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Folder Title:
Communications (Demarest) (1990) [1]:Editorial Responses

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THE WHITE HOUSE

WASHINGTON

DECEMBER 13, 1990

THE CHIEF of STAFF
has seen

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: EDITORIAL RESPONSE

Sir, Professor Guilain Denoeux of Colby College in Maine wrote the attached OP/ED defending the deployment in the Gulf. Although it was rejected by the Boston Globe, he did get it placed in the Central Maine Morning Sentinel, which is Senator George Mitchell's hometown newspaper.

Commentary

The realities of dealing with Iraq

Limiting Bush's options increases possibility of war

Some commentators have criticized President Bush for his failure to explain his Gulf strategy to the American people. Others have argued that the administration is rushing toward war, unwilling to pursue diplomatic solutions to the crisis.

Such criticisms fail to recognize that the President's belligerent rhetoric and his inability to explain the rationale behind his strategy are postures imposed upon him by the present situation and the personality of Saddam Hussein.

Unlike most of us, Saddam and his inner circle do not believe that war and the use of force are last resorts when persuasion and diplomacy have failed. On the contrary, their view is that diplomacy should be employed only when force and war have failed.

Saddam and the men who surround him were not elected to office as Western politicians are, using the arts of persuasion, public relations, and compromise. They rose to power through clandestine party activity and have maintained it for 22 years primarily through fear and intimidation.

It is left for President Bush and the anti-Iraq coalition to convince Saddam that what has been a winning strategy for over two decades inside Iraq simply will not succeed with the outside world.

President Bush appears to understand all of this very well. He is aware that his standoff with the Iraqi dictator is the equivalent of the hot rod-ders' game of chicken.

Unfortunately, both players also know that

such a game puts President Bush at a disadvantage. He is a consensus builder and a diplomat, known for caution and moderation, operating under the constraints of a morally-oriented democratic society, in which public opinion limits a leader's freedom to maneuver.

Saddam, on the other hand, races toward this confrontation unaccountable to his public and unfettered by moral restraints, having tortured and executed many political opponents, some personally. Throughout his career, he has also shown that he is not afraid to engage in high-stakes, life-threatening political gambles that are the essence of this particular game.

What complicates President Bush's task is Saddam's firm belief expressed to the U.S. Ambassador to Iraq only a week before the invasion of Kuwait) that Americans lack the will, determination, and courage to use force to stop him. In this context, President Bush must go to extra lengths to convince the Iraqi strongman that he, too, means business and that he can at any moment unleash the full fury of American military power on Iraq, and destroy Saddam's regime.

Because he correctly perceives that Saddam will only respond to diplomacy if it is accompanied by the convincing threat of force, President Bush has engaged in the sort of sabre rattling and

hawkish rhetoric that has rallied the rest of the world to conclude, in a historic United Nations vote, that all necessary means must be deployed to effect the withdrawal of Iraq from Kuwait.

Unfortunately, these successes have been offset by a very vocal American minority, which does not understand what is required to convince an individual such as Saddam Hussein to avoid a military confrontation.

The unpleasant reality is that we are not dealing with a man of middle class American values who fights fairly and treats people the way he would like to be treated.

Trotting out a one-size-fits-all solution to war will not work in this phase of the Gulf Crisis because it does not take into account the cultural, historical, political, and personal contexts. In fact, by pressing to limit the president's options, otherwise well-meaning peace activists may achieve a dreadfully undesirable result.

The erosion of public support for President Bush serves only to reinforce Saddam in his conviction that the U.S. and the anti-Iraq coalition do not have the resolve necessary to force him to withdraw from the country he attacked in August.

Members of Congress, editorialists and all of us who do not want a war should consider that any efforts to constrict the President's options during the countdown to Jan. 15 will only contribute increasing its likelihood.

Guilain Denoeux, assistant professor of government at Colby College, was the cultural *charge de mission* of the French embassy in Baghdad in 1984-85.

THE WHITE HOUSE
WASHINGTON

THE CHIEF of STAFF
has seen

NOVEMBER 29, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*
FROM: DEB AMEND *DA*
RE: EDITORIAL RESPONSE

Sir, USA Today ran an editorial this morning by the leader of a hostage-family group about an upcoming trip to Iraq. We worked with the paper and the State Department to respond appropriately. These articles are attached.

Hostage relatives should stay home

By Ernest W. Lefever
Guest columnist

WASHINGTON — We can all sympathize with the deep anguish of families whose loved ones are held captive in Iraq by a ruthless dictator who manipulates his hostages like pawns in a deadly chess game.

Our hearts go out to them.

President Saddam Hussein says he is "unhappy" to be holding Americans as "guests" (read human shields), adding: "We don't mean to hurt anyone or deny anyone his rights; we only mean to make those who want war to hesitate a little."

The State Department is right: Saddam's "playing with hostages is just cynical manipulation."

Compounding his cynicism, Saddam said he will start freeing an estimated 2,000 Western hostages on Christmas Day — unless "something should occur to disturb the atmosphere of peace." There are some 100 Americans held at military sites in Iraq.

He has also invited hostage families to visit Iraq to beg for the release of their husbands and sons. For understandable reasons, some Americans have accepted this poisoned invitation. Unwittingly, they, like the hostages, have become pawns in a dangerous game. The State Department wisely urges families not to go to Baghdad.

Saddam's thinly disguised "humane" gestures are cal-

Ernest Lefever is a senior fellow at the Ethics and Public Policy Center.

culated to divide America, to erode the U.S.-led coalition against his rape of Kuwait and to limit our military options.

Hostage families should not permit themselves to be manipulated into supporting a man who has pillaged Kuwait and threatened Saudi Arabia in his drive to control the flow of gulf oil to the USA, Europe and Japan.

And it is reprehensible for private Americans such as Jesse Jackson, Ramsey Clark and Muhammad Ali to negotiate with Iraq. Each has secured the release of several Americans, but each has played Saddam's cynical game and complicated President Bush's attempt to expel Iraq from Kuwait. Such visits to Baghdad weaken the fragile coalition of Western, Arab and other governments that have supported the U.N. Security Council resolutions against Iraq.

Most needed now is an America united behind the efforts to force Iraq out of Kuwait by economic sanctions if possible, and by military means if necessary, and to secure the release of all foreigners held against their will.

Hostage families can help achieve these basic objectives by accepting a disproportionate sacrifice in the name of larger U.S. interests in peace and free commerce in the Middle East.

Hostage relatives must go to Iraq

By Kim Edwards
Guest columnist

CARSON CITY, Nev. — We are not politicians, diplomats or former government officials.

We have not engaged in pointless name-calling; we have not theorized about the success of an eventual confrontation.

"It is our husbands, sons and fathers who are involved in a crisis not of their own making."

We are like you, the average person who reads newspapers and watches the news.

We live with a heightened sense of fear because it is our husbands, sons and fathers who are involved in a crisis not of their own making.

We have watched and listened to endless round-table discussions by analysts, former diplomats and former government officials with a growing sense of impotence.

We have heard government leaders from many nations engage in rhetoric that has set the stage for a war that may lead to tragedy on an unprecedented scale.

We were brought together through the efforts of Com-

Kim Edwards' husband, Tony, is detained in Iraq; she is co-leader of a hostage-family group leaving for Baghdad Monday.

ing Home, a support group based in Champaign, Ill., whose spiritual and emotional support has been tremendous.

Coming Home takes no political stance regarding this crisis.

All of its energy has been and will continue to be focused on the hostage issue and the emotional well-being of the families at home.

Seventeen of us who have loved ones detained in Iraq have decided to make this journey to Baghdad after much soul-searching, for none of us wishes to be considered unpatriotic.

And indeed, some in our group are suffering from a double tragedy. Their sons are in Saudi Arabia.

We are leaving Monday on a journey that will be filled with expectation and hope.

We will take with us peace and love in our hearts and yellow ribbons on our sleeves.

We ask for the public not to condemn us but to support us on a journey that we hope will comfort and ease the suffering of innocent citizens.

For us, we have no choice but to go and help those whom we love so much.

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen

OCTOBER 18, 1990

MEMORANDUM FOR GOVERNOR SUNUNU
THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: EDITORIAL RESPONSE

Attached are more letters in support of the President from
the Waterbury Republican.

Choice of words in Bush editorial objectionable

I cannot allow your editorial, "George Bush is an ass," to pass without comment. My concern is not with the substance of the article but with the choice of words used in referring to the president.

Newsstands throughout the city will testify to the number of newspapers that use slang, vulgarity and, I suspect in some cases, profanity to express their views. Until now I believed our local newspaper was a cut above practices of this kind. One doesn't have to be a student of journalism to know there is a vast number of alternatives to the phrase, "George Bush

is an ass," that could be used while at the same time capturing the attention of the readers.

Many of us in the schools still struggle in hopes of teaching children some of the long-standing values and ideals such as standing and removing your hat during the playing of the national anthem, respecting the rights and property of others, and, yes, having respect for the presidency of the United States. Our job, in this respect, is not easy. The opposition is all around us.

I would like to think, if we are expected to use the newspaper in

the classroom as a teaching tool, that in the future greater discretion be used when selecting words for your editorials. This would also help our hometown newspaper maintain the reputation it has for first-class journalism.

The profound meaning of some simple words remains a good lesson: "It's not what you say, but how you say it."

William J. Moriarty
Principal
Wendell Cross School
Waterbury



Did your Oct. 4 editorial, "George Bush is an ass," make you feel better? It doesn't make you look very good. Cursing and name calling do not become editors of your standing.

Reaching consensus on measures that may help reduce the federal deficit can hardly be called less of a priority than whirling through Connecticut to stump for congressional and gubernatorial candidates.

Sure, Gary Franks and John Rowland could stand to benefit from President Bush's visit. They also should be able to campaign successfully without him.

The Republican-American owes the president, its readers and voters an apology. What John F. Kennedy said about citizen participation still holds true, even for political candidates and editorial

writers:

"Ask not what your country can do for you; ask, rather, what you can do for your country."

President Bush is expected to return to Waterbury before Election Day, your sermonizing notwithstanding. Try not to embarrass him or this city again when he does.

Patricia Daddona
Waterbury

The editorial entitled "George Bush is an ass" is an outrageous remark. Regardless of how you or anyone else feels about certain policies or procedures, the office of the president of the United States deserves respect.

In an age where indifference and disrespect are on a rampage, we would hope you would more carefully consider your choice of

words. Waterbury deserves better than this.

As for the rest of the editorial, though many were certainly inconvenienced and disappointed, the nation's problems must have priority over personal ambitions.

The president's endorsement is still with the people he promised to promote even though he couldn't be at this particular affair in person.

Noni DeCarlo
Waterbury
also signed by 36 others

Although I do not always agree with President Bush, I certainly would never call him an ass. I would not even dare to say he was a donkey.

Perhaps he is often behind or at least on the backside of progress, but to call him an ass is totally un-

dignified of a paper that calls itself "Republican." His economy is always in the rear and his treasury is certainly scraping the bottom, but please, you must not call him an ass. I've seen him as a backbiter, but often backhanded and as Mr. Dukakis knows, he can get you badly on the backside, but this ignominious title should go exclusively to those that elected him.

Edwin F. Klat
Thomaston

If George Bush is an ass, there is a bigger one sitting in the editor's chair of this paper.

I, for one, am ashamed to be reading a paper that would publish such a statement about the president of our country.

Marjorie Tanner Regner
New Preston

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01. Memo	From Deb Amend to John Sununu RE: Response to Waterbury, CT Editorial [Open on Appeal] (1 pp.)	10/17/90	P5	

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WHORM Cat.:
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 By JF (NLGB) on 10/18/04

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AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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

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

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

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

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 (b)(9) Release would disclose geological or geophysical information

THE WHITE HOUSE

WASHINGTON

October 17, 1990

THE CHIEF of STAFF
has seen

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*

FROM: DEB AMEND *DA*

RE: EDITORIAL RESPONSE

The Waterbury, Connecticut paper ran a hateful editorial about the President recently. Congressman John Rowland issued a press release in response to it and the State Chairman organized a letter to the editor campaign. The paper issued a partial retraction. All this material is attached.

cc: Fred McClure

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OCT 17 '90 13:57 CT REPUBLICAN
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April.

Why the cut-rate prices in a high-tax state that can't live with in its income?

To some the answer might sound hopelessly dated: By state statute the nursery must sell its seedlings — between 1.5 and 2 million of them — as close to cost as possible.

Consequently, proponents of green space and leafy canopies, not to mention tree farm entrepreneurs, have a great thing going: fledgling trees for as little as 24 cents apiece.

We only worry how long it'll take for the tax-tax-spend-spend politicians to decide the nursery offers fertile ground for yet another state levy.

when a conference committee filed its report on the "Student Right-to-Know and Campus Security Act of 1990."

This is not an earthshaking piece of legislation. It strikes me as a regrettable bill, but it is not a terribly bad bill. I may sigh if the president signs it, but I won't fall into connipitions.

This is what the bill would do: First, it would apply to all colleges and universities receiving federal assistance. Under that threshold provision every college and university in the land, with the notable exception of valiant little Hillsdale College in Michigan, would be covered. All told, about 8,000 institutions would be affected.

Later on, a Senate bill dealing with campus crime was grafted onto the Towns bill. The expanded measure cleared both houses in September. It will soon go to the president.

Under the bill each of the affected institutions must file an annual report on "the number of students who received athletically related student aid broken down by race and sex." Separate reports must be prepared for basketball, football, baseball and track.

Originally a separate report would have been required for ice hockey, but this was dropped in conference. Athletic scholarships for tennis, golf, lacrosse, soccer, boxing and flycasting would be lumped together under "all other sports combined."

Passing over the prospect of an interesting statistic on the number of students broken down by sex, we come to further provisions:

The data would have to be provided on the spot whenever an institution offered a potential student athletically related student aid. The student's parents, guidance counselor and coach would have to be informed. The U.S. secretary of education then would compile an annual report broken down by individual institutions and by athletic conference.

There is much more, but let me condense the requirements. The 8,000 institutions would have to provide "in a form prescribed by the

to "crime aware curity." It would kind of detailed the incidence of bery, aggravate serious crimes o

The institution report all arrest orderly conduct tions in fraternit The secretary compile and pub lics. And so on a

No one who knowledge of ci life is likely to c tentions behind t tion, some ins learning have e lates, then cast outrageous exc hazing may be d houses have not i

But are these cent magnitude law? Doesn't C important things

At every one tions one or mo deputized to coll out forms. Mere hired at the De uon Expenses publication will benefits justify t tions ought to be What does all Mary? Everywo you will recall, t go.

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James J. Kilp ed columnist.

LETTERS TO THE EDITOR

Newspaper should have set better example

I was completely shocked and appalled when I read your editorial titled "George Bush is an ass."

I strongly support freedom of speech, but I'm just so disappointed that a newspaper would cross the line of good taste and intelligence and resort to name-calling and borderline obscenities.

Thank goodness in America we have the right to disagree with our leaders and policy makers, but let me remind the Republican-American that George Bush is our president, elected by a vast majority of Americans. For this alone he deserves our respect.

I, too, was sorry that he could not make it to Waterbury, but I had to concede that the budget cri-

sis plus possible peace in the Persian Gulf may have taken precedence over campaigning for and lurching with local candidates.

Your paper is full of stories about today's youths lacking respect for parents, teachers and police. You have, with your lack of insight, sent a message in print that when we are disappointed, we do not have to try understanding the other party's point of view or voice our disappointment politely. We should pout and stamp our feet and hurl insults.

I hope your editors felt better after their literary tantrum, but I for one was totally disgusted. I find it

ironic that this is the same paper that removed "Deonesbury."

MaryAnn Hebert
Thomaston

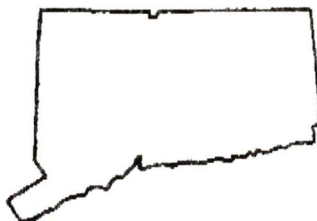
Probate court needs new judge

I want to express my strong support for Don Zehnder Jr. to be our next judge of probate.

I know Don to be a bright, hard-working, compassionate guy. I truly believe it's time for a new face as probate judge.

Steven R. Wise
Naugatuck

backs defense bill; stealth retaliation
The amendment touched off a fierce fight on the Senate floor as opponents of the aircraft argued that the bill would cost nearly \$865 million, at nearly \$865 million.
"Opponents do not understand change it in our favor."
we're talking about revolutionary technology," said Nunn, who pointed out that a predecessor of the B-2, the B-1, cost \$1.2 billion to develop.
* * * to meet some Pentagon



Connecticut Republicans

78 Oak Street, Hartford, Connecticut 06106
Telephone: (203) 547-0589 • Fax: (203) 278-8563

October 12, 1990

To the Editor:

I am writing in response to your October 4 editorial about President Bush's postponement of his campaign stops in Connecticut. First of all, certainly we were disappointed that President Bush was unable to participate. No one knows as well as I do the amount of preparation and work involved in putting together events of this magnitude. However, I feel that your assessment was exceedingly and uncharacteristically harsh. I have to believe that those who support the President, Republican and Democrat alike, understand that the business of running the country must come first.

Secondly, the President is going to honor his commitments. He has rescheduled his visit. Those who wanted to see the President will still have a chance to do so. John Rowland, Gary Franks and the Connecticut Republican Party are appreciative of Mr. Bush's efforts on our behalf.

Lastly, we do take serious exception to the choice of wording in your headline. We believe that the office of President is one always deserving of respect and we are pleased with your subsequent reflection concerning the editorial.

Richard Foley
Chairman
Connecticut Republicans

Republican-American

Awarded The Pulitzer Prize
for the most disinterested and meritorious public service in 1939

William J. Pape
Publisher 1901-1961

William B. Pape
Editor and Publisher 1961-1972

William J. Pape II
Editor and Publisher

Bill Southerland
Executive Editor

Robert D. Veillette
Managing Editor

Mark Getzfred
Deputy Managing Editor

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WATERBURY REPUBLICAN

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The American

Established Dec. 14, 1844

The Waterbury Democrat
1881-1946

All editorials are intended to reflect the position of the publishers and not that of any individual editorial writer. Signed columns, on the other hand, reflect the opinions of the author and not necessarily those of the publishers.

EDITORIALS

George Bush is an ass

Does George Bush know who his friends are?

He has dumped loyal Republicans John Rowland and Gary Franks to stay in Washington to peddle a mess of spinach. That's what columnist James J. Kilpatrick (on today's page) labels the federal budget compromise that the president is striving so hard to sell to Congress and the American people.

Bush was scheduled to appear in Waterbury today to boost the war chest and promote the election of Gary Franks, the Republican nominee for the 5th District congressional seat. He was to land in the presidential helicopter, Marine One, at the Crosby High School field and from there motorcade to the Sheraton Hotel where a closed-door reception and fund-raiser (\$500 a ticket) was scheduled.

Tonight, the president was to

forward to the president's arrival. It isn't the abrupt cancellation that Bush is faulted on, but his reason for it.

The president is staying in Washington to drum up support for a murky budget deal that is drawing well-deserved criticism and causing nervous congressmen to back away from it. Bad enough Bush is risking his popularity by pushing the adoption of a disgraceful sham, but he is doing so with complete disregard of the political discomfort he is causing Connecticut Republicans and the personal embarrassment to the candidates.

The president needs to re-order his priorities. The budget deserves to fail. A presidential appearance on behalf of Rowland and Franks can have a significant impact on their campaigns. They deserve better than this.

Rowland, the GOP
candidate. Both events were also
fund-raisers expected to help

Rowland's campaign by some \$300,000.

The White House notified the campaigns of both candidates yesterday that the president wasn't coming. Secretary of Labor Elizabeth Dole would be filling in for him. Ticket buyers, some of whom paid \$2,500 per couple, have every right to protest the substitution.

A good deal of planning went into these events and the candidates and the public were looking



OCT 04 '92 10:19 ROWLAND FOR GOVERNOR

ROWLAND

GOVERNOR

For Immediate Release
Oct. 4, 1990

Contact Jack Goldberg
753-1990

Rowland Criticizes Newspaper Editorial

Congressman John G. Rowland, Republican candidate for Governor, on Thursday criticized the Waterbury Republican-American for its "inappropriate headline on President Bush."

The newspaper printed an editorial on Thursday morning criticizing the President for remaining in Washington to call legislators to urge approval of the proposed budget compromise rather than campaigning in Connecticut for Rowland and congressional candidate Gary Franks. In its headline, though, the newspaper said: "George Bush Is An Ass."

"That is inappropriate for any newspaper to print, be it about George Bush or Jimmy Carter," Rowland said. "There is a certain respect due to the office of the presidency."

Rowland, a three-term congressman from Waterbury, said he is particularly embarrassed the editorial came in his hometown newspaper and called on the newspaper to issue an apology to President Bush.

"I was disappointed when I was told the President had to remain in Washington rather than campaign for me," Rowland said. "I said at the time, though, that I fully understood and I agreed that Washington was the place for him to be at that time. Running the government is much more important than a partisan political campaign swing."

-30-

P.O. BOX 1990-R • WATERBURY, CONNECTICUT 06722 • (203) 753-1990

Paid For By Rowland Governor Committee, Alan J. Cicchetti, Treasurer

P. 2

OCT 08 '90 12:28 ROWLAND FOR GOVERNOR

employees in the private sector are doing. A little belt-tightening now might save a lot of their jobs in the days ahead.

The national unemployment

screams for the truth from its politicians. Well, Rowland is laying it on the line. Soon enough we'll know if that's what voters really want.

Rowland takes chance

This house is haunted?

Jo-Ann Rich, the Hebron woman who has sued the owners of an old Victorian house because, she alleges, it's haunted, has one thing going for her: a lively imagination.

The 110-year-old house she rented for 1½ year, she says, had a ghostly presence and she couldn't deal with it. To lend credibility to her claim, she says in all seriousness, she photographed the ghost two times — once as a pink haze at the top of a flight of stairs and once as a blue haze over a candle.

Not entirely satisfied with this evidence, she opened the house to a clairvoyant who asserted she too felt a strange presence. But the clairvoyant didn't snap any photos. Instead, she described the ghost as a confused, somewhat frustrated spirit.

How to remedy this state of affairs? The tenant's only recourse, to hear her tell it, was to abandon the house to her alleged predecessor.

Then she sued in small claims court. It would help her own spirits, said Rich, if the landlords would reimburse her \$2,000 — her last payment of \$500 in rent, her \$1,250 security deposit and, oh, by the way, her \$185 fee for the clairvoyant.

For the moment she specified nothing for pain, suffering and, if you will, her lack of privacy.

One of the landlords, Kevin

O'Donnell, a realtor, had the gall to suggest that Rich concocted the story because her boyfriend had moved out a month or two before and now she was having trouble paying her rent. She was short \$400 the last time she paid her rent, he maintained.

The previous owners, he said, told him they never encountered a ghostly presence in the 19 years they owned the place — in pink, blue or any other color — and neither have the present occupants.

"I'm trying to have a sense of humor," he said, "but I don't like to be made a fool of."

On the surface it's a mildly amusing tale, but when you consider the possible repercussions in real life, it is anything but.

A ghost story is being used to justify walking out, breaking a contract and damaging the reputation of a property and its owners. And that isn't funny.

Upon reflection

Perhaps we should not have called President Bush what we did last week. Donkey might have been more appropriate; maybe a John Lindsey.

What we would call Richard Darman, his budget director, who got him into this mess, we could never print in a family newspaper.

Headboard headaches

It's wonderful that New York City workers have such pride in Gracie Mansion that they treat it like the Taj Mahal.

Can there be any other explanation when a municipal carpenter slaves 500 hours on a headboard for Mayor David N. Dinkins' master bedroom? Or that it took four city workers two days to fix a clogged sink? If love for the Big Apple didn't burn in their hearts, surely they would not have lav-

ished so much tender loving care on these projects.

Critics immediately pounced on Dinkins over the \$11,500 cost. But how was he to know the headboard's bill would be bigger than the cost of the bedroom set the mayor and his wife bought for Gracie Mansion?

Next thing you know, they'll get on the workers' case. How's that for gratitude!

The biggest gamble by any candidate for governor so far in this year's Connecticut campaign is John Rowland's decision to take on state employees and their unions by suggesting that they "share the pain" of bailing the state out of its fiscal troubles.

It is playing to mixed reviews — "we'll get you for this" from state workers and "it's about time" from people who think Rowland is on the right track.

Rowland, a three-term congressman from Waterbury and Republican nominee for governor, knew it was risky when he and his advisors, after long deliberation, went public with the idea last month. He believes it will work for him in the long run.

Rowland would have state employees pay part of their health insurance, phased in up to 20 percent. The state pays all of the cost now.

Rowland ... is ignoring the conventional wisdom that hitting state employees is a political

Rowland would do away with the 35-hour workweek, which state employees won in 1967 during the administration of Democratic Gov. John Dempsey.

But these and other details of the Rowland plan aren't the point here. Rowland, somewhat in the mold of Republican Gov. Tom Meskill and Democratic Gov. Ella Grasso, is ignoring the conventional wisdom that hitting state employees is a political no-no.

Meskill, whom I dubbed "Tough Tom" early in his term, thought of slimming the state payroll, but by attrition. Grasso laid off hundreds of state employees late in her first year.

Both actions came after they were in office. Rowland is sending his message well before he can get there: He'll expect state employees to make significant concessions. The alternative, he says firmly, is to lay them off — something he can do as governor.

The flip side of Rowland's pitch, then, is to tell state employees they can take a big step toward saving their jobs if they sacrifice on the income and benefits issues.

A "fire storm" greeted the plan Goldberg, Rowland's campaign treasurer, says. But Rowland is coming his way. The campaign treasurer also cites, tongue in cheek, the "Road Poll" as a

House Minority of Stratford is his candidate for Lie. Jackie is on tour in with their names. Jackie says the other motorists no the thumbs-down, affect.

Rowland has recognition, even if a state employee pro John Rowland now of New Britain, American Federation

ty and Municipal E CIO. "He's galvanizing against him."

That could mean ing off some 200,0 50,000 state employees and their families for anybody but Row an Gaffney of New land's campaign c most state employees voting Republican a looks at the positive recognition Rowland the state employee is

Rowland has not a word about the job i state employees. To wise, as some have, i stuck with the econ sue, and he believes t stands.

So this could be Rowland's campaign get off the dime. Tha chance he is taking.

Political a • Greenwich Democr townsman Lowell We their state Senate Lamont, a shot again

THE WHITE HOUSE
WASHINGTON

THE CHIEF of STAFF
has seen

SEPTEMBER 24, 1990

MEMORANDUM FOR GOVERNOR SUNUNU
THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: JUDGE SOUTER EDITORIAL

Elliot Richardson's guest editorial on Judge Souter appeared in Sunday's Boston Globe. Written by Lee Liberman in the Counsel's office, it is attached.

CC: Fred McClure
Boyden Gray

ELLIOT L RICHARDSON

A Brennan precedent

Now that the hearings on the confirmation of David Souter have been concluded, senators will be assessing the sufficiency of his thoughtful and articulate, although less than complete, answers to the Judiciary Committee's questions. In reflecting on this question, they would do well to have in mind the confirmation proceedings on the man Souter will be replacing, Justice William Brennan.

In 1956, when Brennan was nominated to the court, one of the hottest issues in the country was the use of congressional and other investigatory tools against citizens alleged to be members of an international communist conspiracy.

One member of the Senate was determined to get to the bottom of the nominee's views on this question. To that end, even though he was not a member of the Judiciary Committee, Sen. Joseph McCarthy received permission to ask questions.

McCarthy showed up armed with stacks of books and pamphlets and two of the nominee's speeches that McCarthy thought demonstrated "an unrelenting hostility to congressional attempts to expose the communist conspiracy." Accordingly, he stated his intention to vote against Brennan's confirmation unless Brennan persuaded him he was mistaken.

McCarthy began with the question: "You, of course, I assume, will agree with me that communism is not merely a political way of life, it is a conspiracy designed to overthrow the United States government. Brennan responded: 'Will you forgive me an embarrassment, Senator. . . . There are presently pending before the court some cases in which I believe will have to be decided the question what is communism, at



DOROTHY AHLE ILLUSTRATION

Senators mostly have not tried to extract promises from nominees during confirmation or intrude themselves into future judicial deliberations by close questioning.

least in the frame of reference in which those particular cases have come before the court. I know, too, that you appreciate that having taken an oath of office, it is my obligation not to discuss any of those pending matters."

McCarthy continued to press, and Brennan continued to refuse to answer. McCarthy then turned to Brennan's speeches (in which, in discussing fear of communism in the land, Brennan had referred to "some practices in the contemporary scene reminiscent of the Salem witch hunts"). He obtained almost no additional information, however. The following day, rather than returning to the fray, McCarthy issued a statement that he was convinced of Brennan's hostility to congressional investigations of communism and that further questioning would serve little purpose.

The other line of questioning that the committee propounded was relevant to the Souter hearing also. The committee chairman wanted to know whether Brennan believed in the "elemental principle of constitutional law" that constitutional provisions have "a fixed, definite meaning when adopted and that that meaning does not change at a later time." Brennan's response was basically that this question could not be answered in the abstract; rather, it depended on the particular case, and all he could say was that he would continue "with an approach of disinterestedness . . . to apply the law whether the applicable law is constitutional, legislative, or common law or otherwise to the facts of the given case." The senators did not press further.

The hearing lasted about three hours. At the end of it, the committee members pronounced themselves impressed with Brennan's integrity, temperament and intellect. Brennan was confirmed by voice vote two weeks later.

It was, of course, obvious that the Souter confirmation hearing would be more probing than the Brennan hearing had been. There could be no question, moreover, as to the propriety of the committee's insisting on finding out more about Souter's general approach to judging than it asked of Brennan. It was to be expected that the senators would want to get a feel for whether it is closer to the approach of Hugo Black, William Rehnquist or (as I suspected) the justice I clerked for, Felix Frankfurter.

Contrary to the demands of various interest groups, however, the Judiciary Committee did not insist on commitments from Souter on various questions that will come before the court. Although a few senators asked, they seemed willing to accept Souter's polite declination. In so doing, the committee members may well have given some thought to the considerations that elicited their predecessors' respect for Brennan's reluctance to answer questions.

One of the great protections against the temporary passions of the day is the independence of the judiciary. Federal judges receive lifetime appointments so that they will not decide cases on the basis of outside political pressure and are instead free to decide them according to the Constitution and laws. The independent judiciary is one aspect of our system admired the world over as a guarantor of liberty and the rule of law.

The Senate generally has been sensitive to this need. Senators mostly have not tried to extract promises from Supreme Court nominees during confirmation or intrude themselves into future judicial deliberations by close questioning, even though there is nothing in the Constitution that specifically limits what questions senators may ask.

To the surprise of many observers, the Judiciary Committee showed considerable restraint in its attempt to extract specific commitments from Souter, whether to particular cases (e.g., *Roe v. Wade*) or doctrines (e.g., a broad right to privacy). This should not have been a surprise. On Sept. 21, 1981, the now-chairman of that committee, Joseph Biden, explained why it should do so in terms on which I cannot improve. Describing his decision to vote in favor of Justice O'Connor's confirmation, he said: "If it were our task to apply a philosophic litmus test - which is not the constitutional responsibility of this body, in my opinion - it would be a task at which we would consistently fail, because there is no good way in which we can know. . . . Once a Justice dons that robe and walks into that sanctum . . . we have no control, and that is how it should be. . . . They are a separate, independent and equal branch of government, and all bets are off. . . . The only thing I am sure of, as I prepare to vote in favor of the nomination of Sandra Day O'Connor, is that she is a woman of competence, intellect, and high moral standing, and has a record of 25 or more years of public service that reflects a judicial bearing, a judicial temperament. That is all can be expected to know. I happen to believe that that is all I have a right to ask. . . . So if we have a sense of what obligation is, I think [that by refraining from imposing philosophical litmus tests] we will do the country a better service.

Biden was right. He conducted the Souter hearings fairly and in accordance with this principle. And now there is every reason to hope that the Senate will approach the deliberations on the nomination in that same spirit. Judge Souter's responses to the Judiciary Committee demonstrated his keen mind, his depth of legal knowledge, and his fair and thoughtful approach to legal questions.

Biden described the nominee's appearance as a "tour de force." I believe we can expect the same high level of performance from the Senate as it concludes its work on this nomination.

Elliot L. Richardson, the former attorney general of Massachusetts and the United States, practices law in Washington.

Withdrawal/Redaction Sheet

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Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Memo	From Deb Amend to John Sununu RE: Response to "U.S. News and World Report" Editorial [Open on Appeal] (1 pp.)	10/18/04	P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
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WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
By JP (NLGB) on 10/18/04

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P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
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THE WHITE HOUSE

WASHINGTON

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AUGUST 2, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*

FROM: DEB AMEND *DA*

RE: EDITORIAL RESPONSE

In response to a critical editorial in "U.S. News and World Report" this week, David Demarest fired off the attached letter defending the administration's response to the S&L crisis.

On the same subject, Congressman Jim Leach wrote the attached OP/ED which appeared in today's New York Times. He already had pen to paper when I talked to him about writing an OP/ED; apparently he and the President discussed the idea of this piece on a recent trip on Air Force One.

We asked Governor Terry Brandstad to respond to a critical "U.S. News and World Report" article on education. Attached is a copy of his letter.

THE WHITE HOUSE

WASHINGTON

July 31, 1990

To The Editor:

Eighteen days after taking office President Bush stepped forward with a comprehensive solution to the S & L crisis. Eighteen days. Your implication that he waited seventeen months to act "decisively" is ridiculously inaccurate.

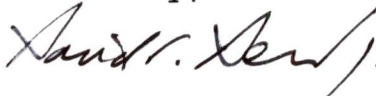
In the year since the Congress passed the President's S&L legislation, our efforts have been guided by the fundamental principal that insured depositors will get their money back. So far the government has paid out \$62.8 billion, representing 5.8 million accounts.

We've reformed the system. S&Ls are operating under tough new rules today, so that the mistakes of the past are never repeated. This administration has taken over 463 insolvent thrifts, closed or sold 211 bankrupt S&Ls, and sold or liquidated more than \$65 billion worth of assets.

And we are putting the crooks in jail. The Justice Department has obtained more than 200 convictions for major S&L fraud, and the FBI is currently working on 530 active investigations of fraud in both banks and thrifts.

The President inherited a monumental problem -- many years in the making -- and has a solution that is working.

Sincerely,



David F. Demarest, Jr.

Assistant to the President for Communications

Letters Editor
U.S. News and World Report
2400 N St, NW
Washington, D.C. 20037-1196
Fax: 202/955-2685

Who Robbed the Thrifts? Congress.

By Jim Leach

WASHINGTON
The most captivating news story in my home state last year concerned an attempted robbery of tragicomic proportions.

At the end of the basketball season, a star forward on the Iowa State University team walked into the campus Burger King, without a mask, carrying a rifle. He asked the high school sophomore at the counter to hand over the money in the cash register. The team's picture featuring this strapping athlete was on the wall. The teen-ager recognized him with a "Hi, Sam." He looked up and responded, "It's not me!"

The savings and loan scandal is another kind of robbery, the biggest

Jim Leach, Republican of Iowa, is a member of the House Banking Committee.

bank heist in history — one that goes beyond the bank vaults to pick the pocket of every American. And the picture of another pin-striped team is on the wall: It is the biannual official photograph of Congress.

The savings and loan debacle symbolizes the breakdown in discipline in legislative bodies, especially at the committee level, where interest groups target their attention and dollars. Committees are designed to be delegated centers of legislative expertise. Too often they have become advocacy rather than oversight oriented, failing to provide stop signals for the inevitable train wrecks.

In modern politics, legislative reputations are generally made by extremists, those who push the biggest programs or tax cuts, or who advocate the greatest new powers for Government or the private sector.

With savings and loans, the committees of jurisdiction in Congress failed to rein in the powers that regulators had allowed the thrifts — to over-leverage capital, buy junk bonds

Democrats drove the getaway car.

and make speculative investments. They chose instead to encourage the continuation of patently imprudent practices.

During the 1980's, the two costliest code words in the legislative lexicon became "direct investments." Thrifts were released from their social contract to make home loans — the historical quid pro quo for receipt of Federal deposit insurance — and given license to speculate in commercial real estate and leveraged buy-outs. Instead of following the Wall Street precept that "first loss is best loss," gullible legislators bought the claim of Charles Keating and other

industry insiders that inflation-ravaged thrifts could beat insolvency by gambling with other people's money.

From a Sun Belt perspective the gamble worked: The wealth of the Midwest and Northeast was transferred on a one-shot basis to the Southwest and West. While graft was rampant, not all of the deposits were frittered away. A localized infrastructure of homes and modern offices was built that will stand for a generation as a government-induced incentive for migration to those states with the most lax regulation.

This criminal transfer of wealth from one region to another, from middle-class taxpayers to lubricious high rollers, occurred because legislative bodies abandoned the national interest and represented regional and industry concerns. Once an innumerate Congress ceased to require prudent capital ratios and sanctioned phony accounting and capricious powers, the Government's gold could be stolen without breaking into Fort Knox.

Ironically, it was the alleged defenders of the little guy in American politics who led the charge to transform an industry created under Franklin Roosevelt to serve small savers and average homeowners into a privileged preserve for the moneyed elite.

The only honor that can be salvaged from this fiscal Vietnam — the chance to hold the "ins" accountable for privatizing profit and socializing loss — must be a demand for campaign reform, for fair rules, for competitive opportunity in American political as well as economic life. The \$20 a month that the average American family must pay Uncle Sam for the next 30 years amounts to a Congressional Watergate, depriving Congress, particularly its majority party, of the moral authority to defend the political status quo.

In Chinese history there is a theory of revolution based upon a "mandate of heaven." A government may be overthrown when a catastrophe — a drought, flood or earthquake — signals the necessity. The question of the 1990's is whether the American people are concluding that the conflicts of interests that cost real people real money are of such earthquake proportions that the mandate of governance ought to be removed from the Democratic political establishment, which has controlled Congress and the majority of state legislatures during the past half-century.

The challenge to Republicans is to stake out the position as the party of reform. The future belongs to the political party that puts the S.&L. crooks in jail and removes America's legislative bodies from the control of moneyed influence peddlers. □

Draft

August 3, 1990

Letter to Editor: U.S. News & World Report
Re: U.S. News & World Report, August 6

Every governor of every state has committed to take the steps necessary to achieve our nation's education goals, but that won't get the job done. We need teachers, parents, administrators, community and business leaders. We need local support and President Bush has an important role developing the national commitment we need to improve education.

The President helped us focus the nation's attention on the deficiencies and the hopes for our education system at the Education Summit and in his State of the Union Address.

It is now up to us as individuals, as states, as a nation to make the choices necessary to prepare every child to learn, to keep drugs out of our schools, to make education a life-long experience, to make our students first in the world in math and science, to improve literacy, to assure competency so our students are prepared for responsible citizenship, further learning and productive lives.

Sincerely,

Terry E. Branstad
Governor of Iowa

Withdrawal/Redaction Sheet

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03. Memo	From Deb Amend to John Sununu RE: Editorial Responses [Open on Appeal] (1 pp.)	7/11/90	P-5	

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THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen and sent note

11 JULY 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*
FROM: DEB AMEND *DA*
RE: EDITORIAL RESPONSE

Attached is an OP/ED by Secretary Lujan which appeared in the Kansas City Star. It concerns off shore oil leasing and is in reaction to a negative editorial on OCS.

We cast our net far and wide encouraging people to write OP/EDs in support of the President's new Enterprise for the Americas initiative. Attached are two; the LA Times from today and the New York Times of last week. I believe the State Department and the NSC deserve credit for these. John Reed, Chairman of Citicorp, has an OP/ED on the same subject pending with the Wall Street Journal.

On Friday USA Today is going to run an editorial critical of NASA and, as they will characterize it, NASA's apparent lack of priorities. We've been asked to respond and NASA is preparing an OP/ED for Admiral Truly. These will run side by side on the top of the page.

Also on Friday, USA Today is devoting the bottom half of their editorial page to agricultural trade. The National Farmers Union will argue for increased subsidies for agriculture. We've asked Ambassador Hills to write about our achievements at the Houston summit.

News from Linda

The Kansas City Star Saturday, July 7, 1990

Benefits of offshore leasing far outweigh risks and costs

By MANUEL LUJAN
U.S. Secretary of the Interior

WASHINGTON — Increasing oil imports pack a double whammy for America. Whammy No. 1 is the economic drain. We Americans paid almost \$1 billion a week, nearly \$50 billion last year, for oil imports.

Whammy No. 2 is the fact that increased oil imports mean increased environmental risk to our coastlines.

One way to reduce these impacts is to produce as much oil as prudently possible in the United States, both onshore and offshore.

Each barrel of U.S.-produced oil helps reduce the U.S. balance of trade deficit and reduces the risk of catastrophic tanker accidents. Domestic production also bolsters our national security, ensures our mobility and gives us leverage in keeping world oil price levels within a reasonable range.

This is why it is in the national interest, and especially in the interest of our coastal areas, to continue a prudent program of oil and gas leasing in the federal Outer Continental Shelf (OCS), generally that area from 3 to 200 miles offshore.

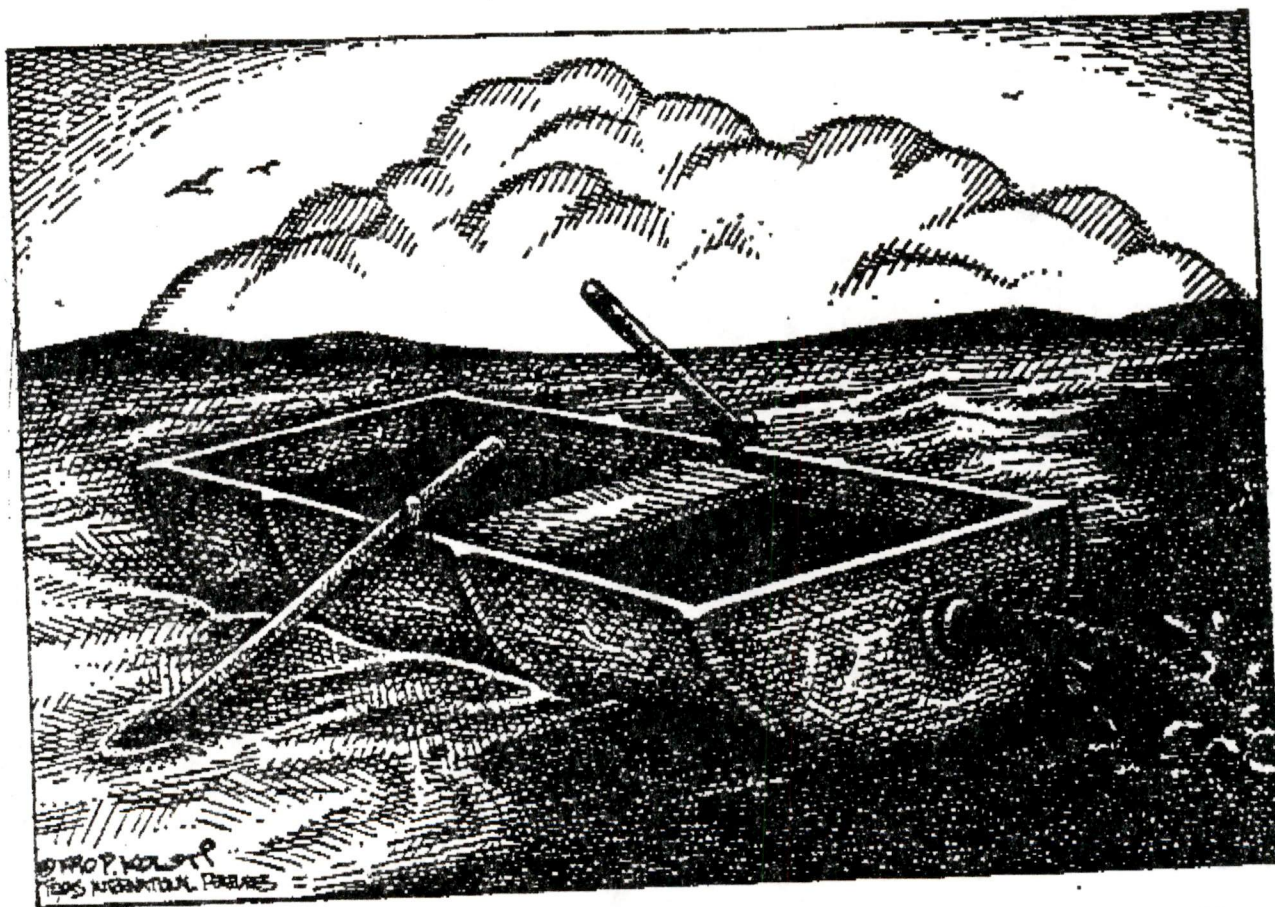
The Kansas City Star recently ran an editorial headlined "Offshore drilling no sure bet." The editorial made some good points in urging caution in offshore development, and that philosophy of environmental concern is reflected in the president's June 26 decisions concerning federal offshore leasing through the year 2000.

At the same time, offshore drilling is one bet that we cannot afford to pass up entirely.

The president's decisions were a victory for those who are concerned about the environment, and about energy supplies, and about our economy.

The new policy builds on a federal program that has a sterling record of safety and environmental protection over the past two decades. The new policy will require even more intensive studies of potential environmental and sociological costs before leases can be offered.

Environmentally sensitive offshore areas will be off-limits to oil and gas leasing. Where leasing is permitted, there will be even greater requirements for care in drilling, in developing and in transporting gas ashore.



The program for regulating offshore leasing, exploration and development — already one of the toughest in the federal government — just got a great deal tougher.

Some voices in the offshore oil and gas industry argue that the additional requirements are excessive and unnecessary.

They may be right. Generally, the less federal government regulation the better. But offshore oil and gas development is an exception.

Certainly, our policy is much more likely to err on the side of environmental protection than on the side of development.

Americans demand such prudence because our oceans and beaches and the vast numbers of fish and

wildlife relying on them are precious to everyone.

Prudence also demands that we continue to explore and develop offshore resources where we can do so without jeopardizing environmentally sensitive areas.

Since 1954, federal OCS leases have generated more than \$93 billion in revenues, much of which has been used to buy conservation lands and expand local, state and federal recreation areas.

Currently, about one-quarter of our natural gas and one-ninth of our domestic oil come from federal offshore leases.

Production since 1954 has totaled almost 9 billion barrels of oil and more than 90 trillion cubic feet of natural gas, yet there has been only one major

accident in 1969, in which oil reached shore.

International studies have shown that offshore oil operations account for only about 2 percent of the oil pollution in the ocean, while tanker spills account for about 42 percent. There are a number of reasons why offshore oil production is preferable to importing more oil, including:

- Most production off the U.S. coast is brought ashore by pipeline, which is much safer.

- Where ships or barges must be used to bring oil ashore from offshore wells, they transport much less oil than the huge tankers that carry imports.

- Modern technology makes it highly unlikely that there will be a major spill from an offshore well, but even if that should occur the potential amount of oil from an OCS platform is minute compared to that from a big tanker gone aground.

Clearly, in the big picture, the benefits to our environment and our economy far outweigh the risks and costs.

Congress recognized this during the Eisenhower presidency of the 1950s when it declared that the oceans, and the resources in the OCS, belong to all Americans. The Department of the Interior was directed to manage the resources of the OCS to strengthen the nation's economy and to protect national security, while taking care to protect the oceans and the coastal zone. Congress reaffirmed this policy during the Carter years of the 1970s.

Offshore leasing is even more important today in the face of rapidly declining domestic oil production. Last year, we suffered our sharpest annual decline in history, dropping more than 550,000 barrels a day.

Even the most aggressive of leasing programs would not stem this decline in domestic production.

And even the most aggressive in conservation efforts cannot close the gap between the amount of oil we produce and the amount we need. It simply is not true that we Americans would not need offshore oil and gas if only we were more conservation-minded.

It is true that as long as we must import oil, the less the better. And we can reduce the double whammy of imported oil at least some through a sensitive program of offshore leasing. America gets multiple benefits: more jobs, more money in our pockets, and best of all, better protection for our beloved seashores.

The Bush Plan to Help Latin America

By Jerome I. Levinson

RECENTLY, Latin America has slipped from our sights, lost amid the upheaval in Eastern Europe. This makes little sense.

An upheaval is under way as well in Latin America, a continent with nearly 400 million people (twice the population of all Eastern European countries put together). As President Bush noted last week when he proposed new aid as part of a hemispheric free-trade zone, Latin America may by the year 2000 be far more important to us than Eastern Europe.

Historically, the U.S. has enjoyed a competitive trade advantage in Latin America akin to that of Germany in Eastern Europe and Japan in East Asia. Before the debt crisis, Latin America constituted one of the world's most dynamic markets for capital goods exports, of which U.S. producers had the largest single share.

According to one Congressional committee staff report "more than one million U.S. jobs have been lost because the debt crisis has forced debtor nations to reduce their consumption of U.S. products and increase their exports of competing products to the United States." In five years, from 1981 to 1985, the U.S. trade balance with the region went from a surplus of \$1.3 billion to a defi-

cit of \$18 billion, as U.S. exports declined from slightly more than \$42 billion to \$31 billion.

Beyond the commercial aspects, what is so interesting about Latin America today is the new generation of leadership that is seeking a broad-based consensus for a development strategy relying on market forces and private enterprise.

In Mexico, President Salinas de Gortari is trying to strike a bargain within Mexican society. He wants to privatize state-run industries while making the economy more internationally competitive by opening the door to imports and foreign investments. In return, he is seeking to preserve the current consumption standards of the middle class by maintaining a stable peso exchange rate.

The resources saved by not investing in the modernization of state-owned industries and public utilities will be invested in social programs, particularly for the benefit of the poorest sector of Mexican society.

The program announced by President Fernando Collor de Mello in Brazil has important parallels with the Salinas strategy. It too is intended to reduce the direct role of the state in industry and to open the economy to imports and foreign investments. It complements the sacrifices demanded of the public sector by a tax upon the income of the middle and upper classes.

Like Mr. Salinas, Mr. Collor committed himself to greatly increase spending on health and education, particularly for poor children. It remains to be seen, however, whether there will be a transformation of the largely private secondary education

system — the way by which the children of lower-income families are shunted out of the system.

The new Latin American leadership is addressing an issue that is not present in Eastern Europe. It is what Hannah Arendt in her classic work "On Revolution" referred to as, "what we may better and simply call the existence of poverty, poverty conceived as a state of constant want and acute misery whose ignominy consists in its dehumanizing force."

It hardly
begins to
dent the
crushing
debt.

Addressing this social question is an integral part of the strategy. But implicit in this approach is a continued claim upon the budget for social spending. The role of the state in development will not be diminished; rather, it will be redirected.

The new approach has fractured the coalition that sustained the previous development strategy. The old coalition consisted of domestic entrepreneurs operating within a protected domestic market and with assured orders from a burgeoning public sector; university graduates, who

worked in the public-sector enterprises; urban labor unions; a middle class firmly anchored in the public sector; and an important part of the military (particularly in Argentina and Brazil) who were assured of lucrative post-retirement positions.

It is, consequently, a high-risk strategy. Will creditors, public and private, accept the redefined domestic strategy with the commitment to increased social spending?

President Bush's Latin America initiative provides a good beginning. The trade and investment components are at best long-term goals. What is necessary now is financing, particularly for the social infrastructure that was neglected in the last decade of the 80's, and a really substantial reduction in the \$200 billion debt owed to commercial banks.

The \$300 million investment fund announced by President Bush is useful but modest; a new lending program for the Inter-American Development Bank without additional resources is nothing more than a reshuffling of existing funds. And the use of the bank's existing resources to support reduction schemes will not make much of a dent in the problems.

His proposed relief of the \$12 billion owed to the U.S. Government is more significant. But, again, likely to be modest in amount. A black cloud of uncertainty will continue to frighten away investors until there is a substantial reduction in commercial debt.

It will be a tragedy if the most promising political developments, in decades are short-circuited by our unwillingness to deal with this most basic issue. □

Jerome I. Levinson is senior special adviser to the president of the Inter-American Development Bank.

Latin Nations Should Seize on Bush's Generous Mood

■ **Hemisphere:** President's initiative may be little more than talk, so the region should work to put flesh on the bare bones.

By ABRAHAM F. LOWENTHAL

President Bush's surprise announcement of a U.S. initiative on Latin America is being cautiously but positively received in the region. The concrete measures proposed by Bush are modest, but the President's statement implies a fundamental U.S. policy decision of potential significance: to build Western Hemisphere partnerships in a world in flux.

The Bush proposal responds comprehensively, if still very sketchily, to the main issues in Western Hemisphere economic relations: trade, investment and debt.

Pride of place is devoted to commerce, on which the proposal is grandiloquent but vague. It holds out a long-term vision of regionwide free trade, promises that Washington stands ready to negotiate agreements to this effect with individual nations or regional subgroups, pledges close cooperation with Latin American nations in current GATT negotiations (the General Agreement on Trade and Tariffs) and holds out the possibility for deep tariff cuts on specific products of special interest to Latin American exporters.

In fact, the statement on trade does not offer any specific concession or incentive. But it does appear to convey a strong signal that Washington is interested, at least in concept, in extending to all of Latin America the kinds of special commercial arrangements that have been gaining ground in the cases of Canada, Mexico and the Caribbean Basin nations.

On investment, Bush proposes to request of Congress a new U.S. contribution of \$100 million annually toward a multilateral fund, to be administered by the Inter-American Development Bank, to promote structural reforms, privatization and other efforts to expand production. As a sign of the times, the President announced that the United States would seek contributions at an equivalent level, \$100 million each, from Japan and the European Economic Community. Even if supplemented in this way, the level of funding suggested is obviously trivial by comparison with Latin America's investment needs. But many

Latin Americans understand that any proposal to destine additional U.S. government resources for Latin America is a positive sign in the current Washington context of budget-tightening and a looming battle on tax increases.

On the matter of Latin American debt, the main news is that the Administration will seek legislation to permit substantial reductions of concessional loans to the most heavily indebted. Interest payments on the restructured concessional claims, moreover, will be accepted in local currency and used for mutually agreed environmental projects. Here, again, there may be less to the offer than meets the eye, for the proffered relief is limited, in effect, to about \$7 billion of Latin America's total external debt of about \$400 billion.

The proposal mainly puts a positive face on recognizing the inevitable: that Latin America's poorest nations cannot repay these official loans. But again the potential impact of the proposal is significant, for it indicates a willingness to go beyond the Brady Plan. The U.S. move may offer Latin America important leverage in negotiations with other official creditors in Europe and Japan, as well as with the commercial banks. And Washington may be prepared to go still further toward relieving Latin America's debt overhang if persuasive proposals linked to far-reaching reforms are advanced.

In time, if more specific steps are outlined and agreed, the Bush statement could become a major step toward a new Western Hemisphere economic community. But it is at least equally plausible that not much follow-up will occur—that the President's initiative is just so much grand talk accompanied by a very small purse.

The ball is now very much in Latin America's court. The Inter-American Development Bank, perhaps together with the United Nations Economic Commission for Latin America and the Caribbean, could play a positive role at this stage by trying to forge a Latin American response to the Administration's announcement. If Latin America's major nations were now to tell the United States what kind of commercial, financial and investment relations they seek, a process of potentially historic dimensions could proceed.

Abraham F. Lowenthal is a professor of international relations at USC and executive director of the Washington-based Inter-American Dialogue.

LATimes
7-11-90

8

THE WHITE HOUSE

WASHINGTON

June 27, 1990

THE CHIEF of STAFF
has seen

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*

FROM: DEB AMEND *DA*
CHRISTINA MARTIN *cm*

SUBJECT: EDITORIAL RESPONSE

Sir, in response to a recent negative Wall Street Journal editorial by Paul Gigot, on the education issue, Lawrence Patrick, President of the Michigan Board of Education, sent the attached letter to the Editor.



BOARD OF EDUCATION

5057 WOODWARD AVENUE
DETROIT, MICHIGAN 48202

Office of the President
LAWRENCE C. PATRICK, JR.

June 19, 1990

Mr. Daniel Henninger
Deputy Editor, Editorial Page
The Wall Street Journal
200 Liberty Street
New York, NY 10281

Dear Mr. Henninger:

In his recent column, "Bush Team Fails the Test on School Choice," (WSJ, 6/8), Paul Gigot correctly observed that "the federal role in education is blessedly small," but then inexplicably concluded that the Administration has failed "to speak the blunt truth" about the need to restructure the nation's schools.

U.S. Secretary of Education Laure F. Cavazos not only "attended" five (5) regional meetings on parental choice, he convened them. They were organized and sponsored by the U.S. Education Department. As President of the Detroit Board of Education, I participated in three (3) of the five (5) regional sessions. At the time, Cavazos was roundly criticized by Rep. Augustus Hawkins (D-Calif.) and others for daring to tell parents that they should have the right to select the school their child will attend. But he went forward with the meetings, which afforded an opportunity for me to meet and exchange ideas with Polly Williams, Sy Fliegel, Pete duPont, John Chubb, John Coons, Myron Lieberman and other important leaders, including the Secretary himself.

"Choice" is not a specific federal program; instead it is an approach to education based on the right of parents to choose the best school for their children. It is also an idea whose time has come. Not only has Cavazos been instrumental in raising the issue, he has acted to galvanize supporters not just along the banks of the Potomac, but in the many speeches and interviews he has given in the past year, including the presentation of the much-discussed "wall chart" last month. He has also directed Department of Education staff to work with state and local officials regarding the many ways choice plans can be implemented.

Mr. Daniel Henninger
The Wall Street Journal
June 19, 1990
Page 2

Gigot reports that consensus now exists "after ten (10) years of debate." And how did the nation arrive at this consensus? Certainly not with the help of the National Education Association, which in their annual convention last summer voted against state choice legislation. (For the NEA to assert that Cavazos is "adopting NEA language," is absurd. The Department quickly condemned the NEA's vote as reported by The Washington Times and others.)

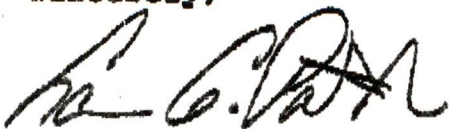
Cavazos is not "Secretary of Choice," he is Secretary of Education. And, as with choice, on other education issues he has been far from "timid." In recent months the Secretary has courageously told Hispanic parents that they must be responsible for the education of their children and told the Texas legislature that merely spending more money will not solve the state's education deficit.

He established a national Indian Nations At-Risk Task Force and implemented a comprehensive student loan default reduction program. More than a year ago he proposed national education goals -- an education strategy endorsed by President Bush and the governors at the Education Summit.

Yes, Cavazos does prefer "building consensus." And apparently he's pretty good at it; the growing success of the choice movement is an example.

Whether you agree with his particular style or his position on what his role should be in shaping local strategies, I hope you can agree that his efforts have already had a positive and meaningful impact on the reform of our education system.

Sincerely,



Lawrence C. Patrick, Jr.

LCP/mm

Bush Team Fails the Test On School Choice

It says all you need to know about creative thinking in Washington that the man who's written the education book of the year couldn't get a job in the Bush administration.

John Chubb, co-author (with Terry Moe) of an icon-smashing book on school reform to be released today, was close to being hired by the White House last year as its chief education aide. The news somehow leaked to the press, and Education Secretary Lauro Cavazos protested to the White House. Policy director Roger Porter says he admires Mr. Chubb and Mr. Cavazos's opinion was "only one of many factors," but Mr. Chubb still didn't get the job. His revenge now is that his book will do more to improve the nation's schools than will the least influential cabinet officer since Margaret Heckler.

That book, "Politics, Markets, and America's Schools," goes beyond the routine lament of failure. It explains why even a decade of reform has failed. The authors finger the bureaucracy and special interests that can calcify in the joints of democracy. The failure lies with what is in effect a socialist education system, controlled, from the top down, by those with little incentive to change. The only solution is "bottom-up accountability." That means creating a market—with universal public "scholarships" that would let parents choose, or start, their own schools.

The Chubb-Moe book is drawing special notice because its sponsor, the Brookings

Potomac Watch

By Paul A. Gigot

Institution, is a liberal think tank endorsing what is supposed to be a "conservative" idea. But old stereotypes are falling in more places than Moscow. Even many liberals are rethinking their traditional faith in the bureaucratic, special-interest state. The metaphor of *perestroika* applies here too. Some liberals are like Soviets who've discovered that statism no longer serves even the goal of equity.

Mr. Chubb, a scholar of "liberal instincts" (his phrase), says his own concern grew out of the failure of public education to serve the urban poor. After 10 years studying more than 20,000 educators and students at 500 high schools, he became convinced that only radical "choice" will allow reform to succeed. His conviction is now being endorsed in small, grass-roots experiments from Cambridge, Mass., to East Harlem, to Milwaukee.

Needless to say, the Bush administration is not leading this charge, and Mr. Cavazos seems barely to have noticed. Aides insist he's a stalwart for choice, pointing to five regional conferences he attended a year ago, but his recent support is so quiet as to be undetectable.

He last devoted a speech to choice in November. (When Milwaukee reformer Polly Williams visited Washington, Mr. Cavazos couldn't fit her into his busy schedule. (This is the same man whose "outreach" is praised by education lobbyists.) Sources say he's also demoted his special adviser on choice, John Klenk, who favors more aggressive leadership. (Mr. Klenk won't comment, and Undersecretary Ted Sanders says Mr. Klenk has been transferred but still does the same work.)

Defenders say it's a matter of style, that Mr. Cavazos prefers building "consensus" to confrontation. But after 10 years of debate, whatever consensus is possible already exists. When Brookings and the Heritage Foundation agree, the debate on substance is over. What's missing now is the political will to challenge the interests (unions and bureaucracy) that will never agree because their monopoly on power is at risk.

Listen to Debra DeLee, lobbyist for the National Education Association, the Politburo of the education establishment. Mr. Cavazos's support for choice, she says, "has been much more low-key than we expected." She praises Mr. Cavazos for adopting NEA language about school "restructuring" and "site-based management"—jargon for tinkering around the edges of the system. Mr. Cavazos is at best timid, at worst a cipher for the educators who've caused the current crisis.

The White House has been better, which is not to say good enough. President Bush has praised Polly Williams (thanks to aide Jim Pinkerton), but choice was barely mentioned at his "education summit" with governors last fall.

The administration hails "choice," but in a generic sense that can be sapped of real meaning. In particular, it won't explicitly endorse choice involving private schools. Yet Mr. Chubb says that choice among existing public schools alone is mere "Soviet-style choice." A market can only liberate if the supply of schools can also be increased. That means including private schools, or at the very least breaking all barriers to the creation of new public schools.



Lauro Cavazos

The Bush team has stressed national testing in a few subjects, a modest reform but also one that by itself can be co-opted by education's *nomenklatura*. Many administrators and politicians will begin to gear instruction to satisfy tests, not students or parents. In the current system, tests could become as deceptive as Soviet five-year plans.

The federal role in education is blessedly small, so Mr. Chubb's most important readers are spread across America. But that only underscores the abdication when Mr. Cavazos mutes his only real power, the stature to speak the blunt truth of the sort offered by John Chubb. George Bush seems unlikely to be the education president with this education secretary.

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen

MAY 7, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST

FROM: DEB AMEND

RE: EDITORIAL RESPONSE

We sent the attached letter to the Atlanta Constitution, and several other papers around the country, in response to criticism of the President's civil rights record.

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As
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t as

car of appointing the palatine
the Kremlin. In reality, he may
simply be reinforcing those hard-
line Soviet elements he most fears.

Consider the latest developments
in Moscow: (1) Mikhail Gorbachev
has taken on centralized personal
authority unmatched since Stalin,
with no effective counterbalance of
power; (2) Gorbachev has recently
appointed several extreme Russian
nationalists to positions of power (in-
cluding, ironically, one named Ras-
putin), individuals who are anti-
Western, anti-Democratic and anti-
Semitic; (3) Gorbachev is engaged in
economic strangulation of Lithuania,
while refusing to meet with the Lith-
uanians to discuss an equitable so-
lution.

Gorbachev is a brilliant political
strategist who has successfully paint-
ed himself as an enlightened prophet
of democracy.

His latest actions belie this, in-
stead painting a picture of a desper-
ate, authoritarian leader success-
fully manipulating President Bush and
the West into supporting whatever
actions he might take to ensure his
own survival.

ATLANTA CONSTITUTION 5/4/90

President Bush has strong record of civil rights support

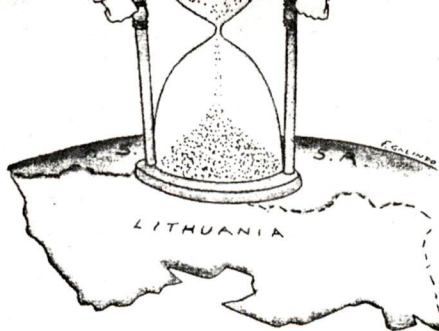
The April 9 Constitution editorial, "Bush follows Reagan script on rights," was an unjust criticism of President Bush's civil rights policy.

The president has a record of strong support for civil rights dating back over 40 years. From 1948, when he headed a drive for the United Negro College Fund at Yale, to his current support of several key pieces of civil rights legislation, President Bush has been a leading figure in the quest for racial equality.

In just 15 months of the Bush ad-
ministration, there have been several outstanding legislative achieve-
ments. Last November, the president signed Public Order 101-180 (ii), extending the tenure of the Civil Rights Commission. The president was also a strong supporter of the Hate Crimes Act, recently signed into law.

The president is also determined to help eliminate bias and bigotry by removing barriers to opportunity; he has asked Congress to increase funding for several important programs. The requested budgets for Head Start and aid for historically black colleges and universities have increased by \$500 million and \$60 million, respectively. The president's new HOPE initiative, a program aimed at giving all people basic shelter and affordable housing, is budgeted at \$4 billion over three years.

The president has also met with



Felipe Galindo/Inx

After the Tiananmen Square massacre, President Bush treated the Chinese with kid gloves, telling us that negotiation and dialogue were the appropriate response. The result has been a dramatic increase in Chinese internal repression. He is now taking the same attitude with the Soviets.

I have always judged President Bush to be well-versed in foreign policy, politically savvy and able to learn from his own mistakes. I now fear I misjudged him.

J. ANDREW KOGERMA
Savannah

civil rights leaders on a number of occasions to discuss issues of critical concern to us all; from the drug plague that is poisoning our youth, to the economic empowerment and development of minorities.

In other areas concerning civil rights, the president is an ardent supporter of the Americans with Disabilities Act, potentially the most sweeping anti-discrimination legislation in 25 years. He has also condemned, on numerous occasions, attacks on the civil rights of AIDS patients.

DAVID F. DEMAREST JR.
Mr. Demarest is assistant to the president for communications in the White House.

Billboards can't fight litter

When I read that the billboard industry in Georgia intends to participate in the state's campaign against roadside litter, my blood pressure must have shot up several notches.

Does anyone seriously believe that the addition of roadside signs is the proper solution to litter?

Will clutter get rid of the trash? What a crock.

TRAVIS WOLFE
Chattanooga, Tenn.

cial critics rather have had Morgan Freeman portraying a ninja Black Panther rappin' radical bent on battling a crusty, old and mean-spirited white woman? Come on fellows, this is a movie set in the '50s and '60s.

Regardless of the subservient role Freeman plays, that's the way it was.

While I haven't seen Spike Lee's "Do the Right Thing," from the reviews and critical acclaim I've read, Mr. Lee has every right to be upset over the lack of recognition by the Motion Picture Academy.

But Mr. Lee does a great disservice to himself and others by impugning the thousands of people, both black and white, who freely choose to be servants, maids and chauffeurs. To refer to these people as second-class citizens tells me that Mr. Lee is stuck in a quagmire of ignorance and self-guilt and has a long way to go.

CHRISTOPHER J. EHLERS
Fernandina Beach, Fla.

Must we always be subject to biased criticism by these Yankee critics who think that their opinions and concepts are correct when they dissect the Southern mind?

Morgan Freeman is a great actor, and it is his choice to play whatever role he may wish to play. I denote sour grapes in Spike Lee's comments. "Driving Miss Daisy" is a charming, truthful episode of a relationship.

Does not this wonderful work deserve to be accepted for what it so ably has projected?

FLORENCE L. LOVETT
Smyrna

Recycle 'Peach Buzz'

I don't read the yuppie gossip column "Peach Buzz," but one segment was recently called to my attention.

The item was about aluminum benches being stolen from Fuller Park, presumably by "excessive recyclers."

Since most people who recycle don't do it for profit, I take exception to this remark. As a volunteer for Clayton Clean & Beautiful who works on the monthly recycling drives, I think this was most irresponsible.

In the wake of Earth Day, we are trying to encourage everyone to recycle and conserve. I'd like to see the newspaper conserve space on page two by discontinuing this fluff column and replacing it with environmental and community-service news.

RITA KINGSTON
Ellenwood

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen

JUNE 13, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST

FROM: DEB AMEND

RE: EDITORIAL RESPONSE

Sir, several conservative leaders have responded to a recent critical "Business Week" article. Letters in support of the President from Richard DeVos, Robert Schuller and Billy Zeoli are attached.

**Robert
Schuller
Ministries**

12141 Lewis Street, Garden Grove, CA 92640, (714) 971-4075

June 13, 1990

BUSINESS WEEK
Readers Report
1221 Ave of the Americas
New York, NY 10020
FAX: 212 512-4464

Dear Mr. Wolman:

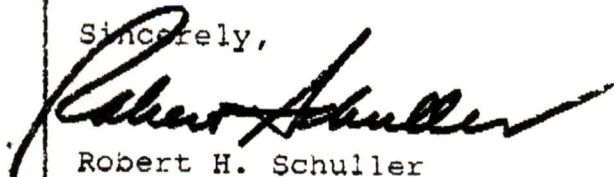
President Bush is to be applauded and congratulated for the way he is dealing with President Gorbachev and the evolving relationship between the USA and USSR.

For nearly half a century our two nations have been facing each other tooth to tooth. Is it not time for us to move ever closer to meeting heart to heart?

There are still major differences as there will always be. But when differences do exist, shouldn't one look for the common ground which will bring two people or two nations ever closer together rather than focusing on the negative, which can only drive a deeper wedge.

President Bush has looked at the positive which can only come from our nations being closer. He has not compromised on his principles. He has seen the potential and possibilities which exist. He has acted wisely. He is to be commended for the good that came out of the Summit and the course he is following.

Sincerely,



Robert H. Schuller

Richard M. DeVos
7154 Windy Hill Road, S.E.
Grand Rapids, Michigan 49506

June 13, 1990

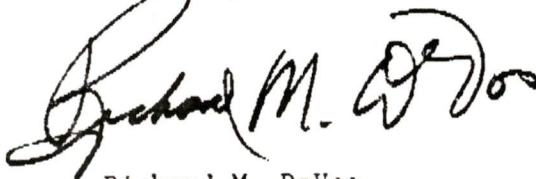
Editor
BUSINESS WEEK MAGAZINE
1221 Avenue of the Americas
New York, NY 10020-1001

Sir:

Your June 18, 1990 "Washington Outlook" article does not speak for many, I might even say for most, conservatives.

As a conservative, and one involved in some conservative organizations in a leadership position, I can tell you that we do not all see red over President Bush. Most of us support him even if we don't agree with him exactly on every issue. Just because conservatives do speak up on issues, you should not conclude that they don't support the President. Nor do a few particularly outspoken conservatives necessarily speak for the rest of us.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard M. DeVos", with a stylized flourish at the end.

Richard M. DeVos

RDV/sg

Billy Zeoli
President



GOSPEL FILMS, INC.

Post Office
Box 455
Muskegon,
Michigan
49443-0455
616/773-3361
Fax Number:
616/777-1847

June 13, 1990

Reader's Report
Business Week
Fax #212-512-4464

To Whom It May Concern:

As a conservative I disagree with your assessment of President Bush's foreign policy. The President's foreign policy has caused an irreversible revolution on the side of freedom, a re-born free enterprise, and newly ignited entrepreneurial spirit.

Many religious leaders have earnestly waited and prayed fervently for this unparalleled opportunity for mankind's new found dignity. While communism is unraveling in a natural process, President Bush's foreign policy has inspired and encouraged imprisoned and aching hearts crying for liberty. People who have been spiritually and intellectually starved are devouring every book made available to them and the Bible is at the top of the list. Religious organizations are inundated with requests for help.

Hats off to President Bush as his foreign policy continues to free millions of people who want to claim their economic freedom and religious liberty.

I personally feel you have wrongly assessed millions of conservatives who believe that President Bush is a statesman whose restraint and measured policies are wise.

Respectfully,

Billy Zeoli, President
Gospel Films/Youth Films, Inc.
2735 E. Apple Avenue
Muskegon, MI 49442
(616) 773-3361 (office)
(616) 942-5677 (home - unlisted)

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MORE THAN THIRTY-FIVE YEARS OF PEOPLE REACHING PEOPLE REACHING PEOPLE

THE RIGHT IS SEEING RED OVER BUSH'S EMBRACE OF GORBY

George Bush's relationship with the Republican right has been an on-and-off affair. But if the President's cuddly summit meeting with Soviet President Mikhail Gorbachev marked a turning point in U.S.-Soviet relations (page 28), it also was a watershed in Bush's dealings with a once-mighty faction of his own party. "He's kissing the conservative movement good-bye," says GOP analyst Kevin Phillips.

Right now, the President undoubtedly feels he can get along very nicely without the right. His popularity remains spectacularly high, and he has yet to glimpse a 1992 Democratic challenger on the horizon. But if things turn sour—if, for example, the economy slides into recession—Bush may be looking for some enthusiastic backing for his reelection effort among conservatives. And he may not find it.

'BALONEY.' Unlike true believer Ronald Reagan, Bush has always been suspect among GOP conservatives, who see him as an Eisenhoweresque country clubber. Bush has tried to appease the conservative movement by tossing it an occasional rhetorical bone and by using White House Chief of Staff John H. Sununu, who has good credentials on the right, as a liaison. But the President has done one thing after another to annoy right-wingers, from proclaiming the Republican Party to be open to all views on abortion, to refusing to endorse restrictions on government arts grants, to adopting a soft line on human-rights violations in China.

But the embrace of Gorbachev was the last straw for conservatives. The sight of an American President going out of his way to bolster a beleaguered Soviet leader made their flesh creep. "This summit confirmed how massively the President has over-invested in Gorbachev," says former Pentagon official Frank Gaffney, head of the conservative Center for Security Policy. Adds Edward L. Rowny, an arms adviser to Presidents Reagan and Bush who will soon leave the Arms Control & Disarmament Agency: "Many people liked the President's

noblesse oblige, but to some it suggests that both sides won the cold war, and that's baloney."

The folks who have faithfully observed Captive Nations Day for 45 years were counting on Bush to mount at least a symbolic fight over Soviet repression of the secessionist movement in the Baltic states. The White House raised their hopes with a pre-summit pledge that Bush would not sign a trade agreement unless Gorbachev cut a deal on Lithuanian independence. Then, at the summit, the President initialed the trade agreement after all.



BUSH: 'OVERINVESTED'?

NO PLACE TO GO. Bush courted the right during the campaign and was reluctant to move very far from Reagan's policies during his first year in office. But now, the White House seems to have decided to go for as much of the political middle as it can get, leaving little room for limited-appeal tough stands on issues such as Lithuania. "The right is isolated right now," says Will Marshall of the Progressive Policy Institute, a moderate Democratic think tank. "Popular sentiment isn't giving their complaints any resonance."

For now, conservatives have no place to go but home. But Bush can't afford to forget them. From the 1964 Goldwater insurgency to Reagan's almost-successful 1976 challenge to Gerald Ford, "foreign policy has always been the rallying call for the right," says William Schneider of the American Enterprise Institute. "They'll nurse their wounds, watch, and make trouble for the Republicans later."

Should Bush's popularity fade and his reelection start to look less like a sure thing, the President will look for a way to get conservatives charged up again on his behalf. The relationship between Bush and the right will never be Reaganesque true love, but conservatives are the foot soldiers of the GOP, and one of these days, Bush may wake up and discover that he needs them.

By Douglas Harbrecht and Bill Javetski

CAPITAL WRAPUP

CIVIL RIGHTS

Nelson Mandela doesn't know it yet, but he's about to become a lobbyist for an antidiscrimination bill now making its way through Congress. Civil rights groups expect that the enthusiasm unleashed by the African National Congress leader's U.S. tour in late June will be a major spur for the legislation, which overturns a number of Supreme Court rulings on job discrimination. Proponents of the bill are urging the Senate Democratic leadership to bring the measure to the floor while Mandela is in the country. To facilitate speedy action, the Senate Labor & Human Resources Committee

was planning to wrap up its work on the legislation by June 8. Meanwhile, civil rights groups, congressional leaders, and the White House are continuing discussions in hopes of eliminating President Bush's remaining objections to the bill.

POLITICS

The penchant of Republican House members to run for higher office has raised Democratic hopes of some gains this fall. Democratic strategists think their best shots include the seats being vacated by Hank Brown in Colorado, Thomas J. Tauke in Iowa, and Claudine Schneider in Rhode Island, all of whom are running for the Senate.

DEFENSE

The nation's top soldier is taking an unusually aggressive part in Pentagon policy planning. Reagan-era legislation encouraged a broader role for the Chairman of the Joint Chiefs of Staff, but General Colin L. Powell is the first to take advantage of the new powers. Powell is urging top Defense Dept. civilians to hold off on drafting the 1992 budget until some key strategic decisions are made. Among the matters Powell wants resolved first: The size and structure of the army, and the future of both Star Wars and strategic weapons under pending arms-reduction agreements.

THE WHITE HOUSE

WASHINGTON

MAY 30, 1990

MEMORANDUM FOR GOVERNOR SUNUNU *PP*
THROUGH: DAVID DEMAREST
FROM: DEB AMEND *DA*
RE: EDITORIAL RESPONSE

Attached is an OP/ED by Doug Paal, NSC director of Asian affairs, which appeared in this morning's USA Today. It ran opposite an article by Senator George Mitchell, which is also attached.



"USA TODAY hopes to serve as a forum for better understanding and unity to help make the USA truly one nation."

—Allen H. Neuharth
Founder
Sept. 15, 1982

Peter S. Prichard
Editor

Cathleen Black
Publisher

John Seigenthaler
Editorial Director

Thomas Curley
President

DEBATE

President's China policy is right

By Douglas H. Paal
Guest columnist

The president extended most-favored-nation status for China to lend a hand to those promoting reform and progress in China. As we approach the anniversary of the massacre in Beijing, we pay tribute to its victims by continuing to sustain as much people-to-people contact, commerce and communication as we can. By staying in touch, we maintain our influence as we continue to press for significant improvements in China's human rights practices.

Most-favored-nation status, or "MFN," applies to all but a handful of nations. It is the everyday basis of trade around the world. Last year we did \$18 billion worth of business with China, our 10th largest trading partner.

All Americans who have visited Hong Kong know it as as vibrant an example of the free-enterprise system as there is in the world. Last year, the massacre in Beijing profoundly shook the confidence of the people there about their prospects when Hong Kong reverts to Chinese sovereignty in 1997.

If MFN status is denied to China, much of Hong Kong's trade and investment, closely linked to rapidly developing South China, would be damaged. It stands to lose 20,000 jobs and \$10 billion in trade. This would make the people of Hong Kong innocent victims in our



Douglas H. Paal is director of Asian affairs for the National Security Council.

dispute with Beijing.

Other nations in the region fear, based on long experience as China's neighbors, that withdrawal of MFN would be counterproductive. The elderly Chinese leadership would rather close their country's door to the USA than submit to direct, public pressure tactics as drastic as removal of MFN.

Denial of MFN status would also harm the USA. Jobs in the aircraft, agricultural and electronics industries would be put at risk: 20% of U.S. wheat exports; \$1 billion a year in aircraft and aerospace equipment; 10%-20% of U.S. lumber exports. All these would be subject to Chinese retaliation.

U.S. consumers would also be hurt. Higher duties at our ports mean higher prices at the market. China provides a rapidly growing proportion of shoes, low-cost clothing and consumer electronics.

We need to remain sober and constant about policy toward China. Things there do not change overnight, and particularly when under outside pressure. It is fair to say U.S. policy has not yet succeeded. It is premature to say it has failed.

President's China policy is wrong

By George J. Mitchell
Guest columnist

President Bush should not be renewing most-favored-nation trading status for China at this time. He defends his policy by saying he doesn't want to do anything "to hurt the Chinese people." But, unfortunately, that's what his policy has done.

The Chinese government has increased surveillance of dissidents, expanded political indoctrination for students, limited overseas study, continued persecution of Catholics and other religions, and refused to allow Fang Lizhi to leave the country safely — all after the president adopted his policy of concessions to Beijing.

That government admits over 400 dissidents remain in prison; others put the count much higher. The Chinese Embassy has actively tried to intimidate Chinese students here. China's commitment to end missile sales to the Middle East has not been kept. It restricts foreign travel and foreign journalists. It terminated a \$500 million contract with Grumman Aviation. It ignores U.S. requests to stop arming the Khmer Rouge in Cambodia.

The president's policy toward China is an obvious and complete failure. It is contrary to our principles, contrary to our interests and wrong. To renew most-favored-nation status now would be to compound that failure.

The hope for freedom in China is as remote today as it



Sen. George J. Mitchell, D-Maine, is Senate majority leader.

was 10 months ago. And the Bush administration has signaled to China's leadership that it views its actions with complacency.

The long-term interest of Hong Kong goes beyond immediate trade conditions. Hong Kong's economic system and her people's individual liberties are not strengthened if its future government knows America ignores repression. But Beijing has demonstrated that Western hopes for improvement are an illusion to be used as a

negotiating tool, not a genuine path to the future.

The USA gains little and stands to lose much from continuing to make concessions to the current government. The leaders who decided their own power and privileges were worth a few hundred young lives will pass from the scene. Our future lies with the people of China. But by its actions, the administration is sowing the seeds of disaster with respect to the next generation of leaders.

The Communist general secretary says Western reaction to the massacre in Tiananmen Square is "much ado about nothing." He says he doesn't "have any regret." I reject his views. The president should not endorse those views by renewing China's most-favored-nation status,

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Memo	From Deb Amend to John Sununu RE: Editorial Responses [Open on Appeal] (1 pp.)	5/22/90	P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: White House Offices File
WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
By JP (NLGB) on 10/18/04

Date Closed:	7/1/1998	OA/ID Number:	29177-002
FOIA/SYS Case #:	1998-0004-F[1]	Appeal Case #:	2001-1864-A-04
Re-review Case #:		Appeal Disposition:	Released in Full
P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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

PRM. Removed as a personal record misfile.

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

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(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen MAY 23 1990

MAY 22, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: EDITORIAL RESPONSE

Congressman Don Sundquist defended the President's environmental record in an OP/ED which appeared in the Memphis Commercial Appeal this morning.

Senator Don Nickles has responded to an OP/ED Ron Brown wrote for the Washington Post. His letter is attached.

A local radio call-in show had a program on the spotted owl issue this morning. The Interior Department reportedly had a crew on the phone lines defending us.

I've mentioned in previous memos how enthusiastic the Agriculture Department is about responding to editorials and want to make sure you saw the letter from Secretary Yeutter in today's New York Times. It is also attached.

cc: Fred McClure

MEMPHIS, TUESDAY, MAY 22, 1990

THE COMMERCIAL APPEAL

VIEWPOINT

Bush correct in seeking balance of environmental, economic needs

By Don Sundquist

PRESIDENT Bush has taken considerable partisan fire because his clean-air program seeks a reasonable balance between economic and environmental needs, rather than embracing the more radical measures offered by environmental purists. As this newspaper has pointed out, much of the sniping is misdirected.

The President is being called negligent because he has dared to suggest that concerns such as energy needs, jobs and the overall health of our economy figure into the environmental policy equation. He has been accused of stalling environmental action because he has weighed the cost the more radical solutions would impose on average working Americans and their families. The recent debate on global warming is a good case in point.

Now, global warming is an easy issue to embrace. What rational person would not be concerned about major climatic change and its consequences? This is not, however, a question of who is for or against global warming. It is, if you will pardon the pun, a matter of degree: How radical a change in our lifestyles can we reasonably be expected to make to meet a threat about which experts honestly disagree?

Those who embrace the doomsday scenario would have us take measures with very serious consequences. For starters, to merely stabilize the amount of so-called "greenhouse gases" in the atmosphere requires that we immediately reduce man-made carbon dioxide emissions by 60 to 80 percent. In other words, eight out of every 10 cars and trucks have to come off the road — today. Three-fourths of our factories would have to shut down — today.

What does the global warming movement suggest we do with the millions of suddenly unemployed workers? If oil, gas and coal are unacceptable sources

for energy, what would they suggest we use instead? Somehow, I don't quite believe we'll see these people suddenly supporting nuclear power.

As much as some would like it to be otherwise, in real life economic issues are very much a part of the environmental question. It is useful to compare the generally solid environmental record of the industrial democracies with those of the formerly Communist nations of Eastern Europe. Crippling the economy hardly left the "worker's paradise" unspoiled or pristine. It is the very strength of our economy that has enabled us to devote more money, ef-

fort and research to fighting pollution than any other nation on Earth.



Don Sundquist

President Bush is correct in taking these factors into account as he sets the nation's environmental program, especially since the scientific community is by no means united in its view of global climate change. While it is possible to find someone to support the prediction that carbon dioxide levels will double within 35 years, it is far easier to document the opposite. The doomsday view presumes that nothing will change in the way we humans use energy, a ludicrous proposition given recent history. In the United States, for example, we have essentially stabilized the amount of carbon dioxide emissions since 1973, even though our economy has more than doubled during that span. The President proposed to improve on that with a clean-air program that would cut CO2 emissions by at least 15 percent by the turn of the century.

In addition, the President's Clean Air Act offers the most sweeping revisions in clean-air law in decades. The Bush plan calls for significant reductions in emissions of sulfur dioxide, nitrogen dioxide and carbon monoxide, as well as a sharp cut in cancer-causing pollutants.

THESE ARE hardly easy or painless remedies. It may cost TVA \$3.5 billion to bring its coal-fired power plants into compliance with the proposed emissions standards. Automakers will have to further reduce emissions from their cars, and a portion of those cars will have to run on fuel cleaner than today's gasoline. Tighter chemical emission standards are proposed for small-area sources of pollution (bakeries, dry cleaners, computer makers) left uncovered by earlier laws.

The Bush program forces energy conservation and a shift to cleaner fuels, but it retains flexibility for government and business in meeting those targets. The result will be significant environmental improvement with the least practical harm to our economy. And as we move toward those targets, the Bush administration is devoting significantly more money for research into global climate change; it boosted research funds by 43 percent in its first year, and by another 37 percent this year, bringing the total to \$1 billion.

In short, the President has taken reasonable measures to protect the environment while recognizing that people still need energy created by fossil fuels and will for some time into the future. For me, and I'll bet for most Americans, the President's approach strikes a good and appropriate balance between our nation's economic and environmental needs. It would be a mistake to allow environmental purists to make balance a crime against nature.

Republican Don Sundquist of Memphis represents Tennessee's Seventh Congressional District in the U.S. House of Representatives.

To the Editor:

Democratic National Committee Chairman Ron Brown's recent article, "Republican Baloney About Crime", shows that the Democrats still haven't figured out why they lost the last presidential election. Until they do, it is doubtful they will have much chance of winning another one in the foreseeable future.

"Let's get it all out on the table," Brown says. "Race and crime. Kerosene and a match. Bush and Horton." Very glib. Unfortunately, very wrong. A more accurate reading would go something like this: Liberalism and crime. Permissiveness and its effects. Dukakis and Horton."

The matter of Willie Horton has taken on legendary proportions in American political lore. Regrettably, as is often the case, the legend strays widely from the facts. If the Democrats get their kicks continuing to believe that the Horton story was somehow an evil creation of George Bush and a bunch of Republican media managers or that it was primarily about race, then they are only prolonging their confinement to the presidential political wilderness.

The Democrats simply cannot understand that the politically potent characteristic about Mr. Horton was not that he was black, but rather that he was a cold-blooded rapist and murderer. They cannot understand that, had Mr. Horton been white, the same focus groups would have been held, the same commercials and speeches would have been made, all with the same devastating effects on the Dukakis campaign.

If Willie Horton had a political creator, it was Michael Dukakis. He was the adherent to the philosophy of Democratic liberalism. He was the one opposed to the death penalty for heinous crimes. He was the one whose concern for the rehabilitation of prison inmates was demonstrated by his support for unsupervised weekend passes for convicted murderers. He was the one whose concern for the victims of crime was never equally publicly demonstrated. He was the one to whom the Democratic Governor of Maryland pointedly refused to send the recaptured Mr. Horton following Horton's criminal rampage while "on leave" from a Massachusetts prison.

The Democrats are only deceiving themselves if they continue to think that the political effects of the Willie Horton story were due to racial divisions. In fact, they were due to clear and distinct philosophical divisions which the Horton story merely symbolized.

Mr. Brown laments that the Republican administration hasn't stopped crime in the streets. He wants to get in a bidding war as to which party will spend the most to build prisons and finance law enforcement. But he's missing the point. Yes, we're all against crime, and yes, we need to spend dollars. But the American people want to know that those doing the spending share their tough-minded philosophical approach to dealing with the most hardened criminal elements. Democratic liberalism has failed for two decades to meet that test and it doesn't appear as if it is going to change anytime soon.

Sincerely,

CHS SULZBERGER, Publisher
SULZBERGER JR., Deputy Publisher

RANKEL, Executive Editor
ELYVELD, Managing Editor
GE, Assistant Managing Editor
NES, Assistant Managing Editor
EE, Assistant Managing Editor
EE, Assistant Managing Editor
EGAL, Assistant Managing Editor

INTHAL, Editorial Page Editor
LB, Deputy Editorial Page Editor

E R. PRIMIS, President
BISHOW, Sr.V.P., Operations
T. LEWIS, Sr.V.P., Production
ANKER JR., Sr.V.P., Advertising
I, Sr.V.P., Finance/Human Resources
J. ROSS, Sr.V.P., Systems
L. POLLAK, V.P., Circulation

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conflict with President Mit-
ancellor Kohl of West Ger-
ter Thatcher of Britain, who
approach.

guarantee Lithuanian inde-
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reportedly devised a new of-
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current fiscal year, Philip
in The Times, the Adminis-
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at money is now gone. The
in October — but the new
ain requests only an inad-

Letters

Toward Even Safer Food for the U.S. Consumer

To the Editor:

On May 7, you reported on the challenges facing the food and agriculture industry in providing safer, more nutritious and convenient foods for today's consumers. You accurately reported the concerns and scientific obstacles facing researchers, food scientists and inspectors.

The next day, you published an editorial on food safety, "The Bacteria at the Table," that seemed oblivious to your report: In somewhat sensational terms, it urged the food industry and Government to clean up bacterial pathogens in food "before food poisoning becomes an epidemic." The only epidemic facing consumers is one of needless fear generated recently by a number of advocacy groups and now exacerbated by the editorial.

The editorial misstated that the presence of bacteria is "growing alarmingly." What is growing is the capability of science and technology to identify bacteria and to detect them in minute amounts. We know more, so we find more. It is ironic that The Times, recognized for its careful scientific reporting, would act the alarmist in making exaggerated statements about the safety of our food supply.

Certainly, we have a long road ahead to identify the sources of bacterial contamination and, more importantly, to find ways to prevent bacterial growth. Eliminating bacteria is as challenging as finding a cure for the common cold. Simply put, Mother Nature does not give us sterile, bacteria-free food. But both Government and industry are working to develop tests to detect salmonella and other bacteria more quickly.

The Food Safety and Inspection Service, which inspects meat and poultry, is making substantial progress in further improving public health protection and has more than tripled the volume of microbiological testing in the past eight years. Also, for the past 10 years it has been examining ways to modernize meat and poultry inspection and to focus attention on preventing contamination.

This focus extends to our consumer education efforts, because bacterial contamination can result from simple mistakes in the home. Just last

month, we launched a program on preventing food-borne illness for individuals at higher than average risk: the elderly, pregnant women and infants, and the chronically ill.

We are fortunate to have good science and innovative minds on our side to produce the safest food in the world. With good science we will discover new and better ways to prevent bacterial contamination and food-borne illness. I stand by my statement, as reported in the article and in the editorial: "Food is safer than it ever was." It may not be perfectly safe, but we're doing very well — better than anyone else in the world, and it doesn't help to frighten people unnecessarily.

CLAYTON YEUTTER
Secretary of Agriculture
Washington, May 11, 1990

Drug Abuse in the Barn

To the Editor:

The extensive press coverage given to salmonella-contaminated poultry and antibiotic drug residues in meat, eggs and milk has missed the point. The question is, why are these drugs being used in the first place, and why are the meat, eggs and milk so permeated with bacteria?

The answer can be traced to the in-



Thomas Kerr

discriminate use of antibiotics in factory farming, which has resulted in the appearance of mutant bacterial strains virtually invulnerable to antibiotic therapy.

Factory farms are designed to

maximize profits in meat and dairy production, but have succeeded in maximizing conditions for disease contagion. To keep these factories productive, managers must resort to a wide array of drugs and other chemical inputs. Instead of using sensible husbandry and strategies of disease prevention and natural animal health, factory producers rely on antibiotics, powerful drugs, hormones and other stimulants.

Today, antibiotic usage in food animals accounts for about half of all antibiotics produced in the United States. In 1979, the Office of Technology Assessment reported that 99 percent of all poultry, 90 percent of swine and 70 percent of cattle and veal calves routinely receive antibiotics. Currently, antibiotics such as tetracycline, penicillins, sulfonamides, streptomycin and macrolides are added in sub-therapeutic amounts to animal feed for growth production or prevention of disease. Placed in a situation that would normally make an animal sick, this sub-therapeutic administration of antibiotics keeps them disease-free, but at a deadly price to human health.

Over 20 years ago, the New England Journal of Medicine warned: "It appears that unless drastic measures are taken very soon, physicians may find themselves back in the pre-antibiotic middle ages in treatment of infectious disease." When penicillin was first introduced, less than 10 percent of staphylococcal strains isolated from patients and carriers were resistant to penicillin; now, over 90 percent are resistant.

In 1979, just as the evidence became compelling that animal products were passing drug-resistant bacteria to humans, Congress prohibited the Food and Drug Administration from restricting antibiotic use in raising animals for food. This imprudent concession to the demands of agribusiness is one reason why salmonella bacteria are flourishing in meat and eggs, and why antibiotic residues are appearing in milk.

It is time for Congress to reconsider the implications of that decision and take steps to end the indiscriminate use of antibiotics dictated by factory farming.

MELINDA CALLEIA
KENNETH P. STOLLER, M.D.
Los Angeles, May 10, 1990

The writers are, respectively, chairman and public affairs director of the American Association for Science and Public Policy.

Beneficial New Farming

To the Editor:

Much of the criticism in your editorial "The Bacteria at the Table" is misdirected. The 25 microbes identified in the past 15 years aren't "new" — they've always been there, and this-

The Japanese Secret: Low Interest Rates

To the Editor:

You may argue as forcefully as you wish for government-sponsored research and development (editorials May 10 and 11) but please don't use my industry as an example of Japanese success in this area.

True, the Japanese dominate the world markets for memory chips, dis-

to the national debt and therefore help increase interest rates, it would have the effect of exacerbating the very problem you seem intent on curing.

NATHAN EIGERMAN
Cambridge, Mass., May 11, 1990

The writer is a software engineer.

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen

MAY 10, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*

FROM: DEB AMEND *DA*

RE: EDITORIAL RESPONSE

Sir, attached is another civil rights letter, this one from the Chicago Sun Times.

Congressman Sundquist has agreed to write the Tennessee papers regarding Al Gore and sent along the attached short article from the Tennessee Journal this week.

Unjust criticism

"Administration has two-faced approach to civil rights" [Carl Rowan's column, April 8] was an unjust criticism of President Bush's civil rights policy.

In just 15 months of the Bush administration, there have been several outstanding legislative achievements. Last November, the president signed Public Order 101-180 (ii), extending the tenure of the Civil Rights Commission. The president also was a strong supporter of the Hate Crimes Act, which was signed into law two weeks ago.

The president also is determined to help eliminate bias and bigotry by removing barriers to opportunity; he has asked Congress to increase funding for several important programs. The requested budgets for Head Start and aid for historically black colleges and universities have increased \$500 million and \$60 million, respectively.

The president's new HOPE initiative, a program aimed at giving all people basic shelter and affordable housing, is budgeted at \$4 billion over three years.

The president also has met with civil rights leaders on a number of occasions to discuss issues of critical concern to us all; from the drug plague that is poisoning our youth, to the economic empowerment and development of minorities.

The president is an ardent supporter of the Americans with Disabilities Act, potentially the most sweeping anti-discrimination legislation in 25 years. He also has condemned, on numerous occasions, attacks on the civil rights of AIDS patients. The criticism of the president's commitment to civil rights is unfounded.

David F. Demarest Jr.,
assistant to the president,
White House, Washington

MAY 10 REC'D

The Tennessee Journal™

The weekly insiders newsletter on Tennessee government, politics and business.

Vol. 16, No. 19

May 7, 1990

But Horton refused, pointing out that two jurors had been dismissed from the panel for not admitting prior felony convictions, one juror had slept through much of the proceedings, the foreman had attempted to announce the jury's deadlocked votes even though Horton believed the foreman must have known a unanimous verdict was required, jury members may have leaked information about the deliberations to members of Ford's staff, and the jury had been subjected to "a rumbling section" of court spectators who reacted to rulings by the court throughout the trial.

■ After Horton declared the mistrial, prosecutors quickly announced plans to try Ford a second time — in a different city. Prosecutors will seek a change of venue, arguing that publicity from the first trial makes a fair retrial in Memphis impossible. Assistant U.S. Attorney Dan Clancy had originally sought to bring the case in Knoxville, on the dual theory that many of the events occurred there and that the government couldn't get a fair trial in Memphis. The publicity attending the first trial — especially Ford's habit of giving reporters his view of the evidence in the hallway or in his office after each day's session — will give the prosecution a far better argument in favor of moving a second trial. Ford says he will fight the attempt.

■ "The time for action is due, and past due. The Ehrlichs have written the prescription." — Sen. Albert Gore Jr. on the jacket of the book *The Population Explosion* by Paul and Anne Ehrlich. Paul Ehrlich advocates reducing per capita income, increasing foreign aid substantially, doubling the price of gasoline, and the relinquishing of some personal freedoms such as the right to choose how many children to have.

■ U.S. District Judge Thomas A. Higgins has approved a state request to keep the old Tennessee State Prison open until 1992. Under the ruling, once the prison is closed, 135 inmates may be housed in the health center portion of the facility only. Last month Special Prison Master Patrick McManus recommended that the state be allowed to keep a portion of the prison itself open to ease overcrowding. Legal Services attorney Gordon Bonnyman, who represents the inmate plaintiffs in the suit, has accused the state of dragging its feet in bringing the prison system into compliance

tional reform plan. Beginning with local government, McWherter and cabinet met with local government, business, civic, and education leaders — and worked in photo opportunities at local schools. The campaign is intended to sell the public on the need for education reform and a broad proposal for how to go about it. While tax and education reform are expected to go hand in hand next year, talk about how to pay for the education plan is decidedly absent from the tour.

■ Former Republican state senator Johnny Crow of Lyles has died of a brain tumor. Crow served in the Senate until resigning in 1981 to head the state Farmers Home Administration. Crow was a likeable, respected Republican political figure who won election to a Senate seat in the traditionally Democratic area of rural Middle Tennessee.

■ "Go after the good ol' boys, Dan. They need help. If you don't give them a fight, they may succumb from tired blood." — A Commercial Appeal editorial on Rep. Dan Byrd's House speaker candidacy.

■ An 11-member committee appointed by Secretary of State Bryant Millsaps has developed a code of ethics for Department of State employees. Millsaps was elected in January after the suicide of Gentry Crowell. The secretary of state's office was the focus of a federal-state corruption probe. The broad guidelines declare that employees should be trustworthy and fair but avoid specific policies on the solicitation of political contributions by employees, political job promotions, and what to do when accepting gifts from those who do business with the department. Such issues have dogged the department in the past.

■ State Republican Party officials can breathe a sigh of relief. Avowed racist and Xanax addict Scott Shepherd has said he will drop his announced bid to run for the Republican nomination for governor. From a drug rehabilitation center in Nashville, Shepard also said his treatment has helped him shed some of his racist hostility.

■ Luckily, Shepherd's decision doesn't leave the GOP without a serious candidate. It didn't have a serious candidate before, either.

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THE WHITE HOUSE

WASHINGTON

MAY 16, 1990

THE CHIEF of STAFF
has seen

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST

FROM: DEB AMEND

RE: EDITORIAL RESPONSE

Sir, I've enlisted the help of the small business community to respond to the newspapers around the country who have criticized the president over the issue of parental leave.

John Satagaj, president of the Small Business Legislative Council, sent the attached memo to the 100 or so associations they represent asking them to write letters to the editors on our behalf. NFIB and National Small Business United are helping out as well.

Small
Business
Legislative
Council®

May 16, 1990

TO: SBLC Official Contacts
FROM: John S. Satagaj, President
RE: Family and Medical Leave Act

As the enclosed five editorials indicate, the President is being pressed hard not to veto the Family and Medical Leave Act. In particular, they are hitting on the theme of family values.

Letters from local small business owners to the editors of these newspapers would be helpful in telling the other side.

Please have your members send you a copy of their letter. In turn, pass it on to us. Thank you.

JSS/S1430
Enclosures



SMALL BUSINESS
LEGISLATIVE
COUNCIL

Members of the Small Business Legislative Council

Air Conditioning Contractors of America
 Alliance of Independent Store Owners and Professionals
 American Animal Hospital Association
 American Association of Nurserymen
 American Bus Association
 American Collectors Association, Inc.
 American Consulting Engineers Council
 American Council of Independent Laboratories
 American Dental Trade Association
 American Floorcovering Association
 American Institute of Architects
 American Machine Tool Distributors Association
 American Meat Institute
 American Road & Transportation Builders Association
 American Society of Travel Agents, Inc.
 American Sod Producers Association
 American Subcontractors Association
 American Textile Machinery Association
 American Trucking Associations, Inc.
 American Warehousemen's Association
 Architectural Precast Association
 Associated Builders & Contractors
 Associated Equipment Distributors
 Associated Landscape Contractors of America
 Association of Small Business Development Centers
 Association of the Wall and Ceiling Industries-International
 Automotive Service Association
 Bowling Proprietors Association of America
 Building Service Contractors Association International
 Business Advertising Council
 Christian Booksellers Association
 Council of Fleet Specialists
 Electronics Representatives Association
 Florists' Transworld Delivery Association
 Helicopter Association International
 Independent Bakers Association
 Independent Bankers Association of America
 Independent Medical Distributors Association
 International Association of Refrigerated Warehouses
 International Bottled Water Association
 International Communications Industries Association
 International Formalwear Association
 International Franchise Association
 Latin American Management Association
 Machinery Dealers National Association
 Manufacturers Agents National Association
 Manufacturers Representatives of America, Inc.
 Marketing Agents for Food Service Industry
 Mechanical Contractors Association of America, Inc.
 Menswear Retailers of America
 NMTBA-The Association for Manufacturing Technology
 National Association for the Self-Employed
 National Association of Brick Distributors
 National Association of Catalog Showroom Merchandisers
 National Association of Chemical Distributors
 National Association of Development Companies
 National Association of Home Builders
 National Association of Investment Companies
 National Association of Passenger Vessel Owners
 National Association of Personnel Consultants
 National Association of Plumbing-Heating-Cooling Contractors
 National Association of Realtors®
 National Association of Retail Druggists
 National Association of Small Business Investment Companies
 National Association of Surety Bond Producers
 National Association of the Remodeling Industry
 National Association of Truck Stop Operators
 National Association of Women Business Owners
 National Campground Owners Association
 National Candy Wholesalers Association
 National Chimney Sweep Guild
 National Coffee Service Association
 National Council for Industrial Innovation
 National Electrical Contractors Association
 National Electrical Manufacturers Representatives Association
 National Fastener Distributors Association
 National Grocers Association
 National Independent Dairy-Foods Association
 National Knitwear & Sportswear Association
 National Limousine Association
 National Lumber & Building Material Dealers Association
 National Moving and Storage Association
 National Office Products Association
 National Paperbox & Packaging Association
 National Parking Association
 National Precast Concrete Association
 National Shoe Retailers Association
 National Society of Public Accountants
 National Tire Dealers & Retreaders Association
 National Tooling and Machining Association
 National Tour Association
 National Venture Capital Association
 Opticians Association of America
 Organization for the Protection and Advancement of Small Telephone Companies
 Petroleum Marketers Association of America
 Printing Industries of America, Inc.
 Professional Plant Growers Association
 Retail Bakers of America
 SMC/Pennsylvania Small Business
 Small Business Council of America, Inc.
 Society of American Florists
 Specialty Advertising Association International
 United Bus Owners of America

The parental-leave standoff

Congress has given its support to a bill that would guarantee some workers up to 12 weeks in unpaid leave to cope with family emergencies—care of a new child or a sick parent, spouse or child—though President Bush says he will veto the bill. There is a forlorn irony in this standoff, coming as it does as Americans set aside a day to honor mothers, the family member most identified with such tasks.

Confusion surrounds the issue of parental leave—confusion that is largely a hangover of attitudes from the past when only one member of the family, the father, worked. Today, with three-quarters of married women who have school-age children working, along with half of all mothers with preschool children, it is time for the United States to begin to require parental leave—as do all other industrial nations, most of them on a paid basis.

The bill in dispute is a minimal step that falls short of guaranteeing all workers job security when crises at home keep them off the job. Its mandate for unpaid leave, continued health insurance and return to the same job applies to only 44 percent of the work force employed in large companies. The bill exempts the 90 percent of companies with fewer than 50 workers.

Opponents from corporations and small businesses have convinced Bush that the bill is too costly, that it could place them at a competitive

disadvantage, and that no job benefit should be mandatory. These are hollow arguments.

The General Accounting Office says that paid leave costs employers \$5.80 a year per employee, or 10 cents a week. As matters stand, workers and taxpayers lose far more.

American workers lose \$12.2 billion a year in earnings when they have to give up jobs rather than take a leave to care for a new baby, stay with an ailing family member, or recover from an illness or injury of their own. Taxpayers expend \$4.8 billion to tide those workers over with unemployment compensation, Medicaid and food stamps.

American business, however, has good reason to be wary that unpaid leave represents only a beginning on this issue. Other nations do far more.

Italy grants 28 weeks of leave, during which the government pays workers 80 percent of the salary; France grants 10 weeks, with the government paying 85 percent of salary; and Sweden grants both parents nine months of maternal leave at 90 percent of salary, plus 60 days a year of care for sick children. America's major competitors, Japan and West Germany, provide 12 weeks of family leave, with employers paying workers their full salary.

Since many Republicans see parental leave as a basic family issue, President Bush will be hard-pressed to justify a veto on this bill.

The Washington Post

5/15

Your Baby or Your Job

LOOK AROUND your office, shop or factory. If the people you work with are typical of the national work force, about 45 percent of them are women. They are not all young and single, and they're not all empty-nesters returned to the work place because they have finished raising their children. Many are mothers who carry the double burden of maintaining job and home. Two-thirds of all women who have children under 3 are also breadwinners, and these statistics are moving in only one direction.

Most large employers have adapted to these trends by providing benefits—primarily maternity leave of some kind—to young parents. But others continue to resist, refusing to acknowledge the nature of the changing work force or adjust to the special and temporary needs of young families that depend on two paychecks. Last week, the House of Representatives gave those employers a shove in the right direction. The Family and Medical Leave Act was passed by a sizable majority, but not with a two-thirds vote necessary to override a threatened presidential veto. The bill requires all firms with more than 50 employees to give workers up to 12 weeks of unpaid leave when a child is born or adopted or when a spouse, child or parent has a medical emergency requiring family care.

Though the leave is without pay, there are costs to employers. Productivity may suffer, finding and training substitutes may be a burden, and health insurance must be continued. But real costs are hidden in the shadows—first because many

and, second, because no one knows how many workers may be able to take advantage of unpaid leave. Opposition to the bill by business and by President Bush is also strong for another reason: they do not want to establish a precedent for the government's mandating employee benefits. They worry that a modest law will be embellished and that soon all employers, including small businesses, will be covered, that workers will demand paid leave and that eventually social programs the government cannot afford—such as national health insurance—will be foisted on private employers.

These fears are not unreasonable, but they are nothing new. The government already mandates minimum wages and safe working conditions. Employers already pay half the bill for Social Security. Surely each of these advances was fought at first, but all are now accepted as minimal obligations by employers and unchallengeable rights by workers. There is something to the argument that the House bill, as it now stands, is too large and ambitious a program to start with. A less comprehensive version could surely be put forward, retaining the provisions protecting the jobs of new parents. The United States is far behind other industrialized democracies in guaranteeing this reasonable protection to workers. If the president is half as concerned about the preservation of family values as he professes himself to be, he should be eager to offer assurance and protection to young people who want children and who need jobs to raise

Cleveland Plain
Dealer 5/13

The parental-leave bill approved by the House of Representatives is a modest step toward a more humane social policy. It hardly deserves to become the center of an all-out election-year fight between the president and Congress. If the Senate keeps its version of the bill within the narrow bounds set by the House, such a measure would deserve President Bush's signature.

The bill would require large-scale employers to offer extended, unpaid leaves of absence to workers with newborn or newly adopted children or ailing relatives. Although that would impose an estimated \$188 million in additional labor costs on business each year, the House bill would apply only to firms with 50 or more employees — thus exempting about 90% of all companies and about 50% of all workers.

Conscientious employers already should have generous parental-leave policies. Moreover, 25 states already have some variation of a sick-leave or parental-leave law. A federal statute would thus affect only firms that now ignore their employees' reasonable family needs.

The measure was watered down considerably during the five years it took to reach the House floor, diluting its sponsors' hope to require all employers to provide fully paid leaves. This year's proposal, granting only unpaid leaves, remains vulnerable to the charge that it is just a middle-class benefit, aiding only those who can afford to take time off from work.

Humane as this parental-leave measure is, it would be wrong for Congress to interpret its approval as a license to enact more middle-

class entitlement programs that impose their full cost on the private sector. Even if social-policy activists have the best of intentions, the accumulation of federal requirements can at some point hinder the private sector's competitiveness.

This measure certainly does not merit the premature veto threat issued by the White House last week. As the House's less-than-overwhelming 237-187 margin showed, the president could certainly muster the necessary one-third support in one chamber of Congress to sustain his veto. But, in an election year, would such a presidential victory be worth the political cost?

Partisan gamesmanship is obviously involved in this bill's timing. The Democrats can hardly wait for the White House to command its Republican loyalists to sustain a veto of a popular social initiative; that would help Democrats portray the GOP as the party of hard-hearted, dollars-and-cents calculation. Democrats are surely ready to remind Bush of his statement during the 1988 presidential race: "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness."

If President Bush wants to sustain his image as a "kinder, gentler" leader, he should resist the temptation to overuse his veto power. It does the president and his Republican allies no credit to be seen as naysayers on such social initiatives as the clean-air overhaul, the day-care bill and the parental-leave measure. The economy can surely absorb the costs of such reasonable social-policy measures.

Philadelphia Inquirer 5/9

"M" is for mother

Atlanta Constitution 5/9

Parental leave

There's no call to melt before veto threat

President Bush's rhetoric about families doesn't amount to much when it comes to a pending bill that would guarantee short, unpaid leaves so that workers could meet family responsibilities. Even though the plan has been pared down at the urging of small businesses, the President's line is that any plan for guaranteed leave, no matter how minimal, will be vetoed.

Thus as the House of Representatives takes up a guaranteed-leave bill this week, lawmakers know that the effort may be for naught. But only by passing this compromise plan can Congress find out whether Mr. Bush is really so insensitive to the needs of working parents.

Fervent opposition to the House plan seems odd in light of how little it would cost. It would simply require employers to continue a worker's health coverage — at an average cost of \$40 a week — during the unpaid leave. And unlike an earlier plan that applied to smaller businesses, this compromise would apply only to employers with at least 50 employees.

The pending measure also reflects a compromise on how long an employee could be on unpaid leave. Whereas earlier plans counted two categories separately — medical leaves for one's own recuperation

and family leaves to care for a baby or an ailing family member — the new compromise limits a worker to 12 weeks of such unpaid leave per year. It's a reasonable way to get this overdue initiative moving.

While most of the muscle against this bill has been from businesses decrying government-mandated employee benefits, there's also opposition from some conservatives on the theory that it would encourage women to take jobs rather than stay home to care for their children. But Congress shouldn't fail to ensure minimal job-security for working parents who need time off in the hope that the lack of guaranteed leave would keep women from taking jobs in the first place. Contrary to these critics, most parents of young children work because they need the money.

It's hard to understand why this legislation has attracted such rabid opposition inside the beltway. Half of the states, including New Jersey, have enacted guaranteed-leave laws. (Even the Pennsylvania legislature, hardly a hotbed of progressive initiatives, may pass such legislation this year.) But since every American worker deserves this basic protection, it's time for the nation's timid leaders to follow suit.

Pro-family Bush snubs real family law

Family values are indeed important. In fact, basic. Families are the fundamental building block of civilization, though just what constitutes a family and what constitutes family values vary from time to time, place to place: African societies, whose extended families honor an architecture of mutual responsibilities out to the most distant cousins, see the traditional American nuclear family — Mom, Pop and kids — as a breakdown of family values.

Also, family values have little real standing in so-called pro-family politics. They are given sentimental lip service, but the politics are in the cause of a larger, reactionary agenda. The pro-family label is used as an intimidating means to ends that include denying women safe, lawful abortions, censoring art and entertainment, forcing religion into public schools and so on. There is little practical concern about systematic strains on families and ways to ease them.

So if there is bitter irony, there can be little surprise in President Bush's announcement through his White House chief of staff and conservative counselor, John Sununu, that he will veto a bill that would require companies with more than 50 employees to give unpaid time off for the care

of newborns, newly adopted or seriously ill children, spouses and parents.

The proposed law has strong bipartisan support from liberals and moderates but probably not enough to overcome M. Bush's veto.

The legislation would make infant care easier and soften the current, de facto penalties for childbearing. It would reinforce mutual support within families during illness. It would protect workers against lower pay many receive when they fit themselves in lesser jobs after childbearing or serious illness — if they are allowed back at all.

An increasing number of companies are offering benefits like those proposed by the legislation. Managers realize it is good business, making employees more loyal and letting companies keep people who have built up valuable experience. But business organizations, led by the U.S. Chamber of Commerce, oppose mandatory policies, and M. Bush answers when business calls.

The president, however, presumably remains available for his customary, pandering speeches to the pro-family organizations, loaded with crowd-pleasing nostalgic hogwash and with ideas for punitive laws to bludgeon folks into the pro-family line.

THE WHITE HOUSE
WASHINGTON

FEBRUARY 22, 1990

MEMORANDUM FOR GOVERNOR SUNUNU
DAVID BATES
BOB GRADY

THROUGH: DAVID DEMAREST *W*

FROM: DEB AMEND *DA*

RE: WETLANDS OP/ED

THE CHIEF of STAFF
has seen

Attached is a draft OP/ED on our wetlands policy by Secretary Skinner. Our plan is to submit this to the New York Times tomorrow and I'd be grateful for your comments.

Please call me at x2930 or send your comments to me in room 122, OEOB. Thanks.

DRAFT OP-ED ON WETLANDS

BY SECRETARY OF TRANSPORTATION SAMUEL K. SKINNER

The President's goal of no overall net loss of wetlands is of urgent importance. The economic and environmental values of wetlands in areas such as flood prevention, fisheries productivity and wildlife preservation are widely recognized. It is estimated that some 50% of our nation's wetlands have been lost. We cannot let that go further.

At the Department of Transportation, we have long recognized the importance of preserving our wetlands. Even before the 1977 Executive Order on wetlands preservation, DOT had developed a policy to protect wetlands. Inevitably, wetlands are involved in transportation projects. But where would our economy be without highways, airports and harbors? With this in mind, we have in many cases successfully preserved, restored and even created wetlands in connection with transportation projects. For example, an interstate highway in Louisiana was designed as a 19 mile bridge over wetlands using a special construction technique to minimize disturbance of the environment. Development of a bypass in Pine Bluff, Arkansas that will take 26 acres of wetlands is being compensated by the creation of 100 acres in a flood prone area, with an additional purchase of 160 acres of existing wetlands, protecting them from drainage. Imaginative solutions to our transportation and economic needs that don't compromise the environment are out there but we mustn't tie the hands of transportation planners with rigid regulations from Washington.

There are a number of critical issues to be worked out and questions to be answered before a "no net loss" goal can become a functioning policy. We must consider differences among various regions of the country, as well as the needs of special states like Louisiana, Florida, and Alaska of which vast portions are wetlands. We must balance wetlands protection with other environmental objectives, as well as with economic concerns. Such a policy must account for the various types of wetlands ranging from coastal saltwater marshes to the "prairie potholes" of the midwestern states and the variations in their value. We must address the proper role of state governments in the implementation of policy from Washington. We must focus on the different types of threats to wetlands - we've heard much about filling wetlands for transportation, but we must also address impacts of draining them for agriculture and other purposes, and degrading them through pollution.

As the Domestic Policy Council's Working Group on Wetlands addresses this myriad of issues, it is important that we not, in the meantime, fix in concrete any approach or solution that might prematurely limit the options and flexibility available to state, local and federal governments. A quick fix that sets uniform restrictions without due consideration to all interested parties would prove counter-productive in the long term.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
06. Memo	From Deb Amend to John Sununu RE: EPA Cabinet Status [Open on Appeal] (1 pp.)	4/2/90	P5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: White House Offices File
WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
 By JP (NLGB) on 10/18/04

Date Closed:	7/1/1998	OA/ID Number:	29177-002
FOIA/SYS Case #:	1998-0004-F[1]	Appeal Case #:	2001-1864-A-06
Re-review Case #:		Appeal Disposition:	Released in Full
P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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

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PRM. Removed as a personal record misfile.

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(b)(1) National security classified information [(b)(1) of the FOIA]
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 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

THE WHITE HOUSE

WASHINGTON

THE CHIEF of STAFF
has seen

APR - 3 1990

APRIL 2, 1990

MEMORANDUM FOR GOVERNOR SUNUNU
THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: EPA CABINET STATUS

We've organized a three part program -- columnists, outside officials and experts, and Senators -- to generate editorial support for our position on elevating the EPA to a Cabinet level department.

Marlin Fitzwater is contacting the syndicated columnists. Talking points on the issue are being staffed right now and should be available this afternoon.

Administrator Reilly, who made our case on yesterday's "Meet the Press" show, will continue to speak out the issue. Additionally, I'd like them to write an OP/ED for the Wall Street Journal.

I've asked Senator Bill Roth, the ranking Republican on the Governmental Affairs Committee, to write an OP/ED for the Washington Post.

Others on the list of people we'll approach include former EPA administrator William Ruckleshaus and Senator Durenberger. I'll be working with the Office of Public Liaison to identify people to generate letters to the editors.

In case you missed it, there was an editorial concerning the issue in the Washington Post yesterday which I've attached. While not exactly supportive, there are some quotes I'll pull out for talking point fodder.

The Tiff Over EPA

IN THE REAGAN administration, advocacy groups and members of Congress charged that the Office of Management and Budget was usurping regulatory authority that belonged by law in other agencies. The arguments had to do with congressional intent and the balance of powers. The reality was grittier. The advocacy groups thought they could win more policy fights in the agencies than they could at OMB.

The effort to make OMB keep hands off failed, as it should have. Thanks to Congress, regulatory activity has become almost a fourth branch of government, in which Congress has given the executive branch enormous discretion. A president has not merely the right but the positive duty to control this important activity. If people don't like how he does it, they should defeat him at the polls, not try to wall off a part of the executive branch from his powers.

The wall-builders haven't quit, however. The latest example involves the Environmental Protection Agency. The House has passed the president's bill to elevate EPA to a Cabinet-level department. No harm in that, we think, and maybe even a little good. The House, however, included in its version a new Bureau of Environmental Statistics that neither the president nor the secretary of the new department could control.

The secretary would appoint the director for a four-year term; the appointment would not be subject to Senate confirmation. But the director

could not be removed except for cause. All functions of the secretary "that relate to gathering, analysis and dissemination of environmental quality and related public health information" would have to be delegated to the director. No report by the bureau would be subject to prior approval by the secretary or officials above him.

The idea, not to put too fine a point on it, is to limit the capacity of White House Officials to minimize environmental problems, as environmentalists think White House chief of staff John Sununu and budget director Richard Darman have done a couple of times in the past. The hope is that, if an independent statistical bureau is created, there can be no more of what the advocates call political interference with the environmental truth.

We wish there were such easy, apolitical truth, but there isn't. The advocates say their only goal is independence, creation of a genuinely neutral agency like the admirable Bureau of Labor Statistics. But environmental risks aren't measurable in the same way unemployment is. We're not in favor of cooking the environmental books, either, but the effort here smacks too much of creating a redoubt for a point of view. The administration says it will veto the bill if the offending provisions that supposedly violate presidential prerogative aren't excised. That too is a little excessive. The nation's environmental problems are substantive, and procedural arguments won't resolve them.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
07. Memo	From Deb Amend to John Sununu RE: Tim Ryan - Office of Thrift Supervision [Open on Appeal] (1 pp.)	4/2/90	P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: White House Offices File
WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
By JLP (NLGB) on 10/18/04

Date Closed:	7/1/1998	OA/ID Number:	29177-002
FOIA/SYS Case #:	1998-0004-F[1]	Appeal Case #:	2001-1864-A-07
Re-review Case #:		Appeal Disposition:	Released in Full
P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
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THE WHITE HOUSE
WASHINGTON

THE CHIEF of STAFF
has seen APR - 3 1990

APRIL 2, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH:

DAVID DEMAREST

FROM:

DEB AMEND

RE:

TIM RYAN -- OFFICE OF THRIFT SUPERVISION

Sir, I met over the weekend with Tim Ryan and Treasury Department officials to talk about generating support for his nomination. Senator John Warner and Secretary Brady have sent OP/EDs on his behalf to the Washington Post and the New York Times, with the hope that they will run on Wednesday, the day they expect a vote in the Senate.

They have also put together a package for each member of the Senate that includes letters of support from leaders of financial institutions, as well as personal endorsements. Hodding Carter is among the people who wrote personal endorsement letters to Senators on Tim's behalf.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
08. Memo	From Deb Amend to John Sununu RE: Editorial Response - Global Warming and Wetlands [Open on Appeal] (1 pp.)	2/16/90	P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: White House Offices File
WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
 By JP (NLGB) on 10/18/04

Date Closed:	7/1/1998	OA/ID Number:	29177-002
FOIA/SYS Case #:	1998-0004-F[1]	Appeal Case #:	2001-1864-A-08
Re-review Case #:		Appeal Disposition:	Released in Full
P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

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

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THE WHITE HOUSE
WASHINGTON

FEBRUARY 16, 1990

MEMORANDUM FOR ED ROGERS

THROUGH: DAVID DEMAREST ~~XX~~
FROM: DEB AMEND ~~DA~~
RE: EDITORIAL RESPONSE

Ed, there have been a number of negative editorials on the environment recently, particularly on global warming and wetlands protection. With your approval, I'd like to ask the following people to write guest editorials:

Washington Post -- Guest editorial by EPA Administrator Reilly (wetlands)

Wall Street Journal -- Guest Editorial by Secretary Skinner (wetlands)

Christian Science Monitor -- Guest Editorial by Chairman Boskin (wetlands)

More than a dozen newspapers have been critical of us on the issue of global warming. I'd like to respond to these specifically via a letter to the editor of these papers from Doctor Bromley.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09. Memo	From Deb Amend to John Sununu RE: Editorial Responses [Open on Appeal] (1 pp.)		P-5	

Collection:

Record Group: Bush Presidential Records
Office: Chief of Staff to the President, Office of the
Series: Sununu, John, Files
Subseries: White House Offices File
WHORM Cat.:
File Location: Communications (Demarest) (1990) [1]: Editorial Responses

Open on FOIA Appeal
(Document Follows)
 By JP (NLGB) on 10/18/04

Date Closed:	7/1/1998	OA/ID Number:	29177-002
FOIA/SYS Case #:	1998-0004-F[1]	Appeal Case #:	2001-1864-A-09
Re-review Case #:		Appeal Disposition:	Released in Full
P-2/P-5 Review Case #:		Disposition Date:	10/18/2004
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

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PRM. Removed as a personal record misfile.

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

(b)(1) National security classified information [(b)(1) of the FOIA]
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THE WHITE HOUSE
WASHINGTON

JANUARY 19, 1990

MEMORANDUM FOR GOVERNOR SUNUNU
THROUGH: DAVID DEMAREST
FROM: DEB AMEND
RE: EDITORIAL RESPONSES

Sir, although most of the news was good this week, we did respond to a few negative editorials:

1. The New York Times criticized the President's capital gains proposal in a recent editorial. Congressman Guy Vander Jagt on the House Ways and Means Committee responded. Both the editorial and his letter are attached.
2. David Demarest took "Time" magazine to task for a column they ran concerning Panama.
3. China. Attached is the first of what I expect will be several letters to the editor concerning China. You met with Robert Hseuh last week.

GUY VANDER JAGT
9TH DISTRICT, MICHIGAN

2409 RAYBURN HOUSE OFFICE BUILDING
TELEPHONE: (202) 225-3811

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SUBCOMMITTEES:
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January 18, 1989

Mr. Jack Rosenthal
Editor, Editorial Page
New York Times, Inc.
229 West 43rd Street
New York, NY 10036

RE: LETTER TO THE EDITOR

Dear Editor:

"Who is Demagoguing Capital Gains?" asks the headline of a recent New York Times Editorial. The second paragraph of the editorial answers that question when the Times joins the demagoguing liberal Democrats, calling President Bush's proposal to cut the rate as a "sweeping giveaway to the nation's richest families."

As the second ranking Republican on the House Ways and Means Committee, and a strong supporter of a reduction in the capital gains rate, I believe there are several points that need to be answered in the Times editorial.

It seems that all that the liberal Democrats in Congress have to do is cry out that a Republican President is pushing for some kind of "tax break for the rich," and the news media jumps on the liberal's bandwagon, crying out to protect the middle and lower class.

Well, if the liberals--and some in the news media--would stop their gnashing of teeth and wringing of hands long enough to look at the facts, they would see that President Bush's proposal to cut the capital gains tax is targeted at the very groups the liberals think they are shielding.

But the liberals never like to fight a fight based on facts. Instead, like a pure demagogue, they appeal to the fears and passions of the very groups the President's proposal would help most.

As Officer Joe Friday cautioned many times on the long running television show Dragnet, "Just the facts, ma'am."

Page 2/New York Times Letter

The Liberal Democrats wave their hands that nearly 80% of the capital gains that are reported each year are reported by individuals earning over \$100,000. But they leave out one important fact: that \$100,000 figure includes the profit that was made on the capital gains. So, if an elderly widow with no other income sells her deceased husband's small business for a gain of \$110,000, the liberals would call her a wealthy taxpayer.

To look at the facts, you have to look at the income of the taxpayer before the capital gains--how much other income did the individual have before they made a decision to sell or not sell their capital asset. Consider these facts:

1) 70% of all taxpayers who reported capital gains in 1987 reported incomes of under \$50,000.

2) Almost one-half of the capital gains reported belonged to taxpayers making under \$50,000.

3) Only 2% of those reporting capital gains had incomes over \$200,000.

4) While those over 65 years of age only make up 11% of the tax returns filed, they make up 26% of the returns claiming capital gains.

5) The elderly are more than twice as likely to realize capital gains on a frequent basis.

It is easy to see why President Bush is fed up with the misinformed critics who want to label his proposals as a break for the wealthy.

But there are more problems with the Times Editorial.

The Times claims that a cut in the capital gains rate would unravel the bargain that resulted in the passage of the 1986 Tax Reform Act. As one of the Committee members who helped draft that act, I can say that assertion is false. And, considering that a majority of the Ways and Means Committee voted last fall to cut the tax rate, I believe it is safe to assume that a majority of the Committee members share the view that a cut in the rate does not unravel the 1986 law.

The purpose of the 1986 act was to close loopholes and expand the tax base with lower rates. Capital gains were never regarded as a "loophole", and in fact, the 1986 House version of the bill included a capital gains differential.

Second, according to the U.S. Chamber of Commerce, the type of cuts proposed by President Bush would expand the tax base and increase Federal tax revenues. Remember that if an investor chooses to do nothing with his asset because of a high tax rate, there is no capital gains tax and the rate is zero. But by lowering that rate to encourage the investor to sell and look at other investments, revenue is generated.

Page 3/New York Times letter

The argument that a lower tax rate means lower revenues is the same argument that the liberals tried to use in their attempt to derail the earlier tax reduction measures. History has proven them wrong in that instance, and if given the chance, history will prove them wrong again. In fact, the U.S. Chamber estimates that you would have to reduce the capital gains rate somewhere below 15% before you would have a net revenue loss to the U.S. Treasury.

While the idea of indexing capital gains is a good idea, the Times is wrong to suggest it is a complete answer. One of the greatest challenges our nation faces today is to encourage investment in high growth companies that utilize new technology. Certainly investments in these types of enterprises are likely to increase far faster than inflation, and indexing alone is not the answer.

But when it comes to old investments, the Times falls again in the liberals' trap that such a proposal would only benefit the wealthy. Consider the earlier example that I cited of the elderly woman selling deceased husband's small business. Since it was an old investment, the liberals would want her punished as a "wealthy" taxpayer. Under the liberals' reasoning the woman would not sell her business at all if she could help it, and when she did she would be penalized. President Bush wants to use the "old investment" provision to stimulate new investment from those who may not be inclined to sell their assets at all, thereby stimulating new money for the Treasury. But in cases where the taxpayer was forced to sell the old investment, President Bush would recognize that hardship --unlike the liberals--and not penalize the disadvantaged.

Finally, the Times would exclude homeowners who sell their homes and realize a capital gain--an exclusion that hits hardest at middle income and elderly Americans.

It is the group of middle income and elderly Americans who are most likely to have spent their investment dollars in the purchase and ownership of their own home. It would be unfair to exempt this group from capital gains relief, while giving some sort of break to the taxpayer who put all of his investment dollars into stocks.

In the months ahead both the President and the bipartisan coalition of Congressmen who support capital gains revision will continue to push for its passage. And as the debate unwinds we can only hope that the liberals--and the news media would follow that advice of the old Dragnet series, and debate the issue based on the facts, not on misguided emotions and passions that only seek to confuse and frighten those this proposal would help the most.

Sincerely,



Guy Vander Jagt, M.C.
Committee on Ways and Means

The New York Times

Founded in 1851

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 ARTHUR HAYS SULZBERGER, *Publisher 1935-1961*
 ORVIL E. DRYFOOS, *Publisher 1961-1963*

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Who's Demagoguing Capital Gains?

"I am sick and tired of the demagogues who call this a tax cut for the rich." Thus President Bush blasted critics of his plan to cut the capital gains tax. But such talk shouldn't frighten the critics, who have a lot to offer Mr. Bush on this subject — if he'd only, well, cut out the demagoguery.

The President is correct when he charges that current rules for taxing increases in the value of assets like stocks and bonds are flawed. But what's needed is targeted surgery, not a sweeping giveaway to the nation's richest families.

The President has previously proposed lowering the top capital gains rate on the sale of stocks and bonds to 15 percent from 33. He also supported the House bill passed last year that would have temporarily cut the rate on the sale of nearly all assets to 19.6 percent. Mr. Bush argues that such broad cuts would spur investment in risky but potentially valuable activities. Perhaps. But most scholarly research does not confirm this optimism. Were the costs of the Bush proposal minor, it might be worth finding out. But the costs aren't minor.

First, drastic cuts in capital gains taxes would unravel the bargain struck as part of the 1986 tax reform law. Marginal tax rates on the rich were lowered from 50 percent to 28 in exchange for taxing capital gains as ordinary income. Equal taxation of ordinary income and capital gains is important because it insures that investments are made to increase output, not dodge taxes.

Second, there is overwhelming evidence that broad cuts in the capital gains tax would decrease Federal revenues over the long run, the opposite of what Mr. Bush contends. Other taxes would have to

be raised to close an enlarged deficit. Because Mr. Bush ignores this, his proposal enjoys unjustified popularity. But there are ways for him to get what he really wants from cuts in the capital gains tax without undermining tax reform or fiscal responsibility. The answer is targeting.

Index capital gains. The current tax rules do unfairly penalize investments. Part of the increased value of long-held assets merely reflects inflation and represents no real gain. Indexing capital gains so that inflationary increases are not taxed is the proper solution.

Exclude old investments. Mr. Bush says he wants to increase new saving and investment. But lower taxes on existing investments can't do the trick. They would merely bestow greater profits on the nation's wealthiest families, who own an overwhelming percentage of appreciated assets.

Exclude tax-advantaged assets. Indexing or otherwise lowering the capital gains tax on real estate, timber and other assets already hooked to tax breaks is neither necessary nor fair. For example, investors purchasing such assets can borrow all the purchase price and deduct the interest costs, part of which are due to inflation. If they were now allowed to deduct their inflationary gains, that would in effect give them double credit for inflation and open a glaring loophole in the tax code.

Indexation of capital gains only on new investments and only in stocks and bonds belongs in the tax code. Further lavish tax breaks don't. Mr. Bush's choice is to go off on another round of name-calling, or take a serious look at the arguments for targeted capital gains cuts.

THE WHITE HOUSE
WASHINGTON

January 17, 1990

Time Magazine Letters
Time and Life Building
Rockefeller Center
New York, NY 10020

FAX: 212/522-0601

Dear Editor:

The "phony" excuses for the invasion of Panama that Michael Kinsley so sarcastically dismissed in his January 22nd "Essay" were none other than the President's commitment to fighting drug trafficking, safeguarding American lives, protecting our interests in the Panama canal, and bringing democracy back to Panama.

As a result of our military's success, we have made it tougher on the drug kingpins, there is a democratically elected government in place in Panama, and Manuel Noriega is finally facing trial for drug charges in the United States. That's good news for Americans, and particularly good news for Panamanians.

Sincerely,

A handwritten signature in dark ink, appearing to read "David F. Demarest, Jr.", written in a cursive style.

David F. Demarest, Jr.
Assistant to the President for Communications

Michael Kinsley

Speak Softly and Carry a Cage

*By this my sword that conquered Persia,
Thy fall shall make me famous through the world.
I will not tell thee how I'll handle thee,
But every common soldier of my camp
Shall smile to see thy miserable state.*

Thus says the socially insecure world conqueror Tamburlaine, in Christopher Marlowe's play of the same name, to Bajazeth, Emperor of the Turks. Tamburlaine puts the defeated Emperor in a cage and has him wheeled around to subsequent battle sites. Quite a comedown for the Emperor. And quite an ego boost for Tamburlaine, the former shepherd.

Manuel Antonio Noriega is hardly the Emperor of the Turks. But seizing Noriega and bringing him back to the U.S. in chains is a similar callow triumphalist flourish by President George Bush, the former wimp. Modern media saved Bush the necessity of lugging Noriega in a cage to future summits and election rallies. That prison mug shot of the humiliated former dictator became an instant worldwide image.

No one would accuse Bush of invading Panama merely to prove his manhood. (Although after Grenada, the Falklands and now this, an early mini-war is probably turning into a standard expectation for future Western leaders.) In fact, it is hard to quarrel with the invasion's success.

True, the ostensible reasons for the invasion were mostly phony: there was no danger to the canal; the White House itself had originally laughed off Noriega's "declaration of war"; Bush's flowery defense of American womanhood, based on a single murky episode of rude remarks, belongs in an operetta. True, Noriega's thuggery and drug connections didn't much bother anyone in the White House until Michael Dukakis (remember him?) decided to make an issue of them in 1988. True, the invasion will have no impact on the drug war anyway. True, there were less bloody ways to remove Noriega, before and since. True, the only legitimate reason for the invasion—establishing democracy—is not one America is prepared to apply routinely.

All true, but so what? By all reports, the Panamanians themselves are pleased. If democracy really does stick in Panama, and if the economy we ruined is expeditiously rebuilt, the invasion will have been worthwhile.

The rest of the world, though, could be forgiven for suspecting that concern for the welfare of Panamanians weighed lightly in America's thinking about the invasion. The lack of interest, for example, in the Panamanian civilian death count has been shocking. The *New York Times* and *Washington Post* ran hundreds of articles on aspects of the invasion. You would have thought that even the fact of uncertainty and confusion about the numbers, which were known to be in the hundreds, would be worth an article or two. But the first article addressing itself primarily to civilian casualties

appeared on page 23 of the *Post* 17 days after the invasion.

U.S. officials announced Jan. 9 that 220 "unarmed civilians not involved in fighting and street disorders" had been killed in violence "directly related" to the invasion—an ominously qualified statistic. But even that number, which has been challenged, is proportionally equivalent to 22,000 Americans. Add 314 Panamanian troops, and Panama's loss in a couple of days is equivalent to America's during the entire Viet Nam War. Yet compare the American press's indifference to Panamanian deaths with its lavish emphasis on—and, it seems, exaggeration of—the death count in Rumania.

Carting Noriega off for trial in America is another insult to Panama, and a mockery of the notions of justice it is intended to celebrate. After all, his crimes against the U.S. are pretty trivial compared with his crimes against his own country. It doesn't really blunt the insult that the Panamanians are happy enough to see him go, and offered him up to us as a sort of reward.

Lacking the courage of our own imperialism, we are now going to twist our justice system to make a trial of this petty foreign dictator, whose country we invaded to grab him, fit into conventional criminal procedure. Did I say "grab him"? Not at all. For legal reasons, the Government preposterously insists that he "surrendered voluntarily." Conservatives are already complaining that civil liberties may let Noriega off the hook—as if the difficulty of giving a fair trial to a man America went to war against proves that America's fair-trial standards are too stringent.

Meanwhile, little is heard from an area of law you might think was more relevant: international law. Unlike Ronald Reagan before the invasion of Grenada, Bush didn't even bother to

find some Organization of Insignificant Nearby Countries to smoke an invitation out of. This time around, U.S. officials can barely be troubled to invoke their one-size-fits-all interpretation of Article 51 of the U.N. Charter, which refers to the right of national self-defense.

Bush himself was quick to apologize when overenthusiastic American troops raided the Nicaraguan embassy in Panama City. The sanctity of embassies is a bit of international law important to the U.S. Yet it seems like misplaced fastidiousness to worry about the sovereignty of nations' embassies when you so clearly don't worry about the sovereignty of nations.

Among Noriega's other available defenses is one of selective prosecution. Is the U.S. now going to hold legally liable every foreign head of state whose malefactions hurt Americans? Surely not, as Administration officials have been at pains to make clear in recent days. Seizing and trying Noriega reflects two contradictory kinds of American posturing: bullying and *faux-naïveté* (we don't really invade countries; we just enforce the law). If the Panamanians didn't want him, he should have been allowed to rot in the resort of his choice, like other former American friends. ■



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January 17, 1990

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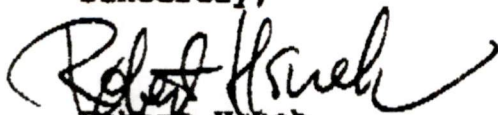
Dallas Times Herald
1101 Pacific Avenue
Dallas, TX 75202

Dear Editor:

As one of the Chinese Americans who are deeply concerned about the status of Chinese students present in the United States. The executive order issued by President Bush provides immediate and broader protection than the Bill H.R. 2712 passed by the Congress. I am fearful that Congress' threatened override of the President's veto of the "Emergency Chinese Immigration Relief Act of 1989" will not achieve its intended purpose. On the contrary, overriding the veto now that martial law has just been lifted would only provide the conservatives in the Chinese government the excuse to revert to a hard line position, dooming the chances to release famous Chinese dissident Fang Lishi, other jailed Chinese student leaders and jeopardizing all future exchange programs which are most needed to spread continuously the seeds of Democracy in China.

Since Congress can attempt to override the President's veto at any time during the next legislative session, I strongly recommend that Congress at a minimum DELAY a vote on this issue to give the President's diplomacy a fair chance to work.

Sincerely,



Robert Hsueh
National Co-Chairman,
Asian American Voters Coalition
and President,
Dallas Asian American Chamber of Commerce

5757 Alpha Road, 10th Floor
Dallas, Texas 75240
214/661-5114

THE WHITE HOUSE
WASHINGTON

JANUARY 22, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

THROUGH: DAVID DEMAREST *DD*
FROM: DEB AMEND *DA*
RE: PELOSI LEGISLATION LETTERS

The attached letters to the editor came in this afternoon. We have given them to Legislative Affairs and to Senator Simpson's staff for use in the hearing on the Pelosi legislation tomorrow. (Senator Simpson has all the other letters we have generated as well.)

Professor Lee won the Nobel Prize for Chemistry in 1986; Bok Pon runs the San Francisco Republican party's Chinese American outreach program.

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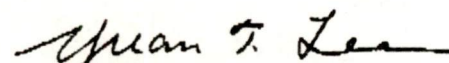
January 22, 1990

Fax #202 334-4480
Ms. Meg Greenfield, Editor
Editorial Page
Washington Post
1150 15th St. N.W.
Washington, DC 20071

Dear Ms. Greenfield:

I am respectfully submitting the attached article for your consideration to be published as a letter to the editor in Washington Post.

Sincerely yours,


Yuan T. Lee
Professor of Chemistry

UNIVERSITY OF CALIFORNIA, BERKELEY

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January 22, 1990

Letter to the Editor
Washington Post

I Agree More with Bush on China

Y.T. Lee

Like everybody else around the world, I was shocked, outraged, and extremely disappointed by the tragic events which took place in Beijing in June of last year. My disappointment was mainly in the inability of the leaders of China to handle a complex situation reasonably, and once again diminished the active role that the intellectuals of China should be playing in the quest for modernization. Without hesitation, I joined in the strong protest and condemnation toward the Chinese government and cancelled my scheduled August trip to Beijing to deliver a plenary lecture to the International Photochemistry Conference. I decided to not engage in further academic exchanges with China until some positive signs of turning around in the views and attitudes of the Chinese leaders was clearly indicated.

Although I feel strongly that the international condemnation is important, if our objective is to encourage a return to active and effective economic and political reform in China, I doubt very much that it will be accomplished by prolonged and strong pressure by foreign powers. The progress toward reform and liberalization can only be encouraged by carefully designed actions in accordance with the reality of China.

China is a country with 23% illiteracy. Less than one percent of her population receives higher education. In spite of the fact that some important progress has been made in many different areas in recent years, China, after all, is still quite backward and is ridden with many problems. A large number of students and scholars who are studying in the U.S. at present should be a great asset toward their effort in modernization. Unfortunately, undesirable conditions given to

Letter to the Editor
Washington Post

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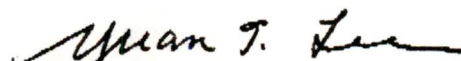
January 22, 1990

the intellectuals in China have prevented China from enticing these students to return, even before the tragic events of last June. After losing an entire generation to the misguided cultural revolution, China simply can ill afford to lose another generation of their best and brightest abroad. Although it is the responsibility of China's leaders to help create favorable and satisfactory conditions in China in order to attract a significant fraction of the students who are studying abroad to return home, it is understandable that any sweeping action which makes it easier for Chinese students and scholars who came here with an exchange visa not to return home is likely to arouse strong reactions from the Chinese government and to terminate the future student and scholar exchange program, as well as their open-door policy.

Administrative actions taken by President Bush, with his commitment to never allow any action that would force the return of Chinese students if their lives or liberty are at risk, has certainly provided important and adequate protection to Chinese students who were here in June. This along with the President's carefully designed limited sanctions and the President's decision to try to start a dialogue with China are likely to be more effective than either the passage by Congress of its legislative sanctions amendment or its emergency Chinese Immigration Relief Act over the President's veto in persuading China to return to active and effective reform and to restart meaningful and productive U.S.-China relations for the next decade.

I do not consider the recent lifting of martial law and the announcement of the release of 573 people to be an adequate, strong indication of reaching the turning point, but I do hope that these are the first steps for Beijing to move toward granting amnesty to demonstrators, acknowledging that the events of June were a tragedy and changing their hostile attitude towards students and intellectuals.

Sincerely yours,


Yuan T. Lee
Professor of Chemistry