accepted technique with the Rasmussen Study (U.S. Nuclear Regulatory Commission, 1975). Rasmussen estimated that the median probability of a core melt for the Peach Bottom Boiling Water Reactor was 3×10^{-5} per reactor year, and for the Surry Pressurized Water Reactor, 6×10^{-5} per reactor year, with an uncertainty of a factor 5 to 10 either way. Most of these core melts would have few off-site consequences. The worst accidents involving some 3,300 immediate radiation-induced deaths, 45,000 long-term extra cancers, and property damage of \$17 billion was estimated to occur once every 10^9 reactor-years.⁴

Since the Three Mile Island accident (TMI-2), PRAs on 44 of the 111 power reactors in the United States have been completed, and an equal number are under way. Although the NRC does not quite use PRA as a regulatory standard, PRAs have been very useful in revealing vulnerable elements in a plant. For example, sequences involving *small* pipe ruptures generally contribute much more to the overall probability of core melt than do sequences involving large failures. This has caused reactor engineers to focus

much more on avoiding small loss of cooling accidents than had been the case before TMI-2. At that time, when incidentally, PRA was not used widely, a popular view seemed to be, if one takes care of the *worst* initiating event, say a guillotine rupture of a large pipe, then the smaller initiating events would automatically be handled.

Though PRA had its origins, even before Rasmussen, in the aerospace industry, curiously it was not used by National Aeronautics and Space Administration (NASA). Indeed “. . . early in the history of the Apollo program a decision was made not to use numerical probability analyses in NASA’s decision making process” (National Research Council, 1988, p. 55). This rejection of PRA was justified on the ground that PRA cannot substitute for human judgment. PRA simply offers an estimate of the probability of a failure, but does not of itself say how safe is safe enough. Were this estimate of failure very high, say, 10^{-1} per launch, a decision maker could easily choose to abort. But ordinarily the probabilities of massive failure in a well-designed system are much lower, say, 10^{-3} or 10^{-4} per sortie. So ultimately the decision maker must rely on his own judgment that 10^{-4} is acceptable and 10^{-3} is unacceptable. In short, probabilistic risk assessment only provides options: for preassigned consequences, C , the probability of incurring C is $P(C)$. The engineer or regulator must choose whether or not the $P(C)$ curve characterizing a given system is or is not acceptable.

Despite this shortcoming, PRA is now used rather widely in technologies that can pose serious hazard. NASA, at the behest of its post-*Challenger* hazard audit, has taken steps to incorporate PRA in its shuttle program. The Cabot Corporation, before embarking on a plan to bring liquid natural gas into Boston, conducted a PRA of the operation. AT&T has used PRA to analyze components of its communication system. After Bhopal, many chem-

ical companies have used PRA to estimate the hazards of plants that handle toxic or explosive materials. And in nuclear industry, many countries that had not adopted PRA now make such analyses. It seems to have taken tragedies like Bhopal, *Challenger*, and Chernobyl to bring other technologies, both in the United States and in other countries, to the same degree of sophisticated hazard analysis as has been employed by the U.S. nuclear industry for more than 15 years.

As I have already said, PRA does not relieve the engineer or regulator of deciding how safe is safe enough: it simply presents a quantitative estimate of the safety of a system. What can one do with such estimates other than arbitrarily deciding a technical system is safe enough, or not safe enough? In short, how does one set safety standards? One possibility, and the one that has been adopted by the Nuclear Regulatory Commission, is to set the acceptable standards of safety at a level consistent with the standards established and accepted, *de jure* or *de facto*, for comparable technologies. Thus, the NRC, in its safety goals of 1986, accepted a societal risk from nuclear power no greater than the risk from other modes of generating electricity. This translates into a core melt probability of 10^{-4} per reactor year; moreover, it accepts an additional risk of cancer from a nuclear plant, not greater than 10^{-3} of the natural risk.⁵ Of course, any such judgment also has elements of arbitrariness—if the comparison is with natural background risks, what fraction of that background is acceptable; if the comparison is with other hazards incidental to a technology that achieves the same aim but which is already accepted, will the hazard of the new technology be accepted if it matches that of the accepted one? For example, dams fail at the rate of 10^{-4} to 10^{-5} per year. Does this mean that reactors should be accepted if their core melt probability is also 10^{-4} to 10^{-5} per reactor year?

The acceptable standard of risk depends on how widely the technology is deployed.

This point was first stressed by the Swedish aeronautical engineer, Bo K. O. Lundberg (1963). He argued that although the probability of a crash per passenger was independent of the total number of airplane flights, as the number of flights increased so would the number of crashes in the entire system—*unless* the crash probability per flight were reduced as the system expanded. And if the number of crashes in the whole system became too great, the public would lose confidence in flying, even though the probability of any given passenger completing his journey without injury remained constant and at a level that was acceptable in 1965. As far as I know, this observation of Lundberg's was the first realization that acceptable standards of safety in our media-driven society are very sensitive to the public's perception.⁶

The Search for Inherent Safety

Although PRA is now widely accepted by the engineering community as a means of assessing risk, I do not believe its use can allay the public's anxieties. The public understands consequences, not probabilities. To concede that a technology has the potential for causing a major disaster, even if the probability of such occurrence is minute, is unacceptable in the "age of anxiety." Faced with this stubborn reluctance by the public to accept probabilistic arguments, several technologies have sought to develop systems for which the risk, if not zero, is so low, and so transparently low, that the skeptical elites, if not the public, will accept the technologies. This is the path urged by David Lilienthal, the first chairman of the Atomic Energy Commission. In his book, *Atomic Energy, A New Start*, which appeared in 1980, a year after TMI-2, Lilienthal urged nuclear technologists to redesign nuclear reactors so as to eliminate the chance of a repetition of TMI-2. In reviewing his book, I argued that a technical fix to achieve zero risk in a high-powered reactor was an oxymoron. Tech-

nologists could not eliminate the 15 billion curies in a 1,000-megawatt reactor, nor the 200 megawatts of afterheat which slowly decays, even after the reactor has been shut off. The approach to zero risk had to be through better training and better institutions. And somewhat wistfully I remarked at the seeming reversal of roles: the man of affairs, David Lilienthal, calling for a technical fix (inherent safety); the technologist, Alvin Weinberg, calling for a social fix (better training, etc.).

This was not the first time the idea of an inherently safe reactor technology had been suggested. Peter Fortescue of General Atomics had been arguing in favor of "forgiving" nuclear reactors even before Lilienthal's book appeared. And five years before TMI-2, on 1 June 1974, a cyclohexane plant at Flixborough in the United Kingdom blew up killing 28 persons (Parker, 1975). Had the explosion occurred during peak hours, many more would have perished. Soon afterward, Trevor Kletz, who was the safety adviser to ICI Petrochemical Division, coined the phrase "inherent safety" to connote chemical plants whose safety depended not on the active intervention of mechanical, electrical, or human agents, but rather depended on the inherent characteristics of the process itself. Kletz became a proponent, if not a propagandist, for a new approach toward chemical plant design—an approach in which safety, rather than being achieved by clever devices and interventions *after* the basic process and plant layout has been chosen, becomes an integral part, *ab initio*, of the design. In supporting this new ethic of chemical plant design, Kletz pointed out that changes in process had often been used in the past to bring the risk of at least certain accident sequences to zero. For example, thatch in new buildings in London was forbidden in 1212; airships now are filled with helium rather than hydrogen; and modern anesthetics and electric lighting eliminate the possibility of explosions from ether or poi-

soning from phosgene caused by the burning of chloroform in gas lights. Each of these process changes reduced to zero the risk of disaster from a particular accident sequence—but of course they did not eliminate all fires in houses, airship disasters, or deaths from overdoses of anesthetics.

Kletz used common sense in his approach to inherent safety in chemical plants. A primary principle was, *Never allow large accumulations of very toxic materials*. Had this principle been observed at Bhopal, the tragedy there would have been averted; the storage vessels that exploded contained around 90 tons of methyl isocyanate (MIC). Modern plants that involve MIC no longer allow accumulations of more than a few kilograms.

In his book, Kletz (1985, p. 34) describes several other common sense steps that designers of hazardous chemical plants ought to observe—generally aiming toward replacing active systems (pumps) with passive systems (gravity) where possible; replacing highly exothermic reactions with less exothermic ones; replacing conventional distillation with so-called Hige distillation; but above all reducing inventory of hazardous materials.

Although Kletz's views were quite well known among chemical engineers, I don't think inherent safety was taken fully seriously in the chemical industry until Bhopal. A disaster of this magnitude is simply unacceptable; will the mind-set of the chemical industry, which until the Bhopal accident had not subjected its extremely hazardous operations, such as production of MIC, to the same scrutiny nuclear energy was obliged to undergo, change enough to require inherent safety in its designs? As Robert Kennedy of Union Carbide said, "An aroused public can put us out of business just like it put the nuclear industry out of business" (*Wall Street Journal*, 20 September 1988). Much activity within the chemical industry has now been directed toward safer plants. For example, the Ameri-

can Institute of Chemical Engineers (AIChE) with broad support from the chemical industry has established a Center for Chemical Process Safety. The Center, in some ways like the Nuclear Safety Analysis Center, carries out studies and provides guidelines for improving the safety of chemical plants.

The strongest drive toward inherent safety has been in nuclear energy. From the earliest days, we realized that ours was a uniquely hazardous undertaking—the 15 billion curies in a 1,000-megawatt reactor was an accumulation of radioactivity without precedent (and incidentally, violated one of Kletz's dictums, keep inventory low); moreover, the Hanford reactors as built had positive void coefficients (though the Dupont Company eliminated the possibility of a catastrophic progressive flashing of steam and burnout of a single tube by taking most of the pressure drop across orifices placed at the inlet to each tube).⁷ The choice of the Hanford site was itself an implicit recognition of a principle of inherent safety: place hazardous operation far from people. And SIR, the submarine intermediate reactor, near Schenectady was housed in a containment sphere: an ultimate passive safety system that, it was believed, once and for all reduced the public risk to what the public would surely accept—*zero*. Thus the notion of inherent, or more accurately, passive safety in nuclear systems was to some degree implicit from the earliest days of nuclear energy.

But I do not think inherent safety was explicitly addressed in those days. After all, the PWR was an outgrowth of the nuclear submarine. A submarine reactor is designed primarily to be small, and to be simple—this dictated the use of water as both coolant and moderator. But compactness, and therefore, high power density, is incompatible with *inherent* safety. Thus, when Rickover's navy was moved to dry land, safety had to be provided by a complex array of active elements; emergency core cooling systems, afterheat removal sys-

tems, fast-acting shutoff systems, all of which require active mechanical and electrical interventions.

Three events brought inherent safety of nuclear plants to more prominence and explicitness: the rejection of nuclear energy in the Swedish referendum, Three Mile Island, and above all, Chernobyl. The two reactor accidents seem to have shown that some societies simply reject any probability, other than zero, of a reactor accident, especially one of the magnitude of Chernobyl. And the Swedish referendum, followed by *de jure* rejection of nuclear energy in Austria, Norway, Denmark, and most recently, Italy, demonstrates how public concern is translated into public, that is, political policy.

Kåre Hannerz of the Swedish company ASEA-Atom was perhaps the first to recognize that a reactor for which the probability of a meltdown was essentially zero, if it could be devised, might restore the public's confidence in nuclear energy. He thereupon invented the process inherent ultimately safe (PIUS) reactor (Figure 1). PIUS is a pressurized water reactor in which the usual pressure vessel is replaced by a much larger prestressed concrete vessel. The reactor and its cooling system is immersed in a huge pool of water which contains boron. Should this borated water enter the core of the reactor, the chain reaction would stop. The pure water that cools the reactor and the borated pool water are kept separate during normal operation by two hydraulic density locks. As long as the system is operating normally, the boron remains outside; any upset (boiling, loss of coolant) causes the locks to break automatically. The borated water bathes the reactor, shutting it down and providing automatic cooling for about a week with *no* external interventions.

PIUS is, as far as I know, passively safe; that is, no credible sequence has been identified that could lead to meltdown, and no intervention, mechanical, electronic, or human is

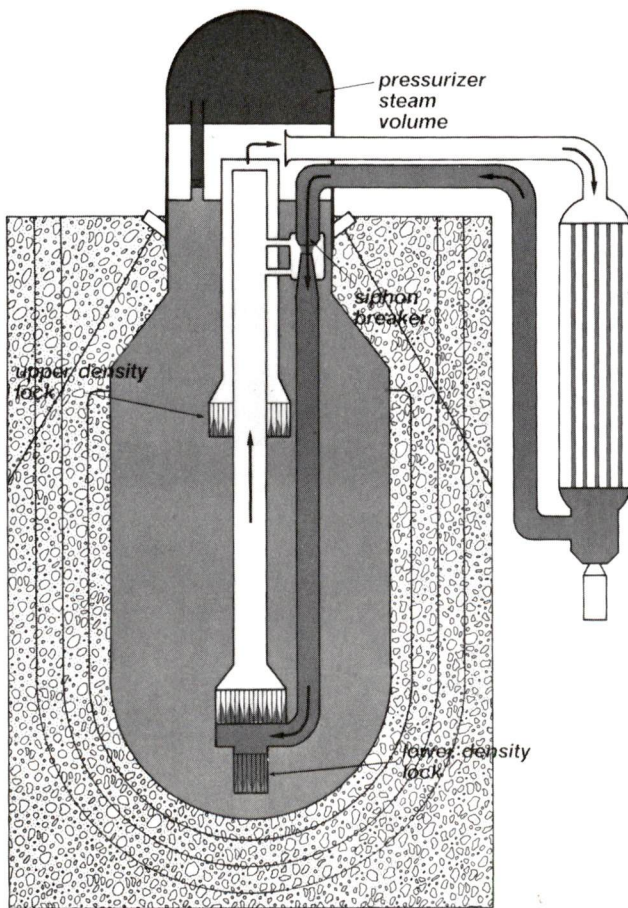


FIGURE 1
Process inherent ultimately safe (PIUS) reactor.

needed to protect the system. Does this mean that PIUS is absolutely, or at least inherently, safe? If we equate inherently safe with *zero* probability of failure, I suppose the answer must be no. A small atomic bomb on PIUS could cause a meltdown as could, perhaps, an extremely powerful earthquake. But against lesser incursions, such as smaller earthquakes or conventional bombs by terrorists, PIUS reactors appear to be secure. On the other hand, PIUS is surely *transparently* safe: the principle on which its safety depends is easily grasped.

The modular high-temperature, gas-cooled reactors (HTGR) (Figure 2), first proposed by Reutler and Lohnert, represents another approach to passive, if not inherent safety. This reactor is a more-or-less conventional helium-cooled, graphite-moderated reactor, in which the fuel elements are microspheres of uranium dioxide coated with essentially impervious layers of silicon carbide and pyrolytic graphite. The reactor is shaped like an elongated cylinder and produces only about 250 megawatts of heat. By virtue of its very high ratio of surface to volume and its low power density, the reactor can dissipate all afterheat passively to its surrounding without exceeding the temperature at which the microspheres release fission products. The modular HTGR must therefore be regarded as inherently safe against major challenges such as caused damage at TMI-2 and at Chernobyl. At the present writing, modular HTGR is being considered by the U.S. Department of Energy (DOE) as one of the reactors for producing tritium for thermonuclear weapons; and, the Soviet Union and West Germany are planning to build such a reactor at the Lenin Research Institute for Atomic Reactors in Dimitrovgrad.

PIUS and modular HTGR are the reactors closest to being inherently safe, that is, having no identifiable or credible system failure modes. This statement is arguable: for example, is ingress of air into HTGR with burning of graphite credible? Or is inadver-

tent removal of boron from the large bath of borated water surrounding the PIUS reactor credible? Thus we see that inherent safety, in the sense of absolute safety, is itself hardly a credible concept when applied to large reactors. What is credible to a skeptic may be incredible to a designer. On the other hand, that both PIUS and modular HTGR depend for their safety on passive, not active, systems is undeniable; and perhaps even more important, their safety is relatively transparent, and scrutable, rather than being inscrutable, as is the case with reactors whose safety depends on the quick intervention of many backup auxiliary systems.

Between PIUS and modular HTGR, whose safety depends almost entirely on passive or inherent elements, and existing reactors, whose safety depends mainly on active elements, there are now several reactors, or reactor proposals. I mention the metal-fueled, sodium-cooled reactor, first proposed at Argonne National Laboratory. Because of the high heat conductivity of its fuel, this reactor is not subject to the loss of flow, the loss of external cooling, or transient overpower accidents of the standard liquid-metal fast breeder reactor (LMFR); also there are the advanced passive light water reactor (APLWR) of Westinghouse (Figure 3), and the small boiling water reactor (SBWR) of General Electric—essentially conventional light water reactors in which the emergency cooling system is activated by gravity, rather than by pumps. In case of a loss-of-cooling accident, the emergency core cooling system requires only the opening of a valve—an action that most would agree is reliable.

The nuclear establishment on the whole dislikes the designation “inherently safe.” The argument is severalfold. First, if “inherently safe” is equated to “absolutely safe,” this is impossible because no reactor that produces energy at a rate greater than some

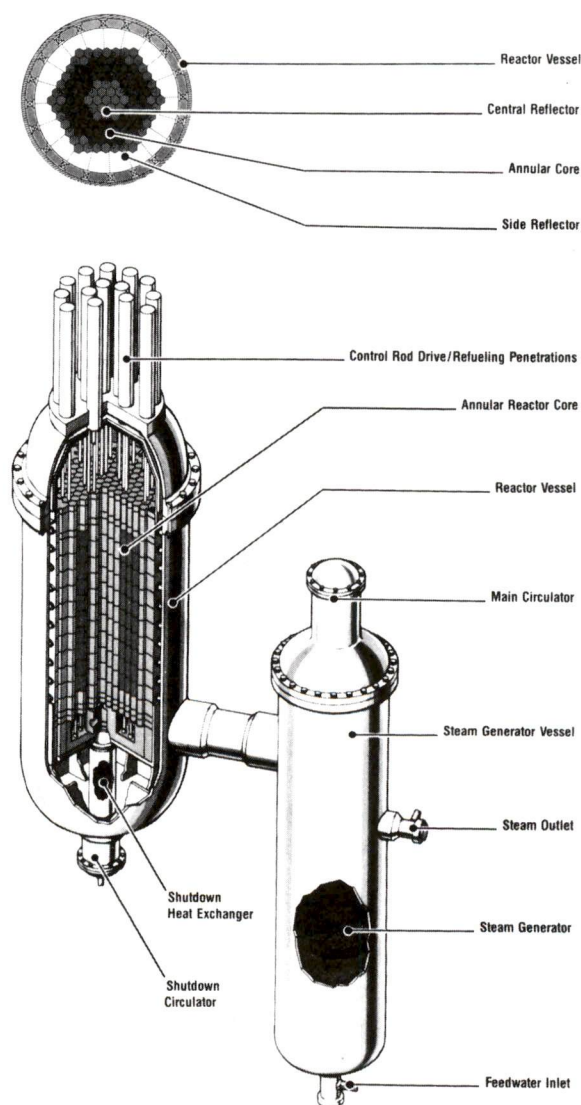


FIGURE 2
Modular high-temperature, gas-cooled reactor (HTGR).

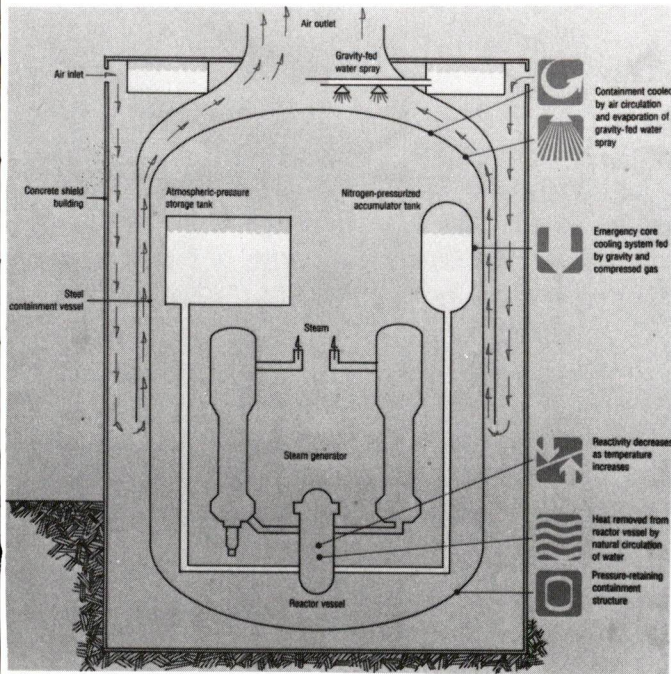


FIGURE 3
Advanced passive light water reactor (APLWR).

critical value can under *every* circumstance, conceivable and inconceivable, avoid a meltdown. Second, if a reactor advertised as being inherently safe actually suffered a meltdown, the entire nuclear enterprise would suffer an intolerable loss of confidence. And third, can inherently safe reactors and actively safe reactors coexist? Would not the pressure to shut down existing, actively safe reactors become irresistible were newer, safer reactors to be built?

To these objections, I offer the following: I do not regard "inherently" safe and "absolutely" safe to be identical. Inherent connotes to me only that the system's safety depends on inherent and passive characteristics. Under some all-but-incredible circumstances an inherently safe system can cause harm, for example, by malevolent act. As far as failure of an inherently safe reactor compromising the future of nuclear energy is concerned, I think the failure of *any* reactor, inherently safe or other-

wise, would be disastrous for the nuclear business. As for the coexistence of devices of different vintage, and different levels of passive safety, we already accept this in commercial air travel. Modern jet aircraft are more reliable than are DC-3s, yet the public accepts both kinds of aircraft. Every technology improves, yet the introduction of a safer, newer technology generally does not cause the immediate shutdown of an older technology, provided the older technology has operated reliably and there is no better substitute available.

How Safe Is Safe Enough?

I return to the central question: how safe is safe enough? From probabilistic risk analysis we judge that the mean core melt probability of light water reactors now deployed is between 10^{-4} and 10^{-5} per reactor year. With about 400 reactors now deployed, the probability of a core melt between now and 2000 is between 4 and 40 percent. Many of us in the nuclear business are uncomfortable with this result, especially since a nuclear accident anywhere is a nuclear accident everywhere.

Incremental improvements and backfits improve the odds. Thus, the core melt probability for Sizewell-B, a large PWR under construction in England, and for the advanced PWR and BWR being built in Japan, is between 1×10^{-6} and 5×10^{-6} per reactor year. In a fleet of 5,000 such reactors, over their lifetime of 50 years, the probability of one such reactor suffering a core melt would be at least 25 percent. Is this good enough?

Having asked this question, I confess, I cannot answer it, especially since the answer depends so heavily on the public's perception of hazard, more so than it depends on the actual hazard. And here is why I think inherent, or at least transparent, safety will remain a tantalizing goal for engineers in the coming century.

The public's views are, in this age of television, strongly affected by skeptical and ar-

ticulate elites. These are self-appointed spokesmen for the public interest as they conceive it. Though these elites are often antitechnological, many of them are sufficiently sophisticated to see trade-offs in any assessment of a technology's risk. Thus, shortly after Chernobyl, Jan Beyea of the Audubon Society admitted before a Senate committee that in view of the greenhouse warming, non-fossil energy sources would be needed. Though solar was his favorite, he recognized that solar was expensive. He therefore urged development of inherently safe nuclear. Beyea is not the only skeptic who has voiced this view: the Union of Concerned Scientists, and the World Resources Institute, though espousing conservation as the inherently safe alternative to nuclear, at least concede that they would be prepared to rethink nuclear, were inherently safe embodiments to be developed.

So I think the nuclear community must address the skeptical elites. The engineering task is therefore to design reactors whose safety is so *transparent* that the skeptical elite is convinced, and through them, the public.

What the public requires by way of assurance will depend on the alternatives, and here the greenhouse effect may be decisive. To counteract the greenhouse effect, I have estimated that the world, by the middle of the twenty-first century, may have to deploy around 5,000 very large nuclear reactors. I assume here that total world energy increases to 500 quads per year from the present 300 quads per year; that the carbon from a fossil burn of 150 quads per year (75 million barrels of oil per day equivalent) will all be absorbed in the oceans, and that most of the remaining 350 quads is supplied by many thousands of nuclear plants.

I have already pointed out that the probability of a single core melt in so large a fleet of reactors is only .005 per year if the individual core melt probability is 10^{-6} per reactor year.

This, however, leads to a probability of 25 percent over the 50-year life of the fleet. My own instinct therefore is to do better than this with transparently and passively safe reactors, rather than depend entirely on incrementally improved existing reactors.

The notion of inherent safety seems to have political appeal. For example, the Italian Parliament, though putting an end to nuclear power in Italy after Chernobyl, has authorized a five-year study of inherently safe reactors as a possible way to bring nuclear back to life. Mikhail Gorbachev has called for the development of inherently safe nuclear reactors—and the Soviet Union has offered to cooperate with other countries in their development. And Michael Dukakis, governor of Massachusetts, promised not to oppose construction of new commercial reactors if “a new generation of reactor design and safety control is developed.”

Though the search for inherent, or at least passive, safety seems to be most evident in nuclear energy, the idea is catching on in the other technologies, and for pretty much the same reason. The state of New Jersey passed a Toxic Catastrophe Prevention Act in 1988 that places heavy restrictions on what kinds of chemical plants can be built there; and there is a chance that a Federal Toxic Catastrophe law may be enacted. Mr. Kennedy's warning—that a skeptical public may strangle the chemical industry as it has the nuclear industry—must be taken with some seriousness. Trevor Kletz's call for incorporating inherent safety wherever possible in all plants makes good sense whether or not the fate of the chemical industry is at stake.

Conclusion

William C. Clark (1979) reminded us in his famous paper, *Witches, Floods, and Wonder Drugs*, that much of today's anxiety over technology is as little justified as was the fear of witches that swept over Europe in the fif-

teenth, sixteenth, and seventeenth centuries. But people eventually overcame their fear of witches. According to H. R. Trevor-Roper (1969), the public relaxed after the intellectuals among the clergy ("skeptical elites") of the time decided that witches were not as bad as their reputation, and then persuaded the public to regard witches as more or less benign. I do not say that today's technologies are always as benign as witches; the general anxiety, engendered in part by real catastrophes, in part by imagined catastrophes, has pushed the public's estimate of how safe is safe enough much further toward safety than most engineers would judge sufficient. But in this the public's voice is supreme; we as engineers have little choice but to respond to these concerns. Inherent or at least transparent and passive safety offers us a technical fix for the public's anxiety. I cannot guarantee that this technical fix will work, that the public will accept passively safe reactors, oil tankers, or chemical plants, when it rejects actively safe ones. That inherently, if not absolutely safe, technologies are feasible even in principle seems to me to be a remarkable existence theorem. I expect engineers of the coming generation will exercise their ingenuity, in the best engineering tradition, to reduce these exciting new ideas to commercial practice.

Notes

1. Leonard Bernstein caught the essence of our times by entitling his Second Symphony "The Age of Anxiety."
2. As described in Douglas and Wildavsky (1982).
3. This is the statement that summarizes every approval of a reactor by the Advisory Committee on Reactor Safeguards.
4. Chernobyl, an uncontained, very different reactor caused only 31 immediate radiation casualties, but did cause property damage of the order estimated by Rasmussen.
5. Indeed, H. I. Adler and I have argued for a general standard of radiation exposures to be the standard deviation of the natural background, that is, about 0.2 millisieverts (a radiation dose equivalent of 20 millirem) per year.
6. Lundberg's estimates, made in 1963, of number of accidents per year in civil aviation, and the goals he deemed necessary, follow.

<u>Year</u>	<u>Estimated Accidents/Year</u>	<u>Goal</u>
1980	120	approx. 10
1990	250	
2000	440	
2010	710	approx. 25

The actual number of accidents in commercial aviation in 1988 was 25.

7. From the very beginning, avoidance of criticality in handling of fissile materials was recognized as being essential. Codes governing the safe handling of such materials were developed, largely through the efforts of D. Callihan and H. Paxton.

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The National Academy of Engineering may seem an unlikely venue from which to explore transportation congestion. It is and it is not. It may appear a strange forum in the sense that the basic solutions are social and political with economic consequences. But in fact, the National Academy of Engineering provides a proper forum in that engineering solutions for the types of congestion we know today are at hand or can be developed within the existing state of the art.

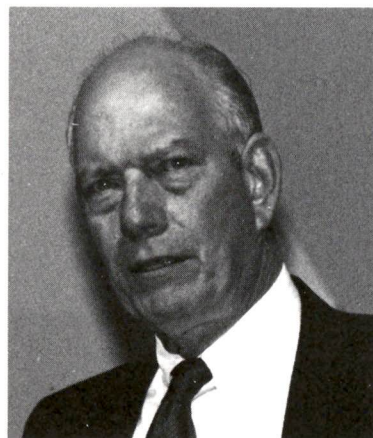
Current Problem Areas

Traffic congestion is not new. Ancient Rome had ordinances to deal with the problem. In 1900 there were complaints about the average speed on the streets of New York City—just about eight miles an hour—only slightly better than the average speed of crosstown travel in New York today! No doubt countless other examples could be recounted, but the fact is that we and our ancestors have been coming to terms with congestion for a long, long time. If we consider what has been done to solve the problem or to manage it, the short answer is that we have merely shifted congestion to other areas and transportation systems, notably to suburbs and airports, and the air traffic control system!

Automobile Congestion

Efforts have been made to restrict certain types of traffic on city streets, for example, to prohibit deliveries and pickups of merchandise during certain hours. This has not proved feasible. The opposite approach has been to restrict curb areas for sole use by trucks and delivery vans during business hours.

Restrictions against parking cars on arterial streets during business hours has increased throughput capacity. Synchronized traffic lights have improved traffic movement. In some cities, major streets now include an extra lane, inbound during the morning rush hour and



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Mr. Boyd presented the following paper at the National Academy of Engineering symposium "Engineering and Human Welfare," October 4, 1989.

Transportation Systems of the Twenty-First Century: Breaking Gridlock

Alan S. Boyd

outbound in the afternoon. Certain major highway segments now reserve the inner lane for so-called high occupancy vehicles (HOV) that must have two or more persons aboard during rush hour. Also, some companies have tried staggered working hours so that commuters are not all on the road at the same time.

Another approach has been the development of building code requirements for parking spaces in new buildings, commercial or residential, based on rentable area in each building. This is a retrograde movement in my view. Although it provides for off-street parking, it discourages the use of public transit.

Suburban areas trying to cope with mounting traffic congestion are adding new streets and roads with additional traffic lanes to the existing road system. The hypothesis that added capacity induces added traffic is being proved every day throughout the country.

The growth patterns and problems are essentially the same in other industrial countries. Paris is in the process of building highway tunnels under the city to move its traffic. In the United States there are 183 million motor vehicles, and approximately 5 million more vehicles are added each year. With rare exceptions the capacity of city streets cannot be expanded short of double decking, which is not considered feasible.

An environmental problem in connection with road and street congestion is air pollution. It has reached epidemic proportions in some conurbations and is spreading relentlessly to others. Its impact on health, property values, and quality of life is quite literally, breathtaking. Recent proposals for dealing with the problem in the Los Angeles area are revolutionary in concept and expense.

Airport Congestion

Meanwhile, that fantastic brainchild of Wilbur and Orville Wright has come into its own. The airplane has achieved a level of congestion in two dimensions—in the air and on

the ground. The air traffic control systems in both Europe and the United States are barely coping with existing traffic. Deregulation and the controllers' strike dealt a body blow to the U.S. system. Liberalization of aviation economic and political controls in Europe in 1992 will have a similar though not so devastating an effect in that area. In the United States the Federal Aviation Administration is now five years behind schedule on a multiyear program instituted in 1981 to upgrade and expand the U.S. system, which is designed to rely heavily on automation. The problems in Europe are compounded by various factors: each nation generally controls its own airspace, and even though some European governments banded together to create Eurocontrol, its jurisdiction is severely limited; the level of investment in the various national systems varies greatly; and large areas of European airspace reserved for military activity prohibit the scheduling of direct flights among a number of major cities.

Air traffic congestion exists on the ground as well, and the problem of too few airports to handle the ever-increasing number of air passengers remains a difficult one. Today the average passenger capacity of a commercial aircraft is 181 seats. In the next 15 years air traffic is projected to more than double. To handle that increased demand using existing airports would require an increase in *average* aircraft size to accommodate 296 seats. And to achieve that average size there would need to be a substantial number of aircraft with a capacity of more than 500 seats. The thought of trying to move clumps of 500 or more passengers to, through, and away from terminals with assorted baggage, relatives, and friends is enough to cause apoplexy among transportation planners. Even more sobering is the prospect of a crash of such a leviathan and its impact on the public.

Obviously, more airports is the answer; however, people travel to and from already densely populated areas. Those of us with memories of 30 years or more may recall the futile quest of

the Port of New York Authority for a site to locate the "fourth" New York Airport. The same situation exists for Chicago, Boston, and Los Angeles. The last major airport in the United States opened at Dallas/Fort Worth in 1974. Now, Denver, one of the few major U.S. cities *not* suffering from airport congestion, is the only city planning to build a new airport. No others are on the drawing board. The reasons are primarily objection to noise, congestion on streets and highways, and fear of accidents. These concerns are not likely to dissipate.

Prospects for the Future

The National Academy of Engineering knows better than any other institution that the problems of congestion can be resolved or controlled if approached on a systematic basis. The remedies, however, involve a number of trade-offs. One requirement is for enormous capital investment. Whether the capital is derived from public or private sources, its use for transportation systems reduces the funds available for investment in other infrastructure activities.

A more intractable trade-off might be to impose constraints on the nearly absolute freedom of personal mobility. It will not be possible to deal effectively with congestion and still permit everyone the license to go wherever they wish at any time in any vehicle. This freedom of mobility is a highly cherished American value and there would be enormous difficulty impinging upon it. The reality is that unconstrained personal mobility and control of congestion are incompatible in the America of today and tomorrow.

It is clearly possible to impose some constraints. Minneapolis has closed a major street to vehicular traffic through the construction of a pedestrian mall. Munich, Germany, has done the same in the Old City Center. Such actions force vehicle traffic to the perimeters; they do not reduce congestion. Instead they displace congestion to other areas.

The architectural/engineering firm of Skidmore, Owings & Merrill developed an innovative approach to the problem of congestion in Chicago with the design of the Hancock Building. Their concept was that people should be able to live, work, and satisfy their needs in one location. So the building has offices, apartments, stores, restaurants, and recreational facilities under one roof. The Hancock Building is a financial success, but I do not know of any studies to validate the concept. Logic would seem to support the belief that clusters of such buildings in our larger cities would provide enough services and interaction to effect a measurable reduction in congestion.

Mass Transportation

The assertion that a well-used mass transit system in our major cities would reduce congestion seems unarguable. The Metro system in Washington, D.C., seems to support the proposition. It is clean, convenient, and cost-effective from a consumer point of view. This has been made possible through massive federal funding as well as large amounts of money invested by local jurisdictions, with continuing annual subsidies from those same local sources. In so doing county governments in Maryland and Virginia and the District of Columbia seem to have overcome one psychological barrier: the belief that the riders are the sole beneficiaries of the system and should, therefore, pay the full cost of the system.

The fact is there are multiple beneficiaries: building owners, employers, communities, and the general public. For building owners, it is a means to get people to and from their buildings. Employers are able to draw their work force from a dispersed regional population. Communities in close proximity to public transportation generate substantially increased tax revenues because it is possible to erect large buildings within walking distance of the system nodes. And the public benefits from a greater range of employment opportunities as well as reduction in congestion that

comes from using the system.

To be successful, a transit system must be seen as a reasonable alternative to the private automobile. Those who have no automobile will ride whatever transit is available; they do not provide a critical mass. For a transit system to serve its purpose it must be a matter of choice for many, not just a matter of necessity for some. Again, the Washington Metro is a good model. Its rail cars and buses are clean, air-conditioned, and comfortable. One does not lose status in one's own or others' eyes by riding public transportation in the D.C. area.

One broad objection to mass transit is that it does not solve "the" transportation problem. It is true that no matter how extensive a system is, it can serve only a limited percentage of the traveling public. It is also true that cortisone does not cure arthritis, but those who suffer from this affliction are better off with cortisone. No thoughtful person would suggest that transit is the solution to congestion. No thoughtful person would declare that there is a solution to congestion. Whatever is accomplished is done at the margin. The issues involve population densities, funds, incentives, and social values.

Balancing Social Goals

Since 1950, population density has been declining in metropolitan areas and growing in the suburbs. Suburban growth has dictated the need for one, two, or more cars per family. There is no reason to expect a change in these patterns. However, two major forces are in conflict with respect to the role of the automobile in congestion: (1) there is the growing concern about air pollution, which is not expected to diminish; and (2) it is fair to say that time has become the most important aspect governing modes of travel.

In the latter regard, as average wages increase, lost time becomes more expensive. There are more and more women in the work force. Many are leading two lives—as members of the work force and as homemakers. Furthermore, as tech-

nology has accelerated the pace of economic activity, it has placed a premium on speed with a consequent pressure on time.

During the depression, I remember the unpleasant odor emanating from a nearby paper mill. When the breeze wafted this aroma to people's nostrils, some would exclaim in picturesque fashion, "That smells like hell!" The constant response was, "That smells like jobs to me." Attempting to deal with congestion and its consequent pollution is an exercise in economic trade-offs. For example, the efforts by environmentalists and government planners in Southern California to deal with congestion and pollution have created charges of increasing cost and declining economic activity.

It is difficult for one whose costs will be increased or whose activity will be constrained by congestion control efforts to accept that overall it may be a zero-sum game. Control efforts will clearly create new or expanded economic activity, even though it is not possible to predict a one-for-one substitution.

Another counter to congestion control efforts is that they will be expensive. Our old nemesis, taxes, is brought to the fore. This is certainly correct. Unfortunately, no one has yet found the free lunch in the provision of public services. Arguments against more taxes must be equated with current and future economic and social costs. Political courage is required to promote benefits versus costs.

It will be a bona fide disaster if government officials attempt to treat the problems of congestion as our federal government is currently dealing with the budget deficit. It is instructive that those entertainers who used to be billed as magicians now refer to themselves as illusionists. Reality may be obscured but it does not change any more than the budget deficit. Smoke and mirrors may prolong some political careers, but it will ultimately reduce our mobility to gridlock! At that time draconian measures may be required to deal with congestion. One wonders if such measures can be imposed

through democratic institutions.

So how do we deal with congestion? First, there must be an appreciation that it is a growing problem that affects the lives of a majority of the American people. Second, there should be the gathering of accurate data to quantify the economic and social expense of congestion. Third, it is important for everyone to understand that congestion and pollution are closely related.

In 35 of our 50 states, most people live in or near metropolitan areas. Congestion is a local phenomenon with an impressive effect on interstate and foreign commerce. Despite the local character of congestion, it has a universal characteristic: too much traffic for the capacity available. Therefore, solutions and amelioration in one area can be readily transferred to others.

The Role of Government

These facts lead to the conclusion that the federal and local government has a major role to play in dealing with the problem, with a lesser role for the states. First we need to acquire information sufficient to calculate the economic and social costs of congestion today and to extrapolate those costs to the future. Then the public must come to understand what the costs are, that the costs are intolerable, and that the situation can be improved.

Inherent in this understanding is a requirement that official bodies promote a basic concept: the greatest good for the greatest number. With a credible statement of costs it will then be necessary to achieve consensus through debate as to what values the public wants to achieve or to maintain. Once it is accepted that benefits come only as a result of costs planning, execution can begin.

It is necessary to review types and sources of funding. There is good reason to believe that an amalgam of public and private funds can be used to develop mass transit systems—and possibly even toll roads. Additionally, it appears to make sense for local or regional governments

to use public funds appropriated for transportation in the fashion that is most likely to solve the local problems. Today, too many of these funds are categorical grants that severely limit their use.

What this implies is the need for a systematic approach to congestion that comprehends public goals, a schedule for accomplishments to achieve those goals, funding and the establishment of a set of priorities. If there is a broad understanding of the costs and benefits related to congestion; if there is an agreement on the values we hope to achieve; and if there is a systematic public/private approach to dealing with congestion it may be possible to maintain a level of mobility equal to that in New York City in 1900.

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