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March 1989

Scowcroft, Rumsfeld seen as alternatives to Tower

By Carl P. Leubsdorf

Washington Bureau of The Dallas Morning News

WASHINGTON — While the Bush administration seeks to dampen speculation about a replacement for Defense Secretary-designate John Tower, talk inside and outside the White House is focusing on National Security Adviser Brent Scowcroft and former Pentagon chief Donald Rumsfeld.

But some present and past Bush advisers say longstanding enmity between the president and Rumsfeld would make Rumsfeld an unlikely choice.

One possible scenario: a swap in which Bush names Scowcroft to head the Pentagon and moves Tower to the national security post, which doesn't require Senate confirmation. The suggestion has even been made publicly by a Tower opponent, Sen. James Exon, D-Neb.

"It would be a way to stick your thumb back in the Senate's eye and they couldn't do a thing about it," said a former Bush adviser, who asked not to be identified.

But a senior White House official, also speaking anonymously, said it would be "absurd" for Tower to be considered unqualified for the defense job but qualified for the security position.

Other possibilities being mentioned include three industrialists: Donald Atwood, the General Motors Corp. executive tapped by Tower to be his top deputy; Norman Augustine, the chairman of Martin Marietta Aerospace Corp.; and Paul O'Neill, the chairman of ALCOA, the Aluminum Company of America.

The White House insists that it has no list of fallback candidates should the Senate reject the Tower nomination, which has been dogged by questions about the former Texas senator's personal life and business dealings.

"We fully expect him to be secretary of defense," presidential spokesman Marlin Fitzwater said Wednesday.

"We're not thinking of another candidate," said a senior White House official who asked not to be named. "Nowhere in this building, to my knowledge."

Explained the former Bush adviser: "I think they realize they can't do a thing right now without totally knocking Tower out of the box."

The list of prospective replacements is relatively short, in part because Bush apparently didn't seriously consider any other candidates when he picked Tower, despite reservations by some aides about the former Texas senator. Industrialists interviewed by transition advisers were all candidates for the No. 2 spot, unless Tower had failed at the time to pass FBI checks.

If the Tower nomination is rejected, several present and past Bush advisers agreed, the president probably would settle on someone who could be confirmed quickly. That would speed appointments for the Pentagon's many vacancies.

"You've got to go with someone like Brent Scowcroft," said a Bush adviser who asked not to be identified.

If Scowcroft, a retired Air Force lieutenant general, were asked to take the Pentagon post, an obvious successor would be Robert Gates, a former CIA official and Bush favorite who is now the deputy national security adviser.

The former Bush adviser said Rumsfeld, now in private business in Illinois, would be "the obvious first choice" to return to the Pentagon post he held from 1975 to 1977.

But others cited bad feelings between the two men dating back to Rumsfeld's role in naming Bush to head the CIA in 1975.

"Bush hates Rumsfeld," said a former aide. And a Rumsfeld adviser confirmed the past friction between the two men and said Rumsfeld "did not endear himself" to Bush by campaigning for Dole last year.

Both Augustine, a former deputy Pentagon research chief and executive with LTV Aerospace Corp. in Dallas, and O'Neill, who was deputy budget director in the Ford administration, were mentioned for the No. 2 Pentagon post before Tower selected Atwood.

Jim Hoagland

Can Bush Make the CIA Work for Him?

New presidents invariably exaggerate both the strengths and weaknesses of the Central Intelligence Agency and end up misusing its capabilities. From the Bay of Pigs through Watergate and on to the Iran-contra affair, unhealthy entanglements have spelled disaster for the White House and trouble for the spooks at Langley.

Now comes a president who has served as director of the CIA. Will George Bush's brief passage through the intelligence community help him avoid hurdles that tripped up his predecessors?

The stakes in how he answers that question are enormous. Bush arrived in the Oval Office with unprecedented intelligence experience and the good fortune of falling international tensions. If this president cannot make the intelligence apparatus work effectively for him, it will be hard to avoid concluding that the institution itself is badly flawed and should be junked in its present form.

Bush has already shown that he intends to give the intelligence agency an enhanced role in his administration. If he intends to be the education president at home, he will be the intelligence president in dealing with foreign affairs.

The president has added to his morning schedule a daily intelligence briefing conducted by a senior analyst from the agency. The analyst (one of six designated for this duty) not only delivers the agency's top intelligence summary, the President's Daily Brief, to Bush but stays on to answer questions and field suggestions from Bush for improving the intelligence product.

A similar early effort in the Carter administration in this direction was quickly killed by Carter's national security adviser, Zbigniew Brzezinski, who would not yield his briefing monopoly. In retrospect, that early turf battle between Brzezinski and CIA head Stansfield Turner was a signal of destructive internecine foreign policy battles to come.

Bush's arrangement has produced "no heartburn," according to a senior White House official. White House Chief of Staff John Sununu, National Security Adviser Brent Scowcroft and his deputy, Robert M. Gates, also sit in on the briefings, as does CIA head William Webster on occasion. But they rarely intervene in the conversation between the CIA analyst and the president, according to one official.

Added to this is Bush's penchant for putting former CIA operatives into key policy jobs. Gates,

for example, moved to the No. 2 job on the National Security Council from the same position at the CIA after it became clear he could not win Senate confirmation to head the agency.

In separate articles in *The Washington Quarterly's* winter issue, Gates and Anne Armstrong, the chairman of the President's Foreign Intelligence Advisory Board, argue against a view given currently by the Iran-contra affair: that evidence uncovered by the Tower commission and public statements by former secretary of state George Shultz suggest that the streams of intelligence and policy need to be kept separate, so intelligence will not be tailored or suppressed to keep flawed policies afloat.

But Armstrong writes: "In some decisive respects, the problem in the Iran initiative was not the close relationship between the intelligence community and policy makers; rather it was its absence." Gates makes the same point in more general terms.

Bush's early moves provide evidence that he agrees with this view and is reorganizing the White House use of intelligence. The advantages of increasing feedback to the agency from its principal consumer are argued at some length by Gates, who notes examples of how presidents have felt betrayed by surprises contained in "troublesome assessments" on Vietnam (Johnson), Soviet missile capability (Nixon), North Korean force levels (Carter) and the Soviet gas pipeline (Reagan).

New "presidents and their national security teams usually are ill-informed about intelligence capabilities," Gates writes in his article, which was finished before the November election. They "usually learn the hard way" and swing from initially seeing the agency as omniscient to seeing it as yet another obstructionist part of the bureaucracy that is to be outflanked.

Bush and his intelligence-oriented White House staff should be able to avoid that steep learning curve. Bush's challenge instead will be to make sure a more efficiently organized intelligence flow does not become a closed loop. He will need to balance his intelligence information with outside assessments, a habit that he has not evidenced with any great frequency in his career or, thus far, in this presidency. Now is a good time for him to start.

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The New York Times _____
The Washington Times _____
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

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NEW CHARGE UNDERLINES SENSITIVITY ON INQUIRY

A Democratic opponent of John Tower's nomination...today criticized the FBI as doing "a poor job" in looking into the nominee's background, under partisan pressure from the White House.

In a breakfast interview with reporters, Sen. Hollings charged that when bureau agents interviewed critics of Tower, they steered the conversation away from sensitive topics.

He said the bureau did a poor job, possibly under pressure by Republican partisans who he said "are trying to cover up" Tower's moral or ethical lapses.

"I've seen lots of FBI reports, and this is a bad one," said Sen. Hollings. "The style of the FBI was to get witnesses to tone down and mollify their statements." (Michael Wines, New York Times, B10)

FBI CITES TWO INCIDENTS AT BASE Nominee Allegedly Drunk, Fondled Women

One section of the material on John Tower that has attracted attention from senators considering his nomination as defense secretary concerns two visits Tower made to Bergstrom Air Force Base...in 1976-78, when he allegedly appeared to be drunk and fondled two women, according to informed sources.

...During the two tours of the base Tower "had liquor on his breath and had trouble talking and was staggering out of the car and up the steps," according to [retired Air Force sergeant Bob] Jackson's account.

In one incident, Jackson told the FBI, while Tower was touring the office of the base chief of maintenance, "a secretary started to get up and Tower put his hand on her shoulder as she started to rise. His hand slid off of her shoulder and onto her breast. She drew back and nothing was said. There was no great caressing or fondling. It was just untoward and unseemly." (Bob Woodward, Washington Post, A1)

TOP BUSH ADVISERS PROMOTE SCOWCROFT AS TOWER REPLACEMENT

Some of the top political advisers to President Bush are quietly promoting his national security adviser, Brent Scowcroft, highly regarded as a team player, for secretary of defense.

While the subject of a replacement for the embattled John Tower is taboo among Bush aides before a Senate vote on confirmation, Bush associates outside government are less restrained.

"A lot of damage has already been done," said one key campaign adviser to Bush about the Tower controversy. Anticipating Tower's defeat in the Senate, he added, "It is time to move on and get down to business." ...

The beauty of a Scowcroft nomination, said another Bush intimate, is that it would probably sail through the Senate. The Democrats, he said, would be anxious to join Republicans in approving Scowcroft, ending the prolonged delay in efforts to put someone in charge at the Pentagon. "The Democrats would fall all over themselves to get Scowcroft approved," he said....

Bush "really likes him," another campaign adviser said of Scowcroft. "The only problem is that the President also likes him where he is now." (John Mashek, Boston Globe)

Some advisers to Bush promoting Scowcroft for top Pentagon post

By John W. Mashek
Globe Staff

WASHINGTON - Some of the top political advisers to President Bush are quietly promoting his national security adviser, Brent Scowcroft, highly regarded as a team player, for secretary of defense.

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"A lot of damage has already been done," said one key campaign adviser to Bush about the Tower controversy. Anticipating Tower's defeat in the Senate, he added, "It is time to move on and get down to business."

The political advisers also want to avoid a delay in the vote on Tower, fearing that it will only harden the position of his opponents and hurt Bush in the short term.

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Scowcroft, a retired army general, is the personification of the modern military man. He has served in national security posts in the Nixon and Ford administrations and has received high marks from members of both parties.

If Bush wanted to tweak the Senate for rejecting Tower, he could install the former Texan in the national security post, which

does not require confirmation, while promoting Scowcroft. But the unofficial advisers expressed doubt that Bush would do that. A more likely move would be to promote Robert Gates, Scowcroft's deputy at the National Security Council, who is highly regarded by Bush.

Scowcroft served with Tower on the presidential commission investigating the Iran-contra scandal. Those two officials, along with former Secretary of State Edmund S. Muskie, were appointed by President Reagan to investigate the scandal.

In 1983, Scowcroft served as chairman of panel to settle the future of the MX missile, and he was credited for saving that weapon from being scuttled by Congress, although Congress stopped the program at 50 missiles rather than the 100 urged by Scowcroft.

While Scowcroft is mentioned prominently, some other possibilities are former Secretary of Defense Donald Rumsfeld and the former deputy director of central intelligence, Bobby Ray Inman. Another is Norman Augustine, executive director of Martin-Marietta Corp.

Rumsfeld has a large strike against him. After Bush finished an embarrassing third in last year's GOP caucus in Iowa, Rumsfeld announced his support for Sen. Bob Dole of Kansas, Bush's chief rival.

"The week before the New Hampshire primary was a real test period in Bush's mind," said one adviser. "When Rumsfeld and Al Haig chose that time to come out for Dole, they were out."

Before Bush settled on Tower for the defense post, Rumsfeld made himself available for the nomination. He did not get the nod then.

Washington Wire

A Special Weekly Report From The Wall Street Journal's Capital Bureau

THE TOWER INFERNO sings Bush-Congress relations, but they should heal.

Despite the pyrotechnic rhetoric, "When all this is over, we'll move on," says Senate GOP Whip Simpson. "This will pass in the night," agrees Democratic Sen. Hollings. Senators who have been to see the president say Bush assures them there will be "no hard feelings" regardless of the outcome.

Bush can't cave in to Democrats on Tower, White House aides warn. Some advisers worry that partisan bickering will spill over to budget and other issues if the battle drags on too long. But though Chief of Staff Sununu has complained about partisanship, the aides hope lawmakers will remember that Bush has avoided personal attacks.

If Tower loses, the White House will move quickly to seek confirmation of a replacement.

SPECULATION BEGINS on a new defense nominee should Tower topple.

Some lawmakers already push former GOP Rep. Jack Edwards of Alabama. Others suggest a businessman, such as Martin Marietta's Norman Augustine or former Eastern Airlines chief Frank Borman. National Security Adviser Brent Scowcroft also is mentioned. So is former defense chief Donald Rumsfeld, but Bush hasn't forgotten his support for Dole in the campaign.

Replacing Tower would throw Pentagon policy-making into disarray. Even if the administration moved quickly, it would take months to get a whole new team in place. The Tower turmoil already has delayed development and budget decisions on such matters as a new generation of radar-eluding fighter jets for the Navy and Air Force.

WRIGHT FACES new ethics disclosures and a backlash from the Tower flap.

Dozens of possible rule violations by the House Speaker are documented in the Ethics Committee's secret report. New details include Mrs. Wright's free use for several years of a white 1979 Cadillac sedan owned by a Fort Worth developer. Investigators also found more bulk sales of Wright's book to lobbyists and favorable drilling deals.

After the furor over Tower, Republicans are sure to yell double standard if the committee doesn't recommend stiff penalties for Wright. Democrats, already embarrassed by the pay-raise fuss and by the ethics charges against their House leader, worry about the heat. "If we let Wright off the hook," one House Democrat warns, "some of us won't be back after next year."

Wright tries to soothe Republicans by praising Tower, saying he never saw his fellow Texan "not in full control of his faculties."

DALEY'S WIN in the Chicago mayoral primary gives new Democratic party chief Brown a chance to show independence from Jesse Jackson. Brown supports party nominee Daley against Jackson ally Timothy Evans, running this spring as an independent. Likely GOP candidate Edward Vrdolyak isn't expected to undercut front-runner Daley, who will battle Evans for backers of defeated acting mayor Eugene Sawyer.

LEISURELY PACE: New Interior Secretary Lujan took off on an 11-day trip to Guam and other U.S. territories the agency oversees before starting to interview candidates for top jobs at his department. He doesn't expect to submit a list for the six assistant secretary posts until at least mid-March.

FTC CHOICE: Janet Steiger, chairman of the Postal Rate Commission and widow of the late Rep. Bill Steiger of Wisconsin, is expected to be named by Bush to head the Federal Trade Commission. Interim Reagan appointee Margot Machol remains a good bet to retain a seat on the five-member commission.

DOONESBURY REDUX: Associates of pipe-smoking former New Jersey Rep. Millicent Fenwick fill high Bush administration posts. White House Communications Director David Demarest, Assistant Treasury Secretary Hollis McLoughlin and Associate Budget Director Bob Grady all worked for Fenwick, who inspired a Doonesbury cartoon character, Lacey Davenport.

RISING RATES begin to ripple through budget and economic projections.

Oklahoma Sen. Nickles fears that Fed moves pushing up interest rates have "torpedoed the budget for 1990" by "laying the seeds of recession." Home builders complain that higher rates will hurt sales. Consumer spending on big-ticket items starts to show signs of slowing. And rising rates increase the pressures on the thrift industry and on Third World debtors.

Some congressional Democrats say Bush administration officials will have to revise their rosy economic scenario at mid-year. "They're feeling the pressure," says a top Democrat on the Senate Budget Committee. "They have to produce some kind of credible deficit reduction package that will convince Alan Greenspan."

The Fed chairman promises that rates will come down significantly if a meaningful budget plan is adopted.

MINOR MEMOS: Satirist Jim Morris says Reagan plans to star in a new TV show called "Eightysomething." . . . Arizona Sen. McCain complains that the poorly managed Bureau of Indian Affairs "makes the Pentagon look like IBM." . . . Speechwriters for Interior Secretary Lujan tout him as "the only person who controls more land than Donald Trump."

—Compiled by RONALD G. SHAFER

Quayle says prospects for Tower 'dwindling'

By Charles Green
and Mark Thompson
Inquirer Washington Bureau

WASHINGTON — John G. Tower's prospects for confirmation as defense secretary dimmed further yesterday as a conservative Democrat announced his opposition and Vice President Quayle acknowledged that the number of potential supporters "keeps dwindling."

During the second day of Senate debate on Tower's nomination, Sen. Dennis DeConcini (D., Ariz.) disclosed that he would vote against the former Texas senator, citing Tower's ties to the defense industry and his "attitude toward alcohol."

After leaving the Senate in 1984, Tower became a consultant, receiving more than \$1 million in consulting fees over a 2½-year period from such industry giants as Rockwell International Corp. and Martin Marietta Corp.

"We must not have reservations and doubts. We cannot take a chance," said DeConcini, a Democrat who in the past has bolted party ranks to vote with Republicans and who had been personally lobbied by President Bush.

Quayle, responding to questions during a meeting with members of the Inquirer Washington Bureau, said the Bush administration had no intention of withdrawing Tower's nomination and would back Tower to the end.

The Senate may vote next week, and Minority Leader Robert Dole of Kansas said yesterday that he might take the highly unusual step of asking that Tower appear on the Senate floor to answer questions about his fitness.

"We owe him the right to say, 'I've had my day in court,'" said Dole, who has objected to restrictions barring senators from making specific references to incidents, names, dates, places, allegations and rebuttals contained in the secret FBI background report on Tower. If he came to the Senate, Tower would have the chance to rebut the FBI report "charge by charge, rumor by rumor," Dole said.

Quayle asserted that Tower has become the "fall guy" in a Washington power struggle involving Democrats in Congress who want to weaken the executive branch, which has been headed by Republican presidents for all but four of the last 20 years.

"The Republicans have dominated the executive branch, the Democrats have dominated the legislative branch," said Quayle, "and perhaps this shouldn't be unexpected in that John Tower happens to be the fall

guy on this."

Quayle said one reason the Bush administration did not intend to withdraw the nomination was that it wants the record to show clearly what reasons the Senate deemed sufficient to reject a cabinet nomination, something it has done only eight times in 200 years.

The vice president, who has been lobbying uncommitted senators unsuccessfully, was asked what went wrong with the nomination. He responded: "What got it off the track? Two words, Sam Nunn." Nunn is the influential Georgia Democrat who chairs the Senate Armed Services Committee and is opposing Tower. Last week, the committee voted to recommend against confirmation.

Meanwhile yesterday, Bush journeyed across the Potomac River to the Pentagon in a show of support for his nominee. Tower, Adm. William J. Crowe Jr., chairman of the Joint Chiefs of Staff, national security adviser Brent Scowcroft and a military color guard greeted the presidential motorcade.

Bush declined to comment on Tower during the hour-long visit. White House spokesman Marlin Fitzwater said Bush might continue telephoning undecided senators from Camp David over the weekend. As part of the sales effort, Tower was scheduled to appear on *Face the Nation* on CBS tomorrow.

Fitzwater declined to comment on reports that Bush might turn to Scowcroft to lead the Pentagon if Tower's nomination is defeated. "We won't comment on any alternatives," Fitzwater said. "I really think John Tower will be the secretary of defense."

The Senate's second day of debate grew increasingly partisan as frustrated Republicans questioned why no Democrats have decided to support the nomination. Democrats hold

a 55-45 majority.

"He is my friend. I thought he was your friend and I want justice for my friend," said Sen. Ted Stevens (R., Alaska), looking toward the Democratic side of the chamber. "I challenge any member of the Senate to come in here and tell me they have seen John Tower inebriated."

But Democrats continued to cite concerns about excessive drinking by Tower, even though none said he had seen him drunk.

"If I were a colonel and he were a captain, I wouldn't put him in charge of one strategic nuclear warhead," said Sen. Paul Simon (D., Ill.). "And if I wouldn't put him in charge of one, I certainly wouldn't put him in charge of 12,500 strategic nuclear warheads."

Ellen Warren of the Inquirer Washington Bureau contributed to this article.

McFarlane Is Fined \$20,000 and Sentenced to 2 Years' Probation

By DAVID JOHNSTON

Special to The New York Times

WASHINGTON, March 3 — Robert C. McFarlane, a Congressional aide who rose to be President Ronald Reagan's national security adviser, was fined \$20,000 and sentenced to two years' probation today for withholding information from Congress about the Iran-contra affair.

Mr. McFarlane was also ordered by Federal District Judge Aubrey E. Robinson to serve 200 hours of community service work in a two-year probation. A court official said the community service might involve working with the homeless.

Mr. McFarlane, who is 51 years old, is the first Reagan Administration official to be sentenced for misdeeds committed in an official capacity by failing to inform Congress fully about the Reagan Administration's secret efforts to aid the Nicaraguan rebels.

In a grave voice, Mr. McFarlane said to Judge Robinson before the sentencing: "Clearly this episode in the country's history has created enormous turmoil in our country's processes, and to the extent that I contributed to it, I regret it. I'm proud to have served my country."

The independent prosecutor, Lawrence E. Walsh, told the judge today that he had nothing to say before sentence was imposed. Afterward, when Mr. Walsh was asked whether the sentence was fair, he said, "It would be inappropriate for me to comment."

The sentence was considerably lighter than what could have been imposed for the four misdemeanor counts to which Mr. McFarlane pleaded guilty to last March. He faced a maximum penalty of one year in prison or \$100,000 fine on each charge.

Eagle Scout Who Took Wing

Robert C. (Bud) McFarlane graduated from the United States Naval Academy in 1958 and joined the Marines. He led an artillery battery ashore in Vietnam in 1965.

By 1971, he had been named a White House fellow in the Nixon Administration. Though still in the Marines, he left a job in the Pentagon to become a military aide to the national security adviser, Henry A. Kissinger. And, when Lieut. Gen. Brent Scowcroft succeeded Mr. Kissinger in that post, Mr. McFarlane went along.

In 1979, Mr. McFarlane resigned from the Marines and spent two years on the staff of the Senate Armed Services Committee. His mentor on Capitol

Hill was Senator John G. Tower, Republican of Texas.

Mr. McFarlane's period of public and personal tumult came in the years when he was the national security adviser, October 1983 to December 1985.

In 1986, after leaving the White House, he went to Teheran seeking to win freedom for the hostages. As the Iran-contra affair unraveled, he became as a key figure and finally an emotional casualty of President Reagan's greatest foreign policy embarrassment.

A Spiral of Depression

Caught in a spiral of depression caused in part by a belief that he had failed his country, Mr. McFarlane attempted suicide by swallowing Valium pills on Feb. 9, 1987, and was later hospitalized for psychiatric treatment.

In admitting his guilt, Mr. McFarlane acknowledged that in three letters he sent Congress and in an appearance before the House Foreign Affairs Committee he failed to provide full and complete answers to questions about the National Security Council's role in supplying aid to the Nicaraguan rebels when a Congressional prohibition on such aid was in effect.

He agreed to appear as a witness in the criminal investigation of the Iran-contra affair and is expected to be called soon by the prosecution in the trial of Oliver L. North, his former staff aide.

Questions About Covert Aid

At a hearing in Mr. North's case today, Federal District Judge Gerhard A. Gesell said Mr. McFarlane would probably be asked about his discussions with other White House officials about covert aid to the contras.

"Who Mr. McFarlane talked to in the Government is not something we will object to at all," said John W. Kecker, the chief prosecution lawyer.

In January, Mr. McFarlane was quoted in an article in The New York Times Magazine as saying that Vice President, advised Ronald Reagan in 1985 and 1986 to end American arms shipments to Iran.

Mr. Bush's role in the Iran-contra matter remains a mystery, although he has said he had "certain reservations" about the arms sales to Iran. Mr. McFarlane's statements were at odds with other accounts of the affair.

According to the charges against him, Mr. McFarlane withheld information about the activities of Mr. North

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The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

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and other members of the National Security Council staff in three letters to House committees in 1985. In an Oct. 7 letter addressed to the House Intelligence Committee, he said, "There is no official or unofficial relationship with any member of the N.S.C. staff regarding fund-raising for the Nicaraguan democratic opposition."

By that time, Mr. North had been heavily involved for more than a year in raising millions of dollars for the rebels and Mr. McFarlane has acknowledged that his statement was incorrect.

The former national security adviser also pleaded guilty to making an inaccurate statement in testimony on Dec. 8, 1986, before the House Foreign Affairs Committee, saying he had no concrete knowledge that another country had contributed funds to the contras.

He has since admitted that he was aware at the time that Saudi Arabia had made donations since 1984 and that he had once provided a Saudi official with the number of a bank account controlled by the rebels.

Tower Trouble

Nomination Fight Is One In Series Of Bush Setbacks

By Lawrence M. O'Rourke
Post-Dispatch Washington Bureau

WASHINGTON

THE BITTER, destructive fight over the nomination of John G. Tower as defense secretary was just one of President George Bush's headaches last week.

As the Bush honeymoon with the opposition Democrats ended before it was six weeks old, the president experienced embarrassments and frustrations abroad and at home.

Bush's offer of an open hand to the Democrats and Senate Democratic leader George Mitchell's promise to respond in kind were no longer functioning. The open hand had been replaced by the closed fist as both the Bush White House and the Democratic leadership fought tough.

Bush insisted that when the Tower battle ends, the open-handedness will return. But Sen. John W. Warner, R-Virginia, said that the Tower debate had become a "civil war."

Though outnumbered 55 to 45 in the Senate, Bush said he will see the Tower debate through to its conclusion, which now looks like a straight 55 to 45 party line vote against Tower. The party line aspect is helping the White House hold onto two or three Republican senators who have said privately that they might vote against Tower if the vote were not so identified as a test of GOP loyalty to Bush.

"This is very important for the president of the United States," said Senate Republican leader Bob Dole, R-Kansas, who simultaneously expressed regret for having voted in 1977 against the confirmation of Griffin Bell, who was President Jimmy Carter's nominee as attorney general.

Through White House spokesman Marlin Fitzwater, Bush made it known Friday that he will fight alongside Tower all the way to the bitter end, if for no other reason than to demonstrate that that as leader he has a firm resolve, a "loyalty and commitment" to his aides, and "a sense of fairness and decency."

Bush, who had a smooth and easy first five weeks as president, suddenly came face to face with the reality that every one of his decisions has consequence and is potentially fraught with danger.

A gaffe in Beijing, China, when Bush failed to emphasize human rights as a principal U.S. concern in that Communist nation and the subsequent refusal of the Chinese authorities to allow a leading Chinese human rights activist to accept Bush's dinner invitation prompted finger pointing and second guessing in the White House.

Questions that for months had lain below the surface about Bush's toughness re-emerged and the long knives were drawn against White House Chief of Staff John H. Sununu for letting Bush get exposed to an unflattering contrast between himself and former President Ronald Reagan.

Some White House and Republican Party officials who thought that Sununu, the former governor of New Hampshire, was not up to the job of managing the White House machinery began to speculate about replacements. Still, there is virtually no chance that Bush will dump Sununu, who has remained loyal to Bush throughout the Tower fight and seems ready to accept the responsibility.

White House aides attributed the mishandling of the human rights case in China to U.S. Ambassador Winston Lord.

But there was one intriguing White House report. Getting wide circulation was the idea that after the almost-certain defeat of Tower next week Bush will name Tower as national security adviser at the White House and nominate Gen. Brent Scowcroft, now the national security adviser, as defense secretary. The national security adviser, unlike the defense secretary, does not have to be confirmed by the Senate.

Denying this report, White House officials said Bush had not spent one minute figuring out what to do if and when Tower is defeated. But a Bush surrogate, former Sen. Barry M. Goldwater, R-Ariz., was dispatched by Bush to the White House briefing room to tell reporters what the Tower debate and defeat will trigger.

"People who live in glass houses should never throw rocks, and if they start investigating 100 members of that Senate as they've investigated John Tower, you people are going to have a ball," Goldwater told reporters.

The Tower fight turned partisan, with the Republicans blaming the Democrats for that development and the Democrats blaming the Republicans.

With partisan passions stirred and battle lines clearly drawn, Bush and the Democrats are less likely to be amiable in negotiating future differences, starting with the federal budget.

Bush, who in prior weeks insisted that Tower's chief opponent, Sen. Sam Nunn, D-Ga., was fair, finally decided to characterize the Tower debate as a partisan political issue.

Partisanship lends itself to excess, and Republicans hoped that the Democrats would fall into the trap.

To a small degree, the strategy worked and the pro-Tower forces were helped when the Washington Post, in a story by investigative reporter Bob Woodward, said that Tower had been drunk and fondled two military women during a visit to an Air Force Base in Texas during the 1970s.

The pro-Tower side won that skirmish when the Air Force disclosed that the Texas story, which appeared in evidence gathered by the FBI, came from an Air Force sergeant treated and retired from the service with psychological problems. The uproar enabled Re-

Shevardnadze²⁶ and Baker: Two Southerners Who Can Deal

By THOMAS L. FRIEDMAN

WASHINGTON

HOW much could a Princeton-educated Texas millionaire have in common with a Communist Party apparatchik who made his reputation breaking underworld racketeers in the rough-and-tumble Soviet region of Georgia? In the case of Secretary of State James A. Baker 3d and the Soviet Foreign Minister, Eduard A. Shevardnadze, the answer is a lot.

When the two men sit down together in Vienna on Tuesday for the first formal Soviet-American dialogue since the Bush Administration took office, they might well discover that their styles, their political instincts and their relationships with their respective bosses are far more similar than their backgrounds might suggest. Each could learn a lot about the other by simply looking in the mirror.

How Mr. Baker and Mr. Shevardnadze relate during this opening round of agenda-setting talks on arms control, regional conflicts, human rights and other issues is of no small significance. Their regular discussions will form the main window through which the White House and Kremlin will read each other's intentions, moods and priorities.

By all accounts, Mr. Shevardnadze and President Reagan's Secretary of State, George P. Shultz, who met 31 times after Mr. Shevardnadze assumed his post in July 1985, learned to read each other without ambiguity. By all appearances, Mr. Baker should find it easy to pick up where Mr. Shultz left off.

One thing Mr. Baker and Mr. Shevardnadze have in common is that each is a Southerner, whose birthplace originally set him apart from his country's establishment. Mr. Shevardnadze was born and raised in the freewheeling southern Soviet region of Georgia, whose people are known for their outgoing, enterprising, maverick qualities, more like their Mediterranean neighbors than their Russian overlords.

Probably any Soviet citizen who became Foreign Minister after the icy Andrei I. Gromyko would have been thought of as positively gregarious. But in Mr. Shevardnadze's case, say diplomats who have dealt with him, the quick smile and easy banter clearly come naturally.

Texas may not have its own language, but like Soviet Georgia, it has always viewed itself as a country unto its own. Although he is probably less overtly demonstrative than Mr. Shevardnadze, Mr. Baker is also a master at using his courtly Southern manner to disarm those around him and to disguise his own rather political instincts.

"It is going to be fun to watch these two hustle each other," said a State Department European expert. Should Mr. Shevardnadze attempt to take advantage of the Secretary of State's relative lack of diplomatic experience, he may quickly hear the Russian translation for "I didn't come to town on a load of hay" — a favorite Bakerism for anyone who mistakes his country-boy politesse for country-boy naiveté.

The Boss Factor

Both men are also extremely close to their bosses. "There is always a danger in negotiations of the other side being convinced that his negotiating partner lacks credibility or authoritativeness," said Max M. Kampelman, the chief arms control negotiator in the Reagan Administration. "When that happens you lose confidence that the other side is making the moves that the principal would want to make. Neither Baker nor Shevardnadze will have to call home very often for instructions."

The 58-year-old Mr. Baker shares an intimate friendship with President Bush that goes back 35 years. Mr. Shevardnadze, 61 years old, and Mikhail S. Gorbachev apparently first met almost as long ago, when they were members of the Communist youth organization Komsomol.

They became friends in the 1970's when Mr. Shevardnadze was the Georgian Communist Party Secretary and Mr. Gorbachev held the same post in the neighboring region of Krasnodar. Today, Mr. Shevardnadze and Aleksandr N. Yakovlev form the inner circle of Mr. Gorbachev's Politburo.

Mr. Baker and Mr. Shevardnadze each attracted their bosses' attention not for their skills as policy architects, but for their work as bureaucratic carpenters who could get a job done — any job. It is no wonder that each man is often described in virtually the same vocabulary: "undogmatic," "pragmatic," "nonpolemical," "creative problem-solver." Each rose through the ranks of hardball politics and is far more at home in smoke-filled rooms than on the brocade couches of diplomacy.

Efficiency Plus

Mr. Baker's greatest strength, his associates always say, is his ability "to close a deal, no matter what is being negotiated." Mr. Shevardnadze is also known for getting results, but of a very different sort. In the 1960's, as head of the Georgian Interior Ministry, he was called on to root out a Georgian racketeering operation that had penetrated the local party apparatus. His opponents in this anti-corruption campaign resorted at times to bombings, but in the end Mr. Shevardnadze prevailed, impressing Moscow not only with his effectiveness but also with his loyalty to national interests.

NEW YORK TIMES, 3/5/89, p. E3

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SHEVARDNADZE AND BAKER... 27

Finally, Mr. Baker and Mr. Shevardnadze came to office without any foreign policy experience. When Mr. Shevardnadze took over from Mr. Gromyko, it was widely assumed that he would simply follow orders and that the real power in Soviet foreign policymaking would be the former Soviet Ambassador to Washington, Anatoly F. Dobrynin.

In his four years on the job, though, Mr. Shevardnadze has proved to be not only a better implementer than many had expected, but also a better conceptualizer. He eased out Mr. Gromyko's deputies and replaced them with career foreign service officers who had demonstrated a willingness to rethink every aspect of Soviet foreign policy, particularly in areas such as arms control and how to approach regional conflicts.

He also restructured the Soviet

Foreign Ministry in a way that encouraged middle-level people to bring him ideas and information, not just wait for orders from on high, said Raymond Garthoff, a Soviet expert at the Brookings Institution.

It is at this juncture that any comparison must be called incomplete. While Mr. Shevardnadze has demonstrated his ability to take his Government's so-called "new political thinking" and translate it into an array of foreign-policy initiatives in Europe and the Middle East, Mr. Baker has yet to prove himself.

"Everyone underestimated Shevardnadze in 1985 and assumed that Dobrynin would be calling all the shots," said a senior State Department official. "They were wrong." Then, alluding to the relationship between Mr. Baker and the more experienced national security adviser, Brent Scowcroft, the official added mischievously, "We'll see."

THE BIG DECISIONS THAT AREN'T BEING MADE

Who's in charge here?

Nowhere does a leadership vacuum threaten the nation's well-being more than in its military establishment. As efforts dragged on for weeks to get a dubious Senate to accept John Tower as Defense Secretary, the post second only to the President's in the command network, it became more and more obvious that the controversy was holding up important defense decisions.

Attention is now turning to other possible nominees and the chores the next Secretary will face.

The most frequently mentioned prospect is Donald Rumsfeld, who served in the post in the Ford administration. Also mentioned is onetime Defense Secretary James Schlesinger, although he was bypassed by Bush for other posts. Some White House aides are talking about National Security Adviser Brent Scowcroft moving to the Pentagon. And an outside choice is Martin Marietta Corporation Chairman Norman Augustine, a former under secretary of the Army. But it could be at least a month before anyone occupies the post, and that means more delay and uncertainty in three areas:

Strategic arms. The administration must decide what long-range weapons to build in the 1990s, a question closely linked to the future of arms-control negotiations with the Soviets. The most crucial decision is whether to go ahead with President Reagan's plan to cancel the road-mobile Midgetman intercontinental missile in favor of putting the existing MX missile aboard railroad cars. A strategy review is already under way, headed by Scowcroft, who like many in Congress leans toward Midgetman. The military has favored the MX but has no top-ranking civilian arguing its case in the highest councils. Disagreements within administrations on strategic and arms-control issues are frequent, and Secretary of State James Baker and

Scowcroft already have an inside track with President Bush. "The more delay in installing a Defense Secretary, the further behind the power curve he will be," says one government source.

Budget. At least \$6.3 billion in spending cuts must be made to accommodate the Bush budget. Pentagon officials are preparing some options to do this. But there has been no Pentagon input on how to restructure the Strategic Defense Initiative,

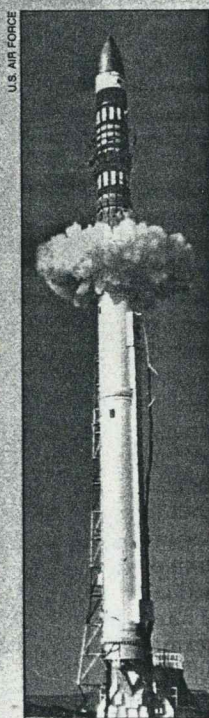
which is sure to face cuts. Other major questions include whether to restore funds for developing anti-satellite weapons, and whether to agree with congressional sentiment to retire one or more aircraft carriers, putting Reagan's goal of 15 active flattops beyond reach.

Procurement. The Pentagon's troubled weapons-buying system must be fixed to end public and congressional criticism about waste, fraud and abuse. No big "milestones"—decisions on major weapons programs—are required during the administration's first months. But oversight of defense purchasing is stalled, and no new procurement boss is in sight.

There was no chance during the Tower flap for progress on these knotty problems. Tower, relegated to a vacant Pentagon under secretary's office, was so preoccupied defending himself that one member of his small staff was assigned full time to keeping up with rumors about charges against him, a thankless job known as "the smut patrol."

In the meantime, the Defense Department—the government's largest with more than 3.3 million uniformed and civilian members—sputters on leaderless, while continuing to spend some \$800 million a day. "Nobody," says a Pentagon official, "is pretending everything is normal here."

by Robert Kaylor



MX. Blasting off

White House may be mulling Tower alternatives

WASHINGTON (AP)—If the Senate rejects John Tower as defense secretary, the White House is expected to move quickly to name a replacement, even though it isn't acknowledging the possibility of defeat.

"The President has told his staff and has told the nation that he's not talking about successors, he's talking about getting his nomination confirmed," White House press secretary Marlin Fitzwater has said.

Still, administration aides and congressional sources say privately that President Bush is mindful of the odds against winning Tower's confirmation, and that the White House is determined not to be caught off balance.

The speculation is that Bush would select a candidate who could be confirmed quickly—either someone now in government or someone who in the recent past had been a Cabinet or sub-Cabinet official.

Some Republicans in Congress have been pressing Bush to give the job to his national security adviser, Brent Scowcroft, who is widely respected on both sides of the aisle.

In fact, if Bush was determined to

keep Tower as part of his administration, he could do a job swap, giving him Scowcroft's present job—which does not require Senate confirmation and which is not in the military line of command.

Although Scowcroft's name has been heard most frequently in recent White House speculation, there is no shortage of candidates.

Among them:

- Sen. John Warner of Virginia, senior Republican on the Senate Armed Services Committee. A former secretary of the Navy, Warner would sail through the Senate if nominated. However, a big political minus to Republicans would be the loss of a Senate seat, since Democratic Virginia Gov. Gerald Baliles would surely fill the vacancy with a member of his own party.

- Former defense secretary Donald Rumsfeld. Now a corporate executive, Rumsfeld was former President Ford's defense secretary from 1975 to 1977. He is mentioned frequently as a likely contender for the post, but his support of Sen. Bob Dole of Kansas against Bush in last year's Republican

primaries could work against him.

- Former Rep. Jack Edwards of Alabama. He was the senior Republican on the Appropriations defense subcommittee for many years and was highly regarded for his knowledge of the defense budget and his skill in arguing defense issues.

- Drew Lewis, former transportation secretary. The president of Union Pacific Corp. has become a GOP workhorse with a string of high-level assignments and would bring a management perspective to the job. He was in President Reagan's first Cabinet and most recently was co-chairman of the Federal Economic Commission, which tried to tackle the problem of the budget deficit.

- Norman Augustine, chief executive officer of Martin-Marietta Corp. He reportedly was offered, and turned down, the chance to be deputy defense secretary, but might view the No. 1 spot differently. He has been involved in developing various proposals for defense modernization. However, his lack of previous government service could

be a liability.

When asked whether Bush has considered alternatives, whether anyone on his staff has considered alternatives, or whether the White House personnel office has done any preliminary work in such a direction, Fitzwater is emphatic.

"To my knowledge and under every instruction that I've been given by everybody of any authority, the answer to that is no, no, no and no," the presidential spokesman has said.

But analysts and leading Republicans in Congress suggest otherwise.

"If there hasn't been at least one session in the Oval Office to bat around alternatives to Tower, then they're nuts. They've got to have a contingency plan," said Norman Ornstein of the conservative American Enterprise Institute.

"George Bush has to come forward with someone very quickly who can be confirmed quickly" if Tower loses, Ornstein said, suggesting that additional delays in getting his defense team in place are "the last thing he wants to do."

Sen. Phil Gramm (D-Texas), an outspoken Tower defender, said he believed that "several people" might be considered as backup candidates for Tower, but that the White House has given no signal that it is wavering in its support for Tower.

Rep. Lynn Martin (R-III.), a former member of the House Armed Services Committee who was a top Bush

campaign adviser, said she assumes the President's senior staff has given consideration to a successor to Tower even if Bush has not.

"Of course, they'll have alternatives ready. That's what staff is for," she said in an interview. "You always plan to the possibility of losing."

Martin said Bush was entirely proper in forbidding his staff to talk about possible backup candidates. "It is not the appropriate time," she said.

Scowcroft's right-wing, right-hand man.

DISTRUST, BUT VERIFY

IN THE DAYS prior to Vice President Dan Quayle's January 30 appearance before the National Religious Broadcasters convention, his prepared remarks circulated at the White House. They didn't stir much comment. But two alterations were made in the text as it passed through the National Security Council. Toward the end, there was a reference to "when" American officials attend the Moscow human rights conference in 1991. At the NSC, "when" was changed to "if," and Quayle emphasized the word when he delivered the speech. The text also mentioned El Salvador, which Quayle was to visit on February 6, as a country that had become democratic in the 1980s. At the NSC, this was beefed up. And so Quayle called El Salvador "a democracy still struggling against totalitarian forces trying to strangle it."

Quayle's editor was Robert Gates, the deputy national security adviser at the White House and probably the most underrated official in the Bush administration. The textual changes reflected Gates's firm anti-communism and deep skepticism about democratic reform in the Soviet Union. But Gates, 45, is no crude hard-liner. He's a Soviet scholar (his Ph.D. at Georgetown was in Sino-Soviet affairs), a former CIA official (an analyst, not a spook), a smooth and upwardly mobile bureaucrat, one-time protégé of William Casey, and, like Casey, a fellow with a bold streak. He has the knack of acquiring the confidence of his elders. He's short, has a boyish look despite graying hair, and speaks in a soft, high-pitched voice. Both Bush and Brent Scowcroft, the national security adviser, were impressed by him.

After experiencing a meteoric rise and slight fall in the 1980s, Gates had figured on staying at the CIA as deputy director under William Webster. Casey had made him his executive assistant, elevated him to head of all CIA analysis, then appointed him deputy CIA director in 1986. President Reagan named Gates to succeed Casey as CIA chief in 1987. But the nomination was withdrawn when senators complained about his failure to notify Congress in 1986 when he got wind of Ollie North's diversion to the *contras* of profits from arms sales to Iran. Gates settled in as the CIA's No. 2, not a bad job, but not the way he'd hoped to cap his career.

Unbeknownst to Gates, Bush and Scowcroft had other plans. A week before Christmas, Gates visited John Negroponte, Reagan's deputy national security adviser. Negroponte said he had just run into a journalist in front of the White House who'd told him that Gates would get his job under Bush. Gates was thunderstruck. He didn't believe it. He knew Bush, having briefed him frequently on Soviet affairs as vice president, and he'd asked Bush to swear him in as deputy CIA director. (Bush was happy to comply.) Gates was better acquainted with

Scowcroft. As a young CIA officer, he had been detailed to the NSC as a Soviet expert from 1974 to 1979, and worked under Scowcroft for the first two years. Soon after his meeting with Negroponte, Gates heard from Scowcroft. Would he take the deputy's job? Gates said yes. Scowcroft had already talked to Bush about it. The deal was wired.

Gates was instantly a major player. Each morning he, Scowcroft, and several CIA briefers go to the Oval Office to give Bush a national security update. More important, he and Scowcroft decided to restructure the NSC apparatus. Gates became chairman of the "deputies committee," a critical decision-making body whose members include the vice chairman of the Joint Chiefs of Staff (Gen. Robert Herres), the undersecretary of defense for policy (Paul Wolfowitz), the deputy CIA director (Richard Kerr), and the undersecretary of state for political affairs (Robert Kimmitt). The committee meets several times weekly. In the comprehensive reassessment of foreign policy undertaken by the Bush administration, it will be the chief panel of review. Under Gates, it will also be an activist committee. It spearheaded the decision to continue military aid to the Afghan rebels after the withdrawal of Soviet troops. The deputies committee met early in the morning of February 10 and sent the issue to the full National Security Council, which met minutes later. Bush and the other NSC members went along unhesitatingly.

AT THE CIA, which he joined in 1966 after undergraduate studies at William & Mary, Gates was never a passive or neutral analyst. Intelligence information wasn't worth much, he felt, unless it was tied to actual policy—in other words, part of the action. But analysts must play it straight, never stacking intelligence to buttress the policy of the recipient, according to Gates. Casey was attracted by Gates's insistence that the intelligence spewed out by the CIA was too tame, too non-controversial, writes Bob Woodward in *Veil*, which chronicles the CIA under Casey. Woodward quotes Gates as saying, "If no one gave a shit about what the intelligence analysis was saying, there would be no controversy, no pressure." Controversy and pressure bring analysts close to policy-makers. When that happens, analysts will know what kind of information policy-makers need, and policy-makers will know the inevitable gaps in intelligence. In a speech last December before he switched to the White House, Gates advocated the "aggressive use of intelligence. We in intelligence must think offensively. . . . We in intelligence are the shock troops of low-intensity conflict."

Newsweek

Time

U.S. News & World Report

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"Most career analysts lack two things Gates has in abundance," says Michael Pillsbury, an assistant defense secretary under Reagan. "First he has an instinct for the jugular. He knows which policy issues are important and concentrates intelligence assets on them." After the TWA Flight 847 hostages were released in 1985, Gates wrote a paper arguing that the United States and Egypt, working together against Libya, could "redraw the map of North Africa." John Poindexter, then deputy national security adviser, used the paper to promote a joint American-Egyptian invasion of Libya, which Gates hadn't suggested. The invasion never came off. Gates's "second knack," says Pillsbury, "is the ability to make public in speeches or articles or press interviews intelligence findings. Most analysts are content to leave it in a top-secret memo."

ON HIS OWN in 1986, Gates began collecting bits of unclassified information about the Soviet strategic defense program from the Defense Intelligence Agency, the CIA, and others. In January 1987 he packed the material, some of it highly technical stuff about lasers and particle beam weaponry, into an explosive speech. Gates said that Mikhail Gorbachev believes Reagan's Strategic Defense Initiative will work and is bent on killing it, while preserving both the Soviet missile defense system and first-strike ICBMs.

"In a relationship in which for 20 or more years strategic stability presumably has been based on mutual vulnerability, the Soviet Union has been working to eliminate its own vulnerability and consolidate a unilateral advantage," Gates said. His apocalyptic line wasn't quite what Reagan had begun preaching about Gorbo. "Over the past ten years the Soviet Union has spent \$150 billion on strategic defense, or almost 15 times what the United States has spent. . . . They believe we can develop a highly effective strategic defense, in part because they are doing large elements of such a program themselves." Gates said abandonment of SDI "not only would preserve [the Soviets'] monopoly in strategic defense, but would be a key indicator of a loss of U.S. will to compete militarily. Moreover, failure to proceed with an American strategic defense would hand the Soviets a unilateral military advantage of historic consequence, with awesomely negative implications for strategic stability and peace."

Gates was more withering still in criticizing Gorbachev in a speech last October 14. The speech, shown twice in its entirety on C-SPAN, prompted Secretary of State George Shultz to complain bitterly to Gates. The Soviet Union is an economic and political mess, Gates said, but a threat to the United States. He didn't try to reconcile how a crumbling power could pose such a problem. "While Gorbachev's bold political moves and radical rhetoric

have shaken the Soviet system, he has not yet really changed it." Gates said Gorbachev wants détente to obtain technology, stop American military modernization, hold down his own defense spending, and lock in "Soviet strategic gains of the last generation." Not only has Gorbachev increased military spending, he's maintained his commitments to Angola, Nicaragua, Cuba, Vietnam, Laos, and Cambodia. "We should ask ourselves if we want the political, social, and economic revitalization of the historical and current Soviet system," he said. "I think not."

His first stint at the White House as a junior official came during an earlier spell of détente. Gates was willing to poke at the Soviets then too. In 1974 he devised a plan for a White House visit by Aleksandr Solzhenitsyn. A senior official would invite the anti-Communist novelist and escort him around the building. Along the way, Solzhenitsyn would run into President Ford, and they'd chat, a supposedly spontaneous encounter. But the scheme was nixed, and Solzhenitsyn never came. Now, if Solzhenitsyn agrees to visit, Gates can guarantee him a session with the president, and a lot more.

FRED BARNES

On Character Assassination

*Incidents at Defense Base Cited
Drunkness, Harassment of
Women Alleged*

*By Bob Woodward
The Washington Post, March 2, 1989*

*Allegations About Visit to Base
Discredited*

*By Dan Balz and Bob Woodward
The Washington Post, March 3, 1989*

So goes the John Tower debate. The Air Force sergeant who saw a drunken John Tower fondle women at Bergstrom Air Force base turns out never to have been on the base at the same time as John Tower, and to have a psychiatric report noting "hysterical features." Put the coonskin up on the wall next to the affair with the Russian ballerina, the secretary-chasing during the Geneva arms negotiations and the two-to-three bottles of Scotch a week. By now the Tower record is littered with accusations that upon investigation have turned out to be false.

Where, indeed, is the accusation that has proved to be true? When has Mr. Tower's alleged "alcohol abuse" involved him with the law or affected the performance of his duties? What else can the phrase mean? What, for that matter, is the definition of "womanizing"; is he accused of rape? In consulting with defense contractors, did he do anything many other former Senators have not?

No, nothing of the sort. John Tower is guilty of "appearances" and "perceptions." Appearances and perceptions, that is, created by the same people who now cite them as reason to reject him. Senator Nunn's refusal of a prompt vote created an echo chamber for false charges, for exaggerations of the nominee's drinking into "abuse," for the detritus of his two divorces. Senator Nunn fed the echo chamber himself by providing the rest of the Senate a tendentious report, including the Bergstrom allegations though the committee had already evaluated them as unreliable.

"Crocked . . . inebriated. . . . Drunk, inebriated, loud and garrulous," intoned Senator John Glenn on the Senate floor, reading the mini-Bergstroms from the same report. Republicans interrupted that these were often single witness-accounts, that other witnesses at the same events hadn't seen anything like that. The Senate agreed to expunge Senator Glenn's launch countdown from the Congressional Record, but the smear remains to add to the appearances and perceptions.

Meanwhile, the Democratic presiding officer ruled, in response to Senator Bob Dole, that Republicans could not introduce a list of items pertaining

to the FBI report—the number of favorable and unfavorable witnesses, for example. Senator Dole suggested he may ask permission for Mr. Tower to return to the Senate and answer his accusers. Senator William Cohen, hardly an alarmist Republican, compared the Tower ambush to the standards of evidence that prevailed in the Salem witch trials.

The storm of unconfirmed and often false accusations is starting to disturb some who are neither Republicans nor Tower supporters. "The problem is that Sen. Nunn has been making his very heavy, damning charges in extremely elliptical, suggestive ways," write the editors of The Washington Post. "But he needs to come right out and say in plain language what he means, that he believes the evidence shows Sen. Tower to be in less than full command of himself and that he believes it for reasons which he can enumerate."

"Reliance on untested accusations evokes one of the nastiest periods in our national life, the McCarthy era," writes Anthony Lewis of the New York Times. "Those evil days may sound like ancient history. But the case of John Tower is by no means the only indication that destruction by uncorroborated charges still goes on."

The scurrilousness of the Democrats' case against John Tower proves the political nature of their attacks. Senator James Exon, Mr. Tower's earliest accuser, has even proposed as a solution that President Bush ask Mr. Tower and National Security Adviser Brent Scowcroft to switch jobs. So while Mr. Tower is a threat to the "chain of command" as defense secretary, he's somehow an asset managing the situation room or at the President's right hand in a crisis. Mr. Exon's amazing proposal displays clearly that even the Democrats do not take their own charges seriously.

John Tower is not the only one blackened by this kangaroo confirmation. Sam Nunn's reputation as a titan of the Senate is gone, probably forever. His party is once again, as in the Bork rejection, proving itself to be petty and partisan. The Senate scarcely looks like the World's Greatest Deliberative Body. The United States looks childish before a world that looks to it for leadership. And new and ugly precedents are being set.

John Tower himself put it perfectly, "Is character assassination a legitimate and acceptable means of the exercise of political power? If that question is answered in the affirmative, we have ushered in a new and rather ugly phase in American politics."

Scowcroft emerges at Defense should Senate scrub Tower

By Peter Almond
THE WASHINGTON TIMES

If the Senate rejects John Tower as defense secretary, the White House will be under the gun to find a replacement who can be confirmed in time to participate in major upcoming defense policy decisions.

"President Bush is in a tough spot. He's taking this Senate fight down to the wire. If he gives any hint at all he's considering a replacement, he'll just finish him [Mr. Tower] off," said one senior administration official. "The trouble is, I really don't think he has anybody else in mind at this time."

Some Senate Republicans and a prominent Democrat on the Senate Armed Services Committee, James Exon of Nebraska, have suggested a job swap — naming retired Lt. Gen. Brent Scowcroft as defense secretary and Mr. Tower to replace Mr. Scowcroft as national security adviser. That post does not require Senate confirmation, but Mr. Tower said he would probably retire from government service if the Senate rejects him for the defense post.

"The way [this administration] works, if it isn't going to be Tower, it has to be someone who can slip in to his shoes and work immediately with Bush, [Secretary of State James] Baker and Scowcroft," said the administration official, who declined to be identified.

"The only one who comes to mind is Scowcroft himself."

Other potential candidates are Donald Rumsfeld, who held the job from 1975 to 1977; former Defense

Secretary James Schlesinger; former Rep. Jack Edwards, who was co-chairman of the military base-closing commission; Norman Augustine, chairman of Martin Marietta Aerospace Corp., who rejected an earlier invitation to be deputy defense secretary under Mr. Tower; and Drew Lewis, former transportation secretary and now president of Union Pacific Corp., who would bring a management perspective to the job.

Mr. Scowcroft's qualifications are considered the highest caliber; he knows Pentagon and national security issues and has excellent relations with Congress.

However, his nomination could come under intense fire from liberal Democrats concerned about a former military officer becoming defense secretary.

The last such appointment was Gen. George Marshall, defense secretary from September 1950 to September 1951. Congress, concerned about civilian control of the military, later passed a law requiring at least 10 years retirement before an ex-military person could become secretary of defense.

Mr. Scowcroft, who retired from military service on Dec. 1, 1975, meets that standard. But if he overcomes liberal concerns, he may encounter trouble from conservative Republicans, who worry about his apparent lack of interest in the Strategic Defense Initiative and his earlier promotion of the Midgetman intercontinental ballistic missile over the MX.

"If Tower had problems with perceptions of conflicts of interest with

defense companies, you should see what may come up with Gen. Scowcroft," said an aide to one conservative senator.

Before he became national security adviser, Mr. Scowcroft had worked as a consultant with Kissinger and Associates, whose clients reportedly included such firms as Martin Marietta, Rockwell and Boeing — the prime developers of the Midgetman missile Mr. Scowcroft has recommended.

If Mr. Scowcroft does go to the Pentagon, Robert Gates, former CIA deputy and now deputy national security adviser, could move up to be national security adviser.

Now in private business in Illinois, Mr. Rumsfeld reportedly has solid credentials among Republicans on Capitol Hill, but he is said not to get along personally with Mr. Bush and did nothing to endear himself when he backed Senate Minority Leader Robert Dole in the GOP presidential race.

However, Mr. Dole has fought strongly for Mr. Bush in the Tower campaign and Mr. Rumsfeld could benefit from that, according to Senate sources.

Mr. Augustine has the advantage of being a "fresh face" to top-level politics in Washington and thoroughly understands the defense industry. But his nomination would almost certainly doom the appointment of General Motors executive Donald Atwood as the current deputy defense secretary-designate. Neither Mr. Bush nor the Senate is likely to approve industrialists for the No. 1 and No. 2 positions at the Pentagon.

Mr. Atwood could remain, however, under almost any other nominee. His value is based on his experience in managing a large business — considered essential if Mr. Bush is to carry out his election promise to reform management practices at the Pentagon.

Less clear is what happens to the service secretaries and undersecretaries under a new nominee. That appears to depend largely on whether Mr. Bush will name a strong defense secretary with a mandate to create his own tight-knit team, or an interim secretary to deal with immediate concerns while he looks for a permanent replacement.

Among those likely to survive if Mr. Bush opts for an interim replacement are Navy Secretary William Ball. A former aide to Mr. Tower in the Senate, Mr. Ball has made himself valuable to both Mr. Bush and former President Reagan, who appointed him Navy secretary early last year.

Rhett Dawson, Army secretary-designate, appears less likely to survive, even though he headed the Tower transition team at the Pentagon. Neither does Air Force Secretary-designate James McGovern, even more closely identified with Mr. Tower although he was Air Force undersecretary during the previous administration.

There have been no further top job changes at the Pentagon, although Robert Costello, head of acquisitions, is currently targeted for replacement, as is Jack Krings, head of the Pentagon's independent office of weapons testing and evaluation.

Briefing

■ Tower and others remember a friend in need ■ Honors
for Nazi-hunter who died on Flight 103 ■ Indiana
Congressman in a dispute with Costa Rica President.

A Friend in Need

It was John G. Tower who hired Robert C. McFarlane for the staff of the Senate Armed Services Committee back in 1979, and the Defense Secretary-designate stood up for Mr. McFarlane again before the former national security adviser was sentenced Friday.

Mr. Tower was among the public figures who wrote to Judge Aubrey E. Robinson before the sentencing in Federal District Court to ask for leniency for Mr. McFarlane. Among others were Brent Scowcroft, President Bush's national security adviser, and Senator Daniel P. Moynihan, Democrat of New York.

The letter from Mr. Tower, who headed a Presidential inquiry into the Iran-contra affair, remains under court seal, but a portion of it was read to a reporter. The Aug. 1, 1988, letter said, in part, "During my tenure as chairman of the President's special review board, no witness was more cooperative or more forthright than Robert McFarlane."

In the end, Judge Robinson fined Mr. McFarlane \$20,000 and sentenced him to two years' probation for withholding information from Congress about his role in the secret sale of arms to Iran and the diversion of some profits to the Nicaraguan rebels. Mr. McFarlane had faced a maximum penalty of \$400,000 fine and up to four years in prison.

Pan Am Victim Honored

A Justice Department Nazi-hunter who died in the bombing of Pan Am Flight 103 over Scotland last December will be honored today by the Israeli Government. At a ceremony at the Israeli Embassy, the Yad Vashem commemorative medal will be presented to the family of Michael S. Bernstein, former assistant deputy director of the Justice Department's Office of Special Investigation, which investigates war crimes.

Yad Vashem is Israel's memorial to victims of the Holocaust.

Mr. Bernstein supervised scores of war crime investigations of the Justice Department. He was returning home from Vienna after negotiating with Austrian officials about the return to Austria of Nazi war criminals who immigrated from that country after World War II.

Dispute With Arias

Representative Lee Hamilton, the Indiana Democrat who has been a

leading figure in articulating his party's policies on Central America, is embroiled in a dispute with President Oscar Arias of Costa Rica, who has often been praised by Democrats.

The conflict arose in January, when the Costa Rican authorities arrested John Hull, an Indiana native whose ranch in Costa Rica played a role in efforts to aid the Nicaraguan rebels. Mr. Hull was charged with drug trafficking and undermining Costa Rica's national security. Mr. Hull has said he was paid by the Central Intelligence Agency to help the contras.

Mr. Hamilton and Representative David Dreier, Republican of California, were the first two signatories of a Jan. 26 Congressional letter to Mr. Arias that said: "It is our hope that Mr. Hull's case can be concluded promptly and that it will be handled in a manner that will not complicate U.S.-Costa Rican relations. As you know, there is much debate in the United States over policy toward Central America."

Mr. Arias replied: "Mr. John Hull is accused of serious crimes, among them that of participating in the illegal traffic of drugs to the United States. It pains me that you insinuate that the exemplary relations between your country and mine could deteriorate because our legal system is fighting against drug trafficking, no matter how powerful the people who participate in it, or what external backing they might have."

Mr. Arias insisted that Mr. Hull had been treated with appropriate regard for his human rights, "about which Costa Ricans need lessons from nobody." A copy of the Arias letter was made available by the Christic Institute, a research group which is appealing a Federal judge's dismissal of a suit charging Mr. Hull and others with complicity in a 1984 bombing in Costa Rica. Mr. Hamilton said through a spokeswoman yesterday that he had not yet received the letter.

DAVID JOHNSTON
STEPHEN ENGELBERG

Next Nominee: Matter of How as Well as Who

By MELISSA HEALY,
Times Staff Writer

WASHINGTON—Beneath the Bush Administration's determination to stick with defense secretary-designate John Tower to the end, there is a lively but still-unofficial debate over who will be next if Tower goes down in defeat on the Senate floor.

At issue, said sources close to the Administration, is not only who the best candidate is to lead the Pentagon into an era of belt-tightening and reform, but how the President should respond to the Senate in the wake of a repudiation of Tower, his first choice.

Should Bush's next pick be someone designed to please the very lawmakers who are bent on dealing his Administration a harsh political blow in its infancy? Or should the President use the opportunity to show Congress who's boss?

The debate has split Republican strategists, and White House insiders suggest the rift is reflected among Bush's inner circle of advisers.

The range of candidates whose names are now circulating is broad. There is a trio of former defense secretaries—Republicans Donald H. Rumsfeld and James R. Schlesinger and Democrat Harold Brown.

There is another former lawmaker—Jack Edwards, the Alabama Republican who voluntarily gave up a congressional seat and recently co-chaired a commission recommending the closing of obsolete military bases. And there is a pair of retired military officers already in the Administration—Adm. James D. Watkins, Bush's

energy secretary, and Lt. Gen. Brent Scowcroft, the President's national security adviser.

So far, the White House has brooked no public discussion from its ranks about possible replacements, wary of undercutting the already hard-pressed lobbying effort to keep Tower's chances alive.

Asked whether any list of candidates exists, one Bush Administration official said flatly: "None. Zero. None."

But another Administration official familiar with the process said: "It's absolutely foolish not to be considering alternatives and considering people for these priority positions . . . I'm sure it's being discussed in little pockets."

Melvin R. Laird, a former Richard M. Nixon Administration defense secretary who has advised Bush on transition matters, acknowledged that "advice to the President has been divided" over how long to stick with Tower and

to whom to switch if the expected Senate rejection comes this week or next.

Sources say there is some support for Bush making his next move a defiant one, reasserting his primacy over national security issues with a Tower-Scowcroft switch.

Under that scenario, Scowcroft would slide over to the top Pentagon post and Tower would become national security adviser, a job that does not require Senate confirmation. That would allow Bush to keep Tower in a key policy post despite the Democrats' snub and at the same time not risk a confirmation backlash against Scowcroft, who is widely respected by both parties.

Two Republican strategists said the idea has been discussed within the Administration, but acknowledged there is disagreement on its wisdom.

Such a stroke is "the only thing you could do to save political face" after an embarrassing, personal defeat, said one Administration official, adding: "What do you do when this guy, your friend, is getting clobbered?"

Bush, while refusing to discuss any second choices, has fed the speculation about such a counter-punch nomination with his angry rhetoric on Tower.

There is "the right of the President to have—historical right—to have who he wants in his Administration," Bush said in his press conference Tuesday. "I want him." And he could have Tower—as national security adviser.

But other prominent Republicans said they fear such a ploy would only infuriate Democrats and provoke them to paralyze future Administration legislative efforts that will require bipartisan support.

Should Bush choose instead to appease his congressional opponents in an effort to restore bipartisan cooperation, other options might be more likely.

Sen. Sam Nunn (D-Ga.), the center of the Democratic effort to defeat Tower, said last week that there are "all sorts of people" who have strong national security credentials, and no heavy burden of allegations, who would pass muster.

Making the same point, Sen. Robert C. Byrd (D-W.Va.) cited Rumsfeld and Schlesinger as prime

choices, adding: "If the President sends another name up here, it'll be confirmed by a heavy majority."

Such a choice by the President might fall short of a strong statement, however, and within Bush's circle of advisers those particular men have some problems. In January, Schlesinger's reputation as an acerbic intellectual with questionable political loyalties helped cost him the job of energy secretary in the Bush Cabinet. Schlesinger had served as defense secretary in the Nixon and Gerald R. Ford administrations and as energy secretary for Jimmy Carter.

Rumsfeld, while a Bush adviser in the final phases of the 1988 campaign, began the race in the camp of Bush's chief rival, Sen. Bob Dole (R-Kan.), a fact that Laird said has weighed against him. Moreover, sources say that Bush's relations with Rumsfeld, who is now a Chicago-based investment banking adviser, remain strained from bureaucratic battles waged when Bush was CIA director and Rumsfeld secretary of defense during the Ford Administration.

For his part, Laird said he thinks President Carter's defense secretary, Harold Brown, would be a good choice. "Brown is a very strong national security advocate who understands the Pentagon very well. He's not a partisan person when it comes to defense."

A number of other names have surfaced from the ranks of politics and industry.

Donald B. Rice, president of the Santa Monica-based RAND Corp., would be unlikely to face a challenge from Nunn, the leader among Democrats in defense issues. Rice has been an informal adviser to Nunn as well as a golfing partner.

Drew Lewis, whose name was floated for the top Pentagon job before Tower was named, is a favorite candidate among those who seek a tough budget miter and a hands-on manager with business experience. Lewis, a former Ronald Reagan Administration transportation secretary, is chief executive officer of the Union Pacific Corp. and served recently on the congressionally created National Economic Commission that explored methods of reducing the federal budget deficit.

Watkins, a retired high-ranking Navy officer held in high regard by both parties, might be a popular choice for rebuilding a bipartisan spirit. However, his choice would require Congress to waive a 1947 law that prohibits retired military officers from serving in the senior defense position within 10 years of leaving the service. Scowcroft would not face that problem, having left the Air Force more than a decade ago.

Like Tower, Jack Edwards would bring a knowledge of Congress and an expertise in the fine print of the defense budget to the Pentagon's top job. But critics say that unlike Tower, Edwards is no grand policy strategist, an impor-

Senate Rejects Tower Nomination

PETER JENNINGS: We begin with John Tower.

It was no surprise when the full Senate voted and Tower's nomination to be the Secretary of Defense was defeated, but it was history. Never before has a nominee for a President's first Cabinet been rejected like this.

So, how much effect will it have on the President's stature? What sort of an omen is it about political behavior in Congress?

The final vote in the Senate was 47 to nominate Tower, virtually all Republicans, and 53 to reject, virtually all Democrats.

We begin on Capitol Hill with ABC's Jim Wooten.

JIM WOOTEN: His day of reckoning finally come, he was off to the Pentagon one last time to await the inevitable.

[Clip of Senate roll call]

WOOTEN: Even one fellow Republican, Kassebaum of Kansas, voted against him. And the three Democrats who stood with him, Bentsen, Dodd and Heflin, weren't nearly enough. For only the ninth time in 200 years, a Presidential Cabinet nominee was rejected.

SENATOR ROBERT DOLE: The President of the United States didn't lose. The United States Senate did.

WOOTEN: Minority Leader Dole spoke for Tower's supporters on a day of Republican regrets and recriminations.

SENATOR RUDY BOSCHWITZ: This is a partisan battle, a harshly partisan battle, unfortunately. And it's going

to leave some scars.

WOOTEN: Senator Nunn, who'd led the opposition, answered for it again and again.

SENATOR SAM NUNN: This is not a trial. This is not an impeachment. This is advice and consent.

WOOTEN: And Republican McCain offered a fond benediction to his friend and fellow Navy veteran.

SENATOR JOHN MCCAIN: God bless you, John Tower. You're a damn fine sailor.

WOOTEN: But there were some awfully rough waters waiting here for a man who'd spent so little of his time making friends in the Senate when he was a member. And that, in the end, may have been the principal reason John Tower was ultimately denied the job he'd wanted for so long.

Jim Wooten, ABC News, Capitol Hill.

JENNINGS: At the Pentagon this afternoon, where Tower has been working temporarily, two questions were being asked: What now for John Tower? And who will replace him?

Here's ABC's Bob Zelnick.

BOB ZELNICK: From the office where he spent his last day at the Pentagon, John Tower claimed that no public figure had ever seen his private life subjected to such intense and demeaning scrutiny.

JOHN TOWER: And yet there is no finding that I have ever breached established legal and ethical standards, nor have been derelict in my duty.

ZELNICK: From the time Tower first learned of Senator Sam Nunn's opposition in early February, aides say, he privately predicted he would be rejected, first by the full Armed Services Committee and then on the Senate floor. They

say he stayed in the fight partly because President Bush wanted him to and partly to discredit Nunn's reputation for nonpartisanship.

Aides to Tower say he remained dispassionate and analytical throughout, except when material leaked by a House subcommittee falsely suggested that while serving as a Geneva START negotiator he had conducted affairs with female members of his office staff.

Those mentioned as possible replacements include Norman Augustine, the President of Martin Marietta; Donald Rice of the Rand Corporation, a defense think tank; former Defense Secretary Donald Rumsfeld; former Republican Congressman Jack Edwards; and National Security Adviser Brent Scowcroft.

Tower now plans to resume an academic career in Texas, interrupted more than 30 years ago, when Texas Republicans selected him as a sacrificial lamb to run in a losing race for the Senate seat then held by Lyndon Johnson.

Bob Zelnick, ABC News, at the Pentagon.

Battle over Tower nomination may leave some lasting scars

By William Beecher
Washington Bureau Chief

Washington, D.C.

As he returns to Texas, on his shield rather than brandishing it, John Tower may be forgiven if he concludes he's been the victim of a colossal pay-back from former colleagues he repeatedly rubbed the wrong way in a long career in the Senate.

And he must wonder whether, when it became clear his was a losing battle, he might not have salvaged something, if instead of pushing it to a vote of his peers he had called the process unfair and withdrawn in the interests of his president, his beloved

Analysis

Pentagon and his country.

Virtually everyone embroiled in the rancorous battle over Tower's nomination to head the Defense Department was wounded — some seriously, some superficially.

Only time will tell whether lasting damage has been done to the image and program of President Bush, to the effort to rebuild bipartisanship in Congress and to the reputations and effectiveness of those most directly involved.

One of the hallmarks of Congress has been the propensity of its members — after a debate has ended, regardless how acrimonious — to return to a professional civility similar to that enjoyed by opposing attorneys after a bitter court fight. Each understands the other is only doing his job to the best of his ability.

Indeed, on Wednesday night, after it became clear Tower had fallen short, Senate minority leader Robert Dole of Kansas, the losing floor commander noted for his slashing tactics, held out his hand across the aisle: "If we've offended anyone, we apologize to everyone all at once."

But the Tower fight has not been normal in the sense of a heated dispute focused principally on differing philosophies or politics. Underlying the battle has been personal animus against the former senator from Texas, built up over his 24 years on Capitol Hill, the last several as chairman of the Armed Services Committee. That reservoir of ill-will denied him what otherwise might have been the benefit of the doubt usually accorded a former member of the club on close questions about his conduct, character and judgment.

Republicans were angry that a man who was better qualified in terms of knowledge and experience than many previous nominees was axed because of his lifestyle, with a lofty new ethical standard applied that some sitting senators would have trouble meeting. Democrats were angry that the GOP, which from the first fought the battle in partisan terms, charged their op-

ponents with playing politics and with denying the commander in chief his choice. So the debate at times became uncharacteristically personal and even mean-spirited.

Privately, senators of both parties said that Tower long had been abrasive, abusive and arrogant in dealing with colleagues and staff. "He was a little Napoleon," one senator confided. "We differ over a lot of issues with our colleagues, occasionally let passion get in the way of good sense. But most people up here like their fellow man and are respected for it. Not John Tower."

After the reputation of Tower himself, the most serious damage appears to have been suffered by the president and his inner circle. The issue is one of judgment and competency.

Even among some senators of Bush's own party, the president's controversial choice of Tower raised soul-searching similar to that after his selection of Dan Quayle as his running mate. In both cases it was known widely that some of the president's closest advisers had strong reservations.

Given the fact that the Bush administration must restore public confidence in Pentagon contracting and must persuade Congress of the need to cut defense programs, kill major weapons systems and probably shift some Reagan administration arms control positions, questions were raised whether Tower's heart would be in it and thus whether he'd be an effective advocate.

To sell Tower and, more importantly, to sell the Pentagon's poor-boy programs, the White House needed to make an ally if not an enthusiastic supporter of Sen. Sam Nunn (D-Ga.), the respected leader of the Armed Services Committee. Thus it was less than adroit to exclude Nunn and all other committee Democrats from a special White House briefing on the FBI's findings on allegations of excessive drinking, womanizing and lucrative dealings with major defense contractors.

But once Nunn decided to lead the battle against the nomination, it was seen as self-defeating for the administration to wage more than a token fight before prevailing on Tower to

SCARS...CONTINUED

withdraw. If Tower had won by one or two votes, it might have resulted in four years of guerrilla warfare between the Nunn-led committee and the administration's defense programs. Loyalty to a beleaguered political comrade is one thing, but self-immolation in the name of decency doesn't bolster confidence in presidential judgment, or in that of the team around him.

Insiders say a few qualms notwithstanding, Nunn was disposed to support the nomination — until he and Sen. John Warner of Virginia, the committee's minority leader, had a long talk with Rep. Larry Combest, R-Texas. Combest reportedly said that during the seven years he worked on Tower's staff in the 1970s, Tower would put away a bottle of Johnnie Walker Red at one sitting two or three nights a week.

That account was later softened, in a follow-up FBI interview, as downing a bottle with the help of friends. But along with numerous reports of more recent heavy drinking, sources say, that tipped the scales for Nunn. Warner, too, wavered until the eleventh hour, finally deciding to be a good soldier and support his president.

Nonetheless, if Bush should turn around and nominate a man viewed by the Hill as well-qualified, there would be a natural inclination not only to confirm him swiftly, but to bend over backwards to sympathetically weigh his defense budget and arms control arguments in order to demonstrate that the Armed Services Committee is not being petty and vindictive.

Furthermore, Congress holds Bush's National Security Council (NSC) adviser, Brent Scowcroft, in unusually high regard. Normally the NSC adviser doesn't testify in support of administration programs; that's the usual preserve of Cabinet officers and their lieutenants. But since Scowcroft is overseeing the administration's 90-day policy review on strategy, defense spending and arms control, he could be a persuasive witness — if the president decides to deploy him in the legislative arena.

A number of lawmakers say that interpersonal relationships are going to have to be repaired, as between Dole and Sen. Ernest Hollings (D-S.C.), whose exchanges verged on the vituperative. But politicians are used to verbal jousts sometimes getting out of hand and tend to overlook, if not forget, slights when it's in their political interests to form bipartisan alliances on specific legislative issues.

One potential casualty is across the Capitol in the House of Representatives. House Speaker Jim Wright, D-Texas, is undergoing an ethics investigation. The House is much more solidly controlled by the Democrats than the Senate, but there might well be a temptation on the part of some GOP members to attempt to raise the ethical crossbar as high for the Democratic leader as was raised for Tower. Of course, in the case of Wright, specific House rules are at issue, whereas in Tower's case there are no fixed rules establishing qualifications for confirmation.

Near the end of the Tower debate, when it was apparent the necessary votes weren't there, Dole proposed

that Tower be given a six-month probationary appointment, with the possibility of a new confirmation fight thereafter. It was said the unprecedented idea had been cleared both with Tower and John Sununu, the White House chief of staff. Presumably the notion was to see whether Tower stayed on the wagon for the entire period.

That proposal tended to trivialize the debate and was guaranteed to inspire political cartoonists and wags to have a field day, as did one Washington Post writer who compared Tower's pledge to abstain from alcohol, if confirmed, as akin to Count Dracula pledging to switch to Gatorade — if he'd just be allowed to drive the bloodmobile.

SENATE REJECTS TOWER, 53-47; FIRST CABINET VETO SINCE '59; BUSH CONFERS ON NEW CHOICE

Both Sides Hopeful to Keep Debate Impact From Lasting Long

By MICHAEL ORESKES

Special to The New York Times

WASHINGTON, March 9 — The Senate today rejected President Bush's nomination of John G. Tower to be Secretary of Defense, the first time in 30 years that a President was denied his choice of a Cabinet member.

The vote on the nominee, who was bruised by weeks of allegations about his private conduct as well as conflict of interest, was 53 to 47.

With the decision, attention immediately turned to the question of an alternative candidate. President Bush, in New York for the day, telephoned his chief of staff, John Sununu, shortly after the vote to discuss other candidates. White House officials said the President intended to move quickly to name a new nominee, with an announcement possible as early as Friday.

Possible Alternatives

A number of names were circulating in the capital as the most likely prospects. The candidates included former Congressman Jack Edwards of Alabama; Donald H. Rumsfeld, a former Defense Secretary under President Ford; Norman Augustine of Martin-Marietta, the aerospace manufacturer, and Senator William S. Cohen of Maine. Brent Scowcroft, President Bush's national security adviser, was also mentioned, but today he said he had no interest in the job.

"The Senate has made its determination," said the President, who was in New York City. "I respect its role in doing so but I disagree with the outcome." He added, "Now, however, we owe it to the American people to come together and move forward."

Calm After Fierce Debate

After weeks of fierce debate, personal lobbying by the President and allegations of private misconduct by Mr. Tower that would never have been aired in an earlier age here, the end came in a calm and almost ceremonial proceeding with all 100 senators gathered in the Senate chamber.

The clerk read through the roll of senators and asked for their aye or nay, recording for history what had become clear to the combatants over the last 24 hours. Fifty-two Democrats and one Republican voted against the Mr. Tower; 44 Republicans and three Democrats voted for him.

"The nomination of John Tower to be Secretary of Defense is not confirmed," announced Vice President Dan Quayle, who presided over the session. "The President is to be notified of the Senate vote."

No matter how fast the White House acts, it is unlikely that a new Secretary could be in office before April 1. It was unclear whether Mr. Bush was still considering the possibility of naming an interim secretary above William H. Taft 4th, who is currently administering the department as Acting Secretary.

President Bush reacted mildly to the defeat, clearly not wanting to use the occasion to open lasting wounds with Congress.

The three Democrats who voted for Mr. Tower — who had announced their plans in advance — were Lloyd Bentsen of Texas, Howell Heflin of Alabama and Christopher J. Dodd of Connecticut. On the Republican side, only Nancy Landon Kassebaum of Kansas turned against her President's choice.

Representative John D. Dingell, a Michigan Democrat, who had assailed the Tower nomination from the House side, picked up the bipartisan theme of healing. Mr. Dingell noted that in the Senate, as in the Battle of Gettysburg, "neither side really chose to do battle on this piece of turf, but when the scouts ran into each other here, both sides kept feeding troops into the fray until one won."

G.O.P. Hope for Quayle Vote

For a time earlier in the week the White House had hoped to woo enough Democrats to produce a 50-to-50 vote and enable Mr. Quayle to break the tie.

"You should have voted anyway," Senator Bob Dole, the Republican leader, teased Mr. Quayle afterward. "Make it a little closer."

The cordial end belied what senators themselves said had been one of the fiercest and most unpleasant confrontations in recent history, a confrontation in which the Senate rebuffed a new President, rejected one of its own former members and dragged out onto the floor its own dirty laundry of drinking among members.

"I will be recorded as the first Cabinet nominee in the history of the Republic to be rejected in the first 90 days of a Presidency and perhaps be harshly judged," Mr. Tower said in a statement that he read at the Pentagon shortly after the Senate vote. "But I depart from this place at peace with myself, knowing that I have given a full measure of devotion to my country. No public figure in my memory has been subjected to such a far-reaching and thorough investigation, nor had his human foibles bared to such intensive and demeaning public scrutiny."

Mr. Tower thanked both the President and his supporters in the Senate and said he was returning to Texas, which he had represented in the Senate for 24 years.

In the closing hours of debate, Republicans, knowing that the die was cast, accused the Democrats of running roughshod over Mr. Tower's private life in a partisan attack aimed at weakening the new Republican President. But Democrats, worried about a backlash against one of history's most forceful assertions of the Senate's constitutional role of advise and consent, insisted that the defeat of Mr. Tower was a unique case that need not mar long-term relations.

'Pitched Partisan Battle'

"It was a pitched partisan battle and has been for weeks," Mr. Dole said in closing the debate for supporters of Mr. Tower, who in his last years in the Senate led the same committee, Armed Services, that recommended his rejection as Defense Secretary. "After what we've done to this good man, maybe we ought to hang our heads. He knows this is politics. He knows he's being shot down because he's a Republican and there are more Democrats than Republicans."

But Senator George J. Mitchell of Maine, the majority leader, asserted:

"This vote is not and should not be interpreted as a vote to harm the President. I cannot control what other people write and say. But I do know what's in my mind and heart."

Mr. Mitchell and Senator Sam Nunn, chairman of the Armed Services Committee, both argued that Mr. Tower's nomination was a special case, a nominee for a particularly sensitive job plagued by an unusually long list of allegations about purported drinking problems, misconduct towards women and lax attitudes toward conflicts created by his work as a consultant to military contractors.

Mr. Nunn said he did not expect "in my lifetime" to see another nominee with so many allegations against him.

In defending Mr. Tower, some senators warned their colleagues that the intense focus on wine and woman, the subjects that dominated the six days of Senate debate, was raising new and dangerous standards of personal behavior.

"The question is going to be asked of senators when they go out and start running for office," said Senator Steve Symms, Republican of Idaho. "What's in your F.B.I. file? Can we really live up to the standards that have been set up here?"

There was much talk in the Senate today, especially from Republicans, of the deep partisan scars the Tower fight may have inflicted.

Democrats mounted a strong campaign to dispel charges of partisanship. Mr. Mitchell said on the Senate floor that he had read through the Senate debates 12 years ago over President Carter's nominees and found the Republicans to be just as outspoken in their opposition to several of those nominees as Democrats had been to Mr. Tower.

The Democrats who crossed party lines to support Mr. Tower had various reasons. Mr. Bentsen is from Mr. Tower's home state and introduced his former Senate colleague at the start of the confirmation hearings. Mr. Heflin faces re-election next year in a conservative state, and Senator Tower was one of the few votes in support of Senator Thomas Dodd of Connecticut, the current Senator Dodd's father, when he was censured 22 years ago.

Mrs. Kassebaum, a quiet champion of increased recognition for women in government, had been expressing her doubts for some time but never publicly committed her vote until it was clear Mr. Tower was headed for defeat. She said she would have voted for Mr. Tower despite her misgiving if the President had needed her vote.

"If we are going to have a strong defense force which consists of both men and women we are going to have to insure fairness," she said. "I am not confident that Senator Tower would give these issues the priority they demand or would demonstrate the necessary sensitivity to their seriousness." Immediately after the vote on Mr. Tower, the Senate rushed through the confirmation of William J. Bennett, to be director of the President's Office of Drug

Policy. The vote was 97 to 2, with two Democrats, Jeff Bingaman of New Mexico and Paul Simon of Illinois, voting against Mr. Warner, floor leader of the Republican support for Mr. Tower, did not vote on Mr. Bennett's confirmation.

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White House To Move Quickly On Tower Replacement

President Bush might name a replacement later this week for John Tower who lost a bid for secretary of defense, a senior administration official said Thursday.

Political insiders said that the possible nominees included Sen. Cohen, National Security Advisor Scowcroft, former Defense Secretary Carlucci and Sen. Garn, a former astronaut.

The administration official...said the White House was "not starting from scratch" on finding a replacement for Tower....

Asked what qualifications Bush was seeking, the official said a working knowledge of the Defense Department was a top priority.

"The Pentagon is a massive enterprise. (He wants) someone familiar with the way it works and therefore able to understand things like the Packard Commission recommendations for change," he said.

(Gene Gibbons, Reuter)

Bush Given Broader List of Candidates for Defense Post

By Ann Devroy and David Hoffman

Washington Post Staff Writers

President Bush's top advisers have presented him with an list of potential candidates for defense secretary that includes several who were passed over when John G. Tower got the original nod, plus some new entrants added after the president asked for a wider field, senior officials said yesterday.

According to White House and other officials, national security adviser Brent Scowcroft and White House chief of staff John H. Sununu handed Bush a list of potential candidates Thursday morning, before he left for New York. The president, one official said, asked for more names, and in later phone conversations with aides was offered at least two other possibilities whose backgrounds are undergoing a preliminary check.

Administration officials and outside advisers have told Bush that, as one put it, "the fastest way to get this debacle behind us is to come up with a well-respected nominee as fast as you can do it."

A number of potential replacements for Tower are being mentioned in political circles, but senior aides say many—such as some current senators and former top officials such as Donald Rumsfeld and James Schlesinger—are not serious contenders.

Among those on the original and current lists of potential nominees are two corporate executives whose strong suit is said to be management abilities: Paul H. O'Neill, 53, chairman and chief executive officer of

Alcoa, who has worked in government in the Office of Management and Budget, and Norman Augustine, 53, chairman and chief executive officer of Martin Marietta Aerospace Corp., the defense contractor. Two White House officials said Augustine told them earlier he could not take the post and that they believe he has not changed his mind.

Former representative Jack Edwards, who was not considered when Bush chose Tower, is among those being promoted by some on Capitol Hill and in the Pentagon, and one administration official said last night he "is a possibility."

At the White House, officials tried to find a silver lining in a loss that Sununu, in particular, had been confidently predicting would not occur. As late as Tuesday night, Sununu told a group of aides and outside political advisers that the White House felt it had a "realistic" hope of winning the votes needed and had emphasized to the group that no Republican, including Sen. Nancy Kassenbaum (Kan.), would vote against Tower. She ended up voting no.

White House press secretary Marlin Fitzwater, arguing the administration had fought "a long fight hard and well," said the battle "brought the administration team together... and we feel that it's been a tempering affair that should serve us well."

He added that the president and Minority Leader Robert J. Dole (R-Kan.) had solidified their relationship in a way that will help in further battles, and that the White

House staff, criticized for its inexperience and lack of political savvy, "has pulled together," a judgment few outsiders might be willing to make.

Edwards, 60, who represented the Mobile, Ala., area in Congress, retired in 1985 after 20 years in Congress. A longtime friend and supporter of Bush, Edwards was the senior Republican on the House defense appropriations subcommittee and most recently co-chaired a Pentagon commission that targeted military bases for closings.

Scowcroft, who had the backing of at least one senior White House official for the Defense post, said yesterday he is not a candidate. Bush and Secretary of State James A. Baker III, with whom he has a good working relationship, are said to want to keep Scowcroft where he is.

Fitzwater said Bush wants to "move as rapidly as he can" on a new nominee, but has not begun "serious discussion" of any one candidate and would not be rushed by "arbitrary deadlines." Several administration officials had said early in the day that they hoped for a selection by the end of the week.

Fitzwater would not discuss criteria other than to say Bush wants someone he is confident could "move in rapidly under the circumstances."

Fitzwater said the president viewed Tower's defeat as a "very long and difficult struggle... he tried to lobby hard and well for his candidate, but he did not make it a personal fight and does not see it that way." He said Bush wants to "put this behind us and move on."



Augustine
... unlikely



Rumsfeld
... on list



Scowcroft
... has said no



Edwards
... possible

List of candidates to replace Tower given to president

Baker's transgression more serious than Tower's

BOB KUTTNER

Secretary of State James Baker ought be grateful to his fellow Texans John Tower and Jim Wright. The Tower sex-and-alcohol follies have dominated the media appetite for scandal, and will be directly followed by a public airing of the influence-peddling charges against Speaker Wright.

These spectacles have taken the spotlight off the more serious revelation that James Baker, while Treasury secretary and architect of US policy on Third World debt, quietly retained massive stock holdings in the Chemical bank. Chemical has more than 100 percent of its shareholder equity tied up in Third World loans — and more than half of its equity is in loans to Brazil.

The value of Baker's holding was never officially confirmed, but was rumored to be several million dollars, constituting a significant portion of his private wealth. Obviously, a major write-down of Third World debt burdens would translate directly into a write-down in the value of Baker's Chemical stock. If that is not a conflict of interest, the term has no meaning.

Baker devised the now-failed policy toward Third World debtor nations known as the Baker Plan. The core idea was that there could be no debt forgiveness for these nations, but that banks would be encouraged to float new loans (at high interest rates) to cooperative debtor countries that liberalized their economies along US lines. This not only deepened debts but also protected the banks.

Baker was well-known as the leading pragmatist in an administration of ideologues. He forced a reversal of the disastrous experiment in floating exchange rates. Yet when it came to the Third

World debt, Baker held to an uncharacteristic hard line.

Inflicting austerity on already impoverished Third World nations only drags the world economy more deeply into stagnation. This, in turn, worsens the US trade deficit by shrinking the foreign markets for American products.

Latin America used to be one of the best markets for US exports. But under the hammer of the debt collector, Latin nations have been compelled to reduce their living standards and run an export surplus. Politically, the austerity has weakened shaky democratic governments from Argentina to Venezuela.

Most analysts of Third World debt politics have attributed the self-defeating US policy to three factors: ideology, geopolitics and concern for the balance sheets of US banks. Ideologically, the administration held that nations which ran up excessive debts should not be "rewarded" with debt forgiveness, lest they and other nations repeat the sin of profligacy.

Politically, the administration has been reluctant to lose global financial influence to the Europeans and the Japanese, who would provide much of the capital in any serious debt restructuring. Baker repeatedly rejected any foreign plan that involved a genuine reduction of interest or principal costs.

Finally, the administration has been seen as defending the rather shaky condition of the big US banks, which would have to sacrifice some income in any meaningful debt reduction. But until the recent revelations about Baker's holdings, nobody suspected that anything personal was behind the US position.

Last week, the White House leaked a report that the administration will soon offer a dramatic policy shift in Third World debt policy, encouraging banks to "voluntarily" forgive a portion of the \$400 billion in outstanding Third World

loans. In exchange for taking lower interest payments, the banks would be guaranteed a fixed return, backstopped by new Japanese capital.

This plan, the brainchild of Assistant Treasury Secretary David Mulford, is Mulford's latest attempt to sell a debt-relief scheme. Previously, these efforts have foundered on the twin opposition of Baker and the Federal Reserve Board, which is troubled by the impact of debt relief on bank balance sheets. But in the latest proposal, Baker has taken himself out of the discussion, and the Fed's opposition is somewhat offset by national security adviser Brent Scowcroft's support, based on his concern that austerity is destabilizing friendly nations like Venezuela.

The Baker Plan has long been effectively brain-dead. This impending policy shift, if genuine, at last buries it. The idea that debtors should be punished for their sins by denying them relief was always a doomed economic concept, especially since the persons who incurred the actual debt are seldom the ones made to suffer.

Moreover, it takes two to make an unwise loan, and the lenders should be disciplined along with the borrowers — by sacrificing some interest income. If investor Baker shares in the financial bath, that would be somehow fitting.

It is hard to believe that an undisclosed, multimillion-dollar personal investment exerted no influence on Baker's policy views. Baker's transgression may be less sexy than whiskey and womanizing, but it is more serious.

If Baker technically broke no law in this conflict of interest, then the laws surely need to be toughened. Now that Baker and his bank stock are at last out of the policy loop, the United States can make some progress on Third World debt relief.

Bob Kuttner's column appears regularly in the Globe.

Bush Picks Cheney of Wyoming to Be Defense Secretary

By JOHN M. BRODER, *Times Staff Writer*

WASHINGTON—Moving swiftly to fill a large and painful vacancy in his Cabinet, President Bush on Friday nominated six-term Republican Rep. Dick Cheney of Wyoming to be his new defense secretary.

Cheney, a respected, low-key former White House chief of staff under President Gerald R. Ford, said at a White House press briefing that he "agonized" over accepting the difficult post but then quickly agreed to his old friend's urgent request.

The Wyoming congressman is expected to win rapid confirmation from the Senate, which rejected John Tower, Bush's first choice for the Pentagon job, just 24 hours earlier after a savage confirmation fight centering on Tower's drinking habits and his lucrative defense consulting deals.

'Man of Honor, Integrity'

Sen. Sam Nunn (D-Ga.), who as chairman of the Armed Services Committee engineered Tower's defeat, said of Cheney: "I know of no impediment to the nomination. He's a man of honor and integrity."

He said that he would schedule confirmation hearings for next week and promised that his committee would complete its examination of Cheney "as expeditiously as possible."

Tower, by contrast, suffered three months of humiliating public scrutiny before the full Senate voted him down, 53 to 47, on Thursday.

Cheney, 48, was first elected to Congress in 1978 and currently holds the No. 2 spot, minority whip, in the House Republican hierarchy. Although his voting record is staunchly conservative, he has a reputation as a conciliator and, unlike Tower, has many friends across the political spectrum.

Bush described the Wyoming politician as "a thoughtful, a quiet man, a strong man" and called him a "trusted friend and adviser."

Insisting that he is not bitter over Tower's rejection, the President said that he moved quickly to fill the Pentagon job because "too much time has been wasted. . . . It's very important . . . so we'll move very, very fast."

"I fought hard for John Tower because I believed in him," Bush said. "And I told you I didn't think a lot of it was fair. But that's over. That's history. And now we are going to go forward."

Bush said that the FBI already had begun a preliminary inquiry into Cheney's background and suggested that he would order additional FBI agents off other investigations to complete the required background check rapidly.

Cheney is expected to fit easily into the Administration's national security team.

Served With Scowcroft

He became White House chief of staff on the same day in 1975 that **Brent Scowcroft**, Bush's national security adviser, was named to that same job by Ford. As a member of Congress, he has gone horseback riding with Secretary of State James A. Baker III, and when Baker recently bought a ranch in Wyoming, Cheney presented him with a book of riding tips.

"We will have a non-acrimonious team, and that's pretty rare in national security," Scowcroft said Friday. Cheney, he said, "has got the kind of personality that fits with the national security group we have here."

The uniformly positive reaction in Congress to the Cheney appointment reflected Senate Democrats' desire to deflect charges of partisanship stemming from the bitter

Tower fight and Republicans' pleasure at seeing an ideological conservative named to the key defense post.

Cheney was described by lawmakers on both sides of the aisle and in both houses of Congress as "tough" and "smart."

"I think it's probably a very good nomination. I presume, unless something unexpected comes up, his nomination will go through rather quickly," said Sen. Alan Cranston (D-Calif.).

Cranston said that the favorable reaction "puts the lie to the charge that the Democrats are trying to deny the President a secretary of defense. We are eager to give him someone who can do the job."

Senate Republican leader Bob Dole of Kansas quickly hailed the appointment in a barbed comment that reflected the bitterness lingering from the Tower battle.

"He's tough," he said of Cheney. "That's what we wanted. A tough, tough, tough guy. This time it will be a confirmation, not an execution."

Dole implied that he relished the Cheney nomination because it will give the Bush Administration a strong figure to challenge Nunn, whom Dole and other Republicans have said they believe tried improperly to grab power that properly belongs to the President. And Democrats acknowledged that Cheney will be a formidable Pentagon leader.

"Few people in Washington understand the executive and legislative branches of government as well as Dick Cheney," said Rep. Tony Coelho (D-Merced), the majority whip who ranks third in the House leadership. "This is a smart move on the part of the President but a great move on behalf of the country."

The Washington Post _____
The New York Times _____
The Washington Times _____
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____
L.A. TIMES p. 1 **FI**
Date **11 MAR 1989**

CONTINUED

Although Democrats seem eager to approve a new defense secretary, some possible problems loom for the nominee. If Nunn is seen as rushing Cheney through the Armed Services Committee with only cursory examination, his treatment of Tower will look by comparison like vindictive persecution.

Cheney's health, too, may pose difficulties. The nominee underwent heart bypass surgery last summer and spent three weeks recuperating. He said Friday at the press conference, however, that his cardiologist had told him earlier in the day that "there's absolutely no medical reason why I cannot undertake this assignment."

Cheney noted that he had spent the last Christmas vacation skiing in the Colorado Rockies and has "no restrictions" on his activities.

His hard-right politics may also slow confirmation, although his views are softened by a likable manner and easy smile. Senate Democrats will want to quiz him on his views on defense spending—he has long been a proponent of increased funds for the military—on his firm support for Nicaragua's Contras and on his views on reform of the scandal-ridden weapons-buying system.

'Sophisticated Choice'

Sen. Malcolm Wallop (R-Wyo.), who learned that Cheney was being named just before Bush announced it, called the selection "a rather amazingly politically sophisticated choice."

Wallop described Cheney as "an able administrator and a very tough guy who prepares himself well. What I admire about him most is that he has well-formed ideas, but is willing to listen to others' ideas."

Sen. Timothy E. Wirth (D-Colo.), a firm Tower opponent who serves on the Armed Services Committee, said that he was completely surprised by the choice but said of Cheney: "He's one of the smartest people in Congress, one of the toughest people in Congress. He could lead [the military] by example."

Cheney serves on the Select Committee on Intelligence, where he is the ranking Republican on the key budget subcommittee, giving him access to a wealth of highly classified data on the nation's espionage activities and advanced weaponry. He also served on the panel that investigated the Iran-

Contra scandal in 1987.

CIA Director William H. Webster, who has known Cheney for years, called him an "absolutely super" nominee for defense secretary who "will hit the ground with a clear understanding of most of the needs and requirements of the department."

"He's a very solid student of national security issues and has a good mind and absolute integrity," Webster said. "I think he'll approach national security issues in a totally nonpartisan way. He's reasonable in discussions but firm in conviction. I know him as a friend and consider him a class act."

At the Pentagon, where Cheney is not widely known, the announcement of his nomination was greeted with surprise.

"I don't know anything about him," said one senior military officer.

Richard L. Armitage, the Ronald Reagan Administration's outgoing assistant defense secretary for international affairs, called Bush's choice "absolutely wonderful."

Armitage, who worked closely with Cheney on intelligence matters and issues such as Contra funding, defended Cheney's lack of expertise in arcane defense matters. He called Cheney "a national security expert, and that's what you have to be. He'll quickly give direction and force to the building."

Staff writers Jack Nelson, Melissa Healy, William Eaton and Robert Shogan contributed to this story.

A conservative who's served with Nixon and Ford

By Mark Thompson
Inquirer Washington Bureau

WASHINGTON — Dick Cheney, the veteran Wyoming congressman whom President Bush nominated yesterday to run the Pentagon, will start at the top: He has never served in the military.

But he is no stranger to the corridors of power, having served as President Gerald R. Ford's chief of staff and risen rapidly through the House Republican hierarchy since winning a seat as Wyoming's only representative in 1978.

He's also a practical joker. He took wicked delight in luring an unsuspecting White House reporter to the presidential retreat at Camp David at dawn the Saturday after Ford lost the 1976 election, with the fraudulent promise of an exclusive presidential interview.

When he first ran for the House in 1978, Alan K. Simpson also was seeking election to the Senate from Wyoming. One day, an associate recalled, Cheney — forgetting that a local radio station had moved — arrived for what he thought was going to be a pre-election interview and instead startled a woman in hair curlers.

"How do you do, madam," said Cheney. "I'm Al Simpson, and I'm running for the United States Senate." He then headed out the door.

In the House, Cheney has fought for aid for the Nicaraguan contras and battled one of the body's most powerful Democrats — Dan Rostenkowski, chairman of the Ways and Means Committee — for a tax-revision bill closer to President Ronald Reagan's designs than Rostenkowski desired.

He serves on the interior and intelligence committees but has been involved in military affairs only sparingly. He is known as a conservative, but he is willing to build coalitions with moderates of both parties, associates said. Yet he has not been reluctant to challenge Democrats, including House Speaker Jim Wright, whom he has harshly criticized.

Cheney, 48, may be best known to the public as the top Republican on the House committee that investigated the Iran-contra affair in 1987. He was one of the Reagan administration's most ardent supporters.

Earlier this year, he assumed the Republicans' second-ranking leadership post in the House and was widely viewed as the eventual suc-

cessor to Republican leader Robert H. Michel of Illinois.

He is a native of Lincoln, Neb., and attended grade school in Casper, Wyo. He attended Yale University — Bush's alma mater — received a master's degree from the University of Wyoming, and did additional work at the University of Wisconsin.

He was deferred from military service because he was the sole supporter of his family, according to Pete Williams, his press secretary.

He began his political career with Gov. Warren Knowles of Wisconsin. In 1968, he went to Washington to work for Rep. William A. Steiger (R., Wis.). Within a year, he was working for President Richard M. Nixon's Office of Economic Opportunity as a congressional fellow. He was a deputy counselor in the White House in 1970 and 1971, then for two years assistant director of the president's Cost of Living Council, cre-

ated by Nixon to combat inflation.

While only in his early 30s, Cheney was a deputy assistant to Nixon during his final days in power. He remained in the White House under Ford, becoming chief of staff in 1975.

Cheney's nomination brings him back together with Brent Scowcroft, Bush's national security adviser, who held the same job in the Ford administration, and Secretary of State James A. Baker 3d, a close friend. All are pragmatists used to legislative give-and-take.

Cheney and his wife, Lynne, have two daughters. She was chairman of the National Endowment for the Humanities in the Reagan administration.

Contributing to this article were Inquirer staff writer Larry Eichel and Inquirer Washington Bureau reporters Carl Cannon, Charles Green and James McCartney.

PRESIDENT SELECTS A LEADER IN HOUSE FOR DEFENSE POST

CHENEY WIDELY ADMIRER

Quick Move After Tower Vote Wins Democrats' Praise — Speedy Vote Likely

By GERALD M. BOYD

Special to The New York Times

WASHINGTON, March 10 — Moving swiftly to name a new Secretary of Defense after the Senate's defeat of John G. Tower, President Bush announced today that he would nominate Representative Dick Cheney of Wyoming, a popular and respected member of the Republican leadership.

The President put forth the 48-year-old Mr. Cheney, who served as chief of staff to President Gerald R. Ford, as "the best and proper choice," a candidate he called a trusted friend and a man of principle.

Mr. Bush told a news conference he would seek to expedite the Federal Bureau of Investigation's clearance process and predicted "smooth sailing" in Mr. Cheney's confirmation by the Senate. [Excerpts, page 10.]

Effort at Reconciliation

The quickness with which Mr. Bush made the selection, one day after the Senate rejected his first choice, indicated an attempt by the President and his staff to put behind them the bitter battle over Mr. Tower. Some top advisers had counseled that moving forward quickly was imperative to counter an impression that the Administration was floundering without clear direction or priorities.

[Republican insiders believe that the Bush Administration lost valuable time in defending the doomed nomination of Mr. Tower. Page 10.]

Senator Sam Nunn, the Georgia Democrat who heads the Armed Services Committee, quickly reached for a return to bipartisanship. He released a statement with Senator John W. Warner of Virginia, ranking Republican on committee, praising Mr. Bush's choice and promising to expedite the confirmation process.

'Highly Respected'

"Congressman Dick Cheney is well known and highly respected by the members of the Senate," the statement said. "We have worked with him on many issues involving national defense and intelligence. At the President's request, the Senate Armed Services Com-

mittee will commence hearings on this nominee sometime next week. We will complete the committee's work as expeditiously as possible."

Mr. Cheney has been conservative on budget matters generally and a supporter of President Ronald Reagan's effort to increase spending for the Pentagon. He has not been a leading spokesman, either way, on such contested issues as money for a space-based defense against missiles.

While Mr. Bush was conciliatory toward Congress and called the battle over the Tower nomination "history," his tone was undercut by a blistering attack on Senate Democrats by Vice President Dan Quayle. In a speech to

the Indianapolis Economic Club, Mr. Quayle claimed that Democrats had engaged in a "McCarthyite mudslinging campaign" in the Tower debate. He said Senate Republicans were outraged by an attempt to weaken the constitutional prerogatives of the executive branch.

President Bush, asked at his press conference about Mr. Quayle's remarks, said: "I haven't seen what he said, so I can't tell you whether he speaks for me. I speak for myself; he speaks for himself."

Mr. Nunn also refused to bite when asked about Mr. Quayle's comments. "I think it's time to let emotions heal now, let the scars begin to heal," he said. "I don't really want to respond directly to that charge by my friend, the Vice President."

White House officials refused to address whether Mr. Quayle's comments put him at odds with Mr. Bush. They said the Vice President's office had submitted the speech to the White House for review, but they did not indicate who had read it.

Selection a Surprise

Mr. Cheney holds the second-highest leadership position among House Republicans, and his selection came as a

surprise. He was not among the handful of candidates who were considered by Bush transition officials last December when the President announced his choice of Mr. Tower.

Mr. Cheney said he had first been contacted late Thursday by John H. Sununu, the White House chief of staff, and Brent Scowcroft, the national security adviser. He accepted the position after a meeting with Mr. Bush late today, he said.

Describing the Wyoming Congressman as a "widely respected man of principle," Mr. Bush said Mr. Cheney had served his country "with distinction for many years."

"He's a thoughtful man, a quiet man, a strong man, approaches public policy with vigor, determination and diligence," Mr. Bush said.

Aides to Mr. Bush said Mr. Cheney was especially attractive in two respects: as a consummate Washington insider who has a reputation as a team player with many of the President's other top aides, and as a link to Congress, where Mr. Cheney has served since 1979.

Unlike Mr. Tower, who served as a defense and foreign policy adviser to Mr. Bush, Mr. Cheney has not been a key counselor to the President. But Mr. Bush minimized that by saying he had heard Mr. Cheney's thinking on arms control, Central America policy and

strategic defense posture and on reforming the procurement process in the Pentagon.

Mr. Cheney refused to discuss policy positions, saying it would be improper before his confirmation hearings. But in a general statement of views, he said defense was an area in which he had been interested for a long time and in which he had experience.

"So, obviously, there are areas that I need to know and that I'll have to work hard on to master," he said, "but I feel that I do have a depth of understanding now in very specific areas that come within the general jurisdiction of the Defense Department and the national security in general."

History of Heart Attacks

Mr. Cheney has had three mild heart attacks since 1978, the most recent one last June. Two months after the latest attack, he underwent coronary bypass surgery.

Asked about his medical status, he said he had talked this afternoon with cardiologists, who had assured him that "there's absolutely no medical reason why I cannot undertake this assignment."

"I have no restrictions at this point in terms of my own activities," he said.

Mr. Tower's defeat has not only been a political embarrassment for the new Administration, but also has left the Pentagon without a leader. The absence has been particularly troubling at a time when the Administration has been trying to formulate a national security and defense posture.

Mr. Bush said he would try to speed the clearance process to get a secretary in place as quickly as possible. "Too much time has been wasted here," he said.

Praise From Colleagues

In addition to Senator Nunn, other lawmakers reacted favorably to the nomination. Senator George J. Mitchell of Maine, the Democratic leader, said Mr. Cheney had served in the House "with distinction."

Speaker Jim Wright of Texas was even more complimentary. "I endorse his nomination," Mr. Wright said. "He has my full support. Dick's years in the House and earlier as White House chief of staff have given him the knowledge and experience to be an excellent Defense Secretary."

Mr. Bush made the announcement before leaving the White House to spend a weekend at the Presidential retreat at Camp David, Md. He is scheduled to have lunch Saturday with the Joint Chiefs of Staff, a session that Mr. Cheney is not expected to attend.

CBS EVENING NEWS
6:30 P.M.

CBS-TV
MARCH 11

Richard Cheney Nomination

BOB SCHIEFFER: As both Democrats and Republicans were hailing President Bush's decision to nominate the widely respected Republican Congressman Richard Cheney to be the next Secretary of Defense, Cheney was at work today preparing for a confirmation hearing that is expected to go smoothly.

Ron Allen now with the latest on that.

REPORTER: You ready to work?

REP. RICHARD CHENEY: Well, we're just getting started.

RON ALLEN: Defense policy hasn't been Wyoming Congressman Dick Cheney's specialty. Now that President Bush has named him to run the Pentagon, the six-term Representative and former Chief of Staff under President Ford is spending much of the weekend in his Capitol Hill office getting ready for the Senate confirmation hearings.

REP. CHENEY: I wouldn't want to take anything for granted. As far as I know, everything's going to go fine. But the Senate has to do a thorough job. I'm sure they will.

ALLEN: And there are urgent problems awaiting Cheney if he's confirmed. The Joint Chiefs of Staff met with President Bush at Camp David to talk over some of them, taking their wives along for a non-business lunch. Security Adviser Brent Scowcroft went along. But two months into the new Administration, the key decision-maker is still

missing.

REP. CHENEY: I'm not on the team yet. I've got to get -- I've got to get a contract signed before I'm ready to go up there.

ALLEN: High on the defense agenda is the Pentagon budget and how to cut it by some six billion dollars for the next fiscal year. The Administration is supposed to complete a strategic review of key weapons systems, including the MX missile, the Stealth bomber, and Star Wars, by the end of next month. There's also the Pentagon procurement process. The President has promised reform.

Again today, the Secretary-designee was not talking about policy.

REP. CHENEY: I've stayed away so far, I did yesterday, from talking about policy and the issues. You've got to ask. I've got to give you the response that I'll discuss those when I get before the committee.

ALLEN: Cheney said he will talk over defense policy with Security Adviser Scowcroft when the two meet on Monday.

The confirmation hearings are set to begin next week. This time all indications are the process should go smoothly and swiftly.

Ron Allen, CBS News, at the Pentagon.

FSX Project

SCHIEFFER: A subject that was all but overlooked, with so much attention focused on John Tower, is the subject of our Washington Notebook tonight. It is the blistering controversy that came to a head this week over technology and how much we ought to share with the

Richard Cheney Nomination

CONNIE CHUNG: The Senate, still reeling from the bitter fight over the nomination of John Tower as Defense Secretary, is moving quickly on President Bush's choice of a successor. Democrats and Republicans are predicting Republican Congressman Dick Cheney's confirmation will come quickly. They are also saying it's after Cheney is confirmed that his problems will begin.

NBC's Henry Champ reports.

HENRY CHAMP: Richard Cheney was at his desk this morning studying his new portfolio, while the President met with the Chiefs of Staff at Camp David. Cheney was missing a meeting the Secretary of Defense might be expected to attend.

REP. CHENEY: Well, I'll spend the weekend, basically, getting up to speed. The hearings are scheduled for Tuesday. That doesn't give me a lot of time in terms of getting ready for the hearings, and there's obviously a lot of material to master.

CHAMP: And that is the only question Washington has of the much respected Cheney: What happens at Defense while he masters this new job?

GORDON ADAMS [Defense Budget Project]: When Cheney enters the Department of Defense, if he is confirmed, he's going to have a very rough early voyage. The confirmation will be smooth. The management problem will be definitely choppy seas.

CHAMP: The bruising Tower nomination took its toll. Not only does Cheney admit to gaps

in his defense knowledge, but more than three dozen key civilian appointments have gone unfilled.

ADAMS: If Cheney is confirmed, we'll have a Secretary coming into office who does not have a long, deep, clear track record on security policy issues. That means, in all likelihood, the Secretary of State, Jim Baker, and the National Security Adviser, Brent Scowcroft, will set the lead in security policy.

CHAMP: Cheney, Baker and Scowcroft are all friends. They worked together in the Ford Administration. And that was clearly on President Bush's mind when he appointed the Wyoming conservative. But the Pentagon is facing hard decisions ahead and may not like the idea this group is limiting the solutions. Six billion dollars must be chopped from its budget. Should the radar-avoiding but costly Stealth bomber be delayed? Should there be manpower reductions, particularly in politically sensitive Europe? Should the military opt for MX missiles on rail cars or Midgetmen launched from trucks?

Cheney will be learning about all this and trying to catch up with a review of national security the President ordered a month ago. But above everything, the President wanted confirmability. And in Philadelphia today, the man with most to say about that was conciliatory.

SENATOR SAM NUNN: Because of all the delay we've had with the other nomination, I think we ought to make an exception here and move forward with policy. And unless we run into some impediment with the financial or FBI report,

After Tower: High Road and Low

President Bush has acted quickly and adroitly to transcend the Tower fiasco by nominating Representative Dick Cheney of Wyoming as Secretary of Defense. Mr. Cheney is smart, generally knowledgeable about national security, very conservative, a party loyalist, honorable and exceedingly popular among Democrats and Republicans. Mr. Bush added to this healing decision yesterday by relegating the bitter debate over John Tower to "history."

At almost the same time, however, Vice President Quayle was in Indiana denouncing Senate Democrats for engaging in a "McCarthyite mudslinging campaign" against Mr. Tower. The President did not enhance his own credibility when he dismissed a question about the Quayle statement by saying, "He speaks for himself."

Mr. Cheney has earned wide respect in Washington, a prime qualification for a Secretary of Defense, who must make difficult decisions in military budgets and policy. He served ably as White House chief of staff to President Ford a decade ago, and as a member of the House Intelligence Committee a year ago. Such experiences have made him generally familiar with defense issues.

His voting record in Congress is unassailably conservative yet he has the reputation of being an accessible and conciliatory leader. But like Mr. Tower, he has been an all-out supporter of President Reagan's excessive military spending program,

Star Wars and aid for the Nicaraguan rebels. He is not known for having a skeptical mind about the Pentagon.

The strategy Mr. Tower was planning at Defense is said to have been a grand deal with Congress: he would agree to cut the budget, even laying off military personnel, provided Congress gave him a free hand in managing the remaining resources efficiently. That's not a bad approach, though the kind of changes that may be needed in military forces will require the active involvement of Congress.

If confirmed, Mr. Cheney will enhance the Bush team's resemblance to a second Ford Administration: Brent Scowcroft served as national security adviser in both. Curiously, Mr. Cheney would also be the third senior official of President Nixon's anti-poverty agency to become Secretary of Defense, Donald Rumsfeld and Frank Carlucci being the others.

Though the President is recovering quickly from his stumble with Mr. Tower, the affair raises questions about the quality of his judgment and his White House staff. Many miscalculations were made in the course of the Tower affair, not the least being Mr. Quayle's ugly and unjustified charges of McCarthyism yesterday. That aside, the choice of Mr. Cheney begins to revive the expectation that George Bush knows how to run a government.

Experience in the Political — But Not Military — Trenches

By Patrick J. Sloyan

Newsday Washington Bureau

Washington — As secretary of defense, Richard Bruce Cheney would bring to the job political skill, experience in a military crisis, wit, an understanding of American power — everything except a record of military service.

Cheney, now 48, was 18 and eligible to be drafted in 1959. He enrolled at Yale University but dropped out in his second year, an action that could result in the loss of a student deferment in those days.

But he later enrolled in Casper (Wyo.) College and eventually graduated from the University of Wyoming in 1965. He earned a master's degree in political science in 1966 at the same university and then enrolled in a doctoral program in the same subject at the University of Wisconsin. He did not get his doctorate, leaving for Washington in 1968, during the height of the Vietnam War.

An aide to the Wyoming congressman said Cheney had a draft deferment "because he was the sole provider for his family." The aide said the deferment stemmed from his 1964 marriage to Lynn Ann Vincent, a former Wyoming baton twirling champion who now chairs the National Endowment for the Humanities.

"Basically Dick was in school, mar-

ried or too old to be drafted," said his spokesman, Peter Williams.

While Cheney's lack of military service could prove a source of embarrassment during hearings by the Senate Armed Services Committee, it was unlikely to prove a barrier to his confirmation.

"This is not another Dan Quayle," said one Pentagon official. "Plenty of guys were in school or married during the Vietnam War. That's what deferments were for."

A storm of criticism greeted George Bush's selection of Indiana Sen. Dan Quayle to be his running mate last year. Quayle revealed that his family's influence found him a spot in the Indiana National Guard, permitting him to avoid the draft during the Vietnam War.

Cheney made his mark in Washington at an early age. By 1975, when only 34, he became the right hand of President Gerald R. Ford. As Ford's chief of staff, he made invaluable contacts that would serve him well at the Pentagon.

"He had a very good working relationship with Brent Scowcroft," said one former official who served in the Ford White House. "That's something [John] Tower could not claim."

Scowcroft, now Bush's adviser on national security affairs, held the same post in the Ford administration, when Cheney was getting a taste of presiden-

tial power. The old tie will give Cheney influence at the Bush White House, where many Pentagon officials have feared domination by Scowcroft and Secretary of State James Baker.

Cheney owes much to the man many Washington insiders thought Bush would name to the defense post — Donald Rumsfeld. The former Illinois congressman was picked by President Richard Nixon to direct the Office of Economic Opportunity, the anti-poverty agency. Rumsfeld picked Cheney as his assistant in 1969.

Cheney was out of government during the peak of the Watergate scandal, but returned as deputy to Rumsfeld, who became Ford's first chief of staff after the Nixon resignation. When Ford made Rumsfeld defense secretary, Cheney moved into one of the most powerful positions in Washington.

"Cheney was working for Rumsfeld . . . when Ford was handling the Mayaguez crisis," one White House veteran recalled. In the aftermath of the American retreat from Vietnam, a U.S. merchant ship was captured by Cambodian forces in May, 1975. The Cambodians were eventually repelled by American troops during night combat in the Gulf of Siam.

But Cheney's real crisis experience involved presidential politics. It was Cheney who struggled to get Ford to correct the prize blooper of the 1976 campaign. In a debate with Jimmy Carter, Ford argued that Poland was free of Soviet domination.

Cheney was first elected to Congress from Wyoming in 1978. He recalls traveling more than 100 miles to seek the vote of one rancher, whom he found in the town's saloon.

"Are you a Democrat?" asked the voter.

Cheney said no.

"Are you a lawyer?" the man asked, tilting his cowboy hat slightly.

Again, Cheney said he was not.

"Then get the hell out of here — I'll vote for you."

The Ford Connection

President Bush moved swiftly yesterday to end the Pentagon's malaise stemming from the protracted John Tower confirmation battle. His new nominee for secretary of defense, Rep. Richard B. Cheney, is already winning praise on Capitol Hill and promises of fast confirmation. That would be a welcome tonic for the nation's military establishment, which badly needs top civilian leadership to make crucial policy decisions.

Mr. Cheney's defense background is not extensive. But he clearly stands out as the cream of Republicans in the House: a tough, aggressive Wyoming conservative who has a reputation for thoughtful leadership and scholarship as Minority Whip. His performance on the select Iran-contra committee and the House Intelligence Committee has demonstrated his low-key, inquisitive and partisan approach.

But it may well have been Mr. Cheney's tenure in the Ford White House that led to his selection. He served as chief of staff under Mr. Ford, putting him in regular and close contact with Mr. Bush (CIA director), Brent Scowcroft (national security adviser) and James Baker III (undersecretary of commerce and then Mr. Ford's campaign manag-

er). The Ford connection has now led these men back into the White House, with Mr. Bush at the top, Mr. Scowcroft filling his old post, Mr. Baker running the State Department and Mr. Cheney nominated for defense.

President Ford described Dick Cheney in his memoirs as a pragmatic problem-solver and a protégé of Defense Secretary Donald Rumsfeld. On the Hill, the 48-year-old, six-term congressman was regarded as a straight-laced, soft-spoken Republican with a bright future in the House. Now he must turn his talents to matters of defense. There, he will have to be a quick-learner, as he is reported to be. And he will have to capitalize on another strength as a manager to reform the procurement outrages, bring the military brass into line and curb the Pentagon's insatiable budget appetite without hurting combat efficiency.

It is a tall order, especially in light of the damage to the Bush presidency from the John Tower debacle. Mr. Bush clearly feels comfortable with his new nominee and has expressed faith in his integrity and demonstrated leadership. The Senate should accelerate its schedule to complete examination of Mr. Cheney promptly so that he can tackle those difficult choices that await the next secretary of defense.

Loyalist but realist, 2d choice offers change of temper

By Fred Kaplan
Globe Staff

WASHINGTON — For his second choice as defense secretary, President Bush has picked someone who is many things his first choice, John G. Tower, was not: hard-working, happily married, a party loyalist but not an ideologue and, above all, well-liked by his colleagues on Capitol Hill.

Rep. Dick Cheney, 48, has the reputation of a classic Washington workaholic and a coalition builder.

In 1969, he became deputy chief of staff under Donald Rumsfeld in the Nixon White House. When Richard M. Nixon resigned in 1974 and Gerald Ford took over the Oval Office, Rumsfeld moved over to run the Pentagon and Cheney rose to chief of staff.

During the last six months before the 1976 election, which Ford lost to Jimmy Carter, Cheney reportedly rested just one day at home, spending all the rest on the campaign trail.

He returned to his home state of Wyoming and ran against a Republican incumbent for the state's sole House seat in the 1978 election. Although he suffered a heart

attack during the race, he won handily anyway. After just one term, he was elected chairman of the House Republican Policy Committee.

Cheney, the Republican whip, has been viewed as the most effective party loyalist in the House, and the Reagan White House often chose him to carry the ball on major policies when Robert Michel of Illinois, the minority leader, faltered.

At the same time, he has been careful not to ruffle Democrats.

A senior aide to Rep. Les Aspin of Wisconsin, Democratic chairman of the House Armed Services Committee, said yesterday: "Cheney is not confrontational. He works extremely well with people of widely divergent views. You leave the room never feeling angry. In fact, I rarely leave the room without being in awe."

Cheney was an avid supporter of every military program pushed by Reagan, including the MX missile and the Strategic Defense Initiative. The American Security Council, a private promilitary organization, gave Cheney a 100 rating last year — meaning he voted the way they favored on defense issues

100 percent of the time.

However, a former intelligence official and a current Pentagon official, both of whom know Cheney well but asked not to be identified, said yesterday that his support for the military grew more out of party loyalty than strong enthusiasm.

"He's a realist," the former intelligence official said.

"He's a conservative, but he's nonideological," Aspin's aide said. "He doesn't seem emotionally wrapped up" in any specific program.

Cheney is a longtime friend of Brent Scowcroft, Bush's national security adviser. Scowcroft was Ford's national security adviser while Cheney was the White House chief of staff. Cheney learned about foreign and defense issues from Scowcroft and has stayed in touch ever since, both personally and as a director of the Council on Foreign Relations.

Scowcroft is generally viewed as a moderate. He chaired a panel in 1983 that advised limits on the MX missile, and in private studies he has expressed skepticism about SDI.

One friend of both men said yesterday: "He and Scowcroft have carried on a dialogue about these subjects for years. I'd be very surprised if Cheney differs very much from Scowcroft on the major issues."

Because of his links with Scowcroft and, as a party leader, with Bush, Cheney would probably stay close to the White House and follow its budget directives quite willingly, officials said.

At the same time, some officials see Cheney as a forceful advocate for whatever interests he represents and expect him to be a powerful defense secretary in his own right.

One Pentagon official said he expects that the budget director, Richard Darman, who has advocated major cuts in the defense budget, "will not find Cheney quite as easy as Tower would have been in his weakened state."

Cheney also seems to have more knowledge about defense programs than his portfolio may suggest. As a member of the House Intelligence Committee's budget subcommittee, Cheney has been exposed to details not just about sensors, satellites and the like but also about the weapons, tactics and strategies they were designed to support.

Bobby Ray Inman, former deputy director of the CIA, said yesterday: "That's given him a better look at what happens in the defense program than anybody outside the armed services committees — and sometimes, I'd say, a better look."

Next at Defense

PRESIDENT Bush says he's satisfied that Rep. Richard Cheney, the eminently respectable Republican from Wyoming who is his new nominee for secretary of defense, can meet the exacting, if imprecise, new standards for congressional approval of executive appointments. We expect he's right; it seems to us that Mr. Cheney is a natural for the Pentagon post. He has managerial and leadership experience in two branches of government. He has been in and around defense issues on the level of policy and the level of budget. He is a thoughtful, articulate man who enjoys respect in Congress on both sides of the aisle.

When the Senate rejected John Tower, a great lamentation was set up on the theme of the perishability and possible collapse of the whole Bush presidency, this in its second month. It was widely observed, for instance, that one party controls the executive branch and the other the Congress. As political science this observation is impeccable. As politics it says nothing at all about how Mr. Bush may fare. In fact, it seems to us that, once he made his admittedly chancy and controversial appointment, he conducted his campaign for Sen. Tower on straightforward terms that left him remarkably unbruised. He lost his nominee but not his temper.

Nor did he burn bridges, at his end, to those who differed with him. Quickly he found a promising new nominee of a quality to defy the dismissive label "second choice."

Let us speculate that Congress will be eager to confirm Rep. Cheney, and within a reasonable period of time. He will then be playing catch-up in an unforgiving game. Mr. Bush, to be sure, has his own credentials in the national security field. It is noteworthy, however, that of his three major appointments in that field, only one, Brent Scowcroft, the national security adviser, has arrived fully trained in and prepared for his new responsibilities. The other two, James Baker at State and presumably Mr. Cheney at Defense, will have had to start out many briefings and many consultations from being fully up to speed.

This could be a prescription for new levels of internecine combat of a kind already made famous over a series of administrations between the three principal national security players and, on a clear day, the CIA director too. But an additional virtue of Mr. Cheney's nomination is that both his relationship with the other players and his temperament as a whole make this an unlikely prospect. We don't know about world peace, but there may be an unaccustomed degree of administration peace to come among the men with the big jobs in the national security field.

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Cheney, a Conservative, Is Also a Compromiser

By ANDREW ROSENTHAL

Special to The New York Times

WASHINGTON, March 11 — Representative Dick Cheney, the new Secretary of Defense-designate, has a record of solid support for Ronald Reagan's military buildup, but his reputation for compromise prompted liberals and conservatives alike to make optimistic forecasts today for his tenure at the Pentagon.

Unlike John G. Tower, whose nomination to be Defense Secretary was rejected by the Senate on Thursday, the five-term Congressman from Wyoming has never been a leading Congressional spokesman on military affairs. So it is hard to use his record in the House to predict with any detail the policies he might pursue as Defense Secretary.

Mr. Cheney, a member of the House Select Committee on Intelligence and the ranking Republican on its Program and Budget Authorization Subcommittee, has an extensive background in intelligence. But he has had little recent

Bush has picked a strong backer of military spending.

involvement in military policy and no experience in managing a bureaucracy the size of the Defense Department, with its two million civilian and military employees.

Conservatives Comforted

Still, conservative military analysts and members of Congress drew comfort today from Mr. Cheney's clear conservatism, his consistent backing of President Ronald Reagan's military programs and his avid support for the use of force to protect American interests abroad.

Mr. Cheney has backed such military causes as the MX missile, production of weapons using poison gas, and development of an anti-missile shield. He also fought on the House floor for aid to the Nicaraguan, Angolan and Afghan rebels.

Liberals, meanwhile, said the Congressman had shown himself not to be bound at all times by ideology.

They noted that he had broken with the Reagan Administration on critical issues, like Mr. Reagan's efforts to cut corporate and capital gains taxes, and had worked behind the scenes to help persuade the Administration to withdraw the Marines from Beirut after the bombing of the United States Embassy in October 1983.

He also has been active in a biparti-

san Congressional caucus devoted to improving Pentagon procurement practices.

"Cheney approaches defense basically from a conservative viewpoint, but he's practical enough to know that you can't get out too far ahead of the consensus," said Lawrence J. Korb, a former Republican Pentagon official who is now a senior fellow at the Brookings Institution here.

"In terms of dealing with the present situation, it's an inspired choice," Mr. Korb said.

"The questions come in the long term. Is this guy going to be able to stand up to the services and the Joint Chiefs of Staff? Is the fact that he wasn't in the military going to hurt him? Does he have the management experience?"

Some of Mr. Cheney's associates said that the Congressman, who has admitted to gaps in his military knowledge, paid more attention over the years to nuclear weapons than to conventional forces like tanks, artillery and foot soldiers.

That might suggest he would be inclined to protect strategic programs in trimming the Pentagon budget, but Mr. Bush has already made a strong commitment to keeping the military ready to fight a non-nuclear war.

Since entering the House in 1978, Mr. Cheney has voted for every effort to raise military spending. The American Security Council, a conservative organization, gives him a 100 percent rating on military-related votes.

Mr. Cheney has been a supporter of the MX missile, **opposed by Democrats in the House and by Brent Scowcroft, Mr. Bush's national security adviser.**

Still, Mr. Cheney's vaunted pragmatism and the way he has framed his comments make it hard to predict what stand he will take as the Administration decides whether to stick with the MX, abandon it for the smaller Midgetman missile, or mix the two.

In May 1984, Mr. Cheney said he was primarily concerned about finding a realistic way to modernize the American land-based missile forces and was not devoted specifically to the MX.

"I, too, think we should pursue the concept of small, mobile, single-warhead missiles" like the Midgetman, Mr. Cheney said. "But I am a skeptic, because I question whether or not this House will ever be prepared to vote to deploy the Midgetman."

Paul G. Weyrich, a conservative lobbyist whose testimony against Mr. Tower touched off the flood of allegations that eventually led to his defeat, said Mr. Cheney has a "100 percent voting record on strategic defense, even on the tougher amendments to increase spending beyond the requests of the Reagan Administration."

But others suggested that Mr.



Associated Press

Representative Dick Cheney, the Secretary of Defense-designate, at the White House on Friday.

'He's practical enough to know that you can't get out too far ahead of the consensus.'

Cheney was following the party line on most votes related to the space shield against missiles.

"He seems to be able to walk a very good line in general between some very tough conservative positions and an ability to deal with people who are not as conservative as he is," said Gordon Adams, director of the liberal Defense Budget Project.

Mr. Cheney voted for the treaty banning medium-range nuclear missiles, but he also voted for production of new chemical weapons and against a nuclear test ban or a freeze on nuclear weapons production.

Every time the House considered giving money to the Nicaraguan rebels, Mr. Cheney voted for such aid. "We're not going to give up on Central America," Mr. Cheney declared after a moratorium on aid to the contras was passed in March 1987.

Pentagon caissons roll along — but who will be guiding them?

By KNUT ROYCE
and SAUL FRIEDMAN
Newsday

WASHINGTON — Even without a secretary of defense, the United States' warplanes are flying, its warships are sailing, its drill instructors are as disagreeable as ever and soldiers still endure creamed chipped beef on toast.

But concern has been growing within the Department of Defense that if it goes much longer without a leader, crucial decisions affecting national security strategy, arms control negotiations, the military budget and the future of major weapons systems might be made without a strong voice representing the Pentagon.

The new secretary of defense-designate, Rep. Richard B. Cheney, R-

Wyo., has voted consistently for increased military spending, is a friend and ally of President Bush and can be expected to have good access to the White House.

But he has had little experience with the complex issues of national security strategy and military weapons systems and no experience running an enterprise such as the Pentagon, with its \$300 billion budget.

Yet within weeks, if he is confirmed, he faces decisions on such major issues as developing the Strategic Defense Initiative; producing the Stealth bomber; choosing between doubling the number of 10-warhead MX missiles to 100 or fielding the smaller, mobile Midgetman; and presenting the Pentagon positions on negotiations with the Soviets on reducing conventional and long-range nuclear arms.

Cheney, sources say, was the strong choice of retired Air Force Lt. Gen. Brent Scowcroft, the national

security adviser, who is coordinating the Bush administration's review of its foreign policy and military strategies. And that could raise questions about Cheney's independence as an advocate of the Pentagon point of view within the government.

Former Secretary of Defense Frank Carlucci told a group of reporters last week that "the day-to-day running of the Pentagon continues under the very capable" acting secretary, William Howard Taft III.

"But obviously, it's impossible to make the major decisions, to pull together arms control positions," he said. "It makes it very difficult to decide on durable priorities that need to be set if you're taking the

budget down. And the president has decided to take the budget down."

Taft, the Pentagon's second in command in the Reagan administration, has been running a staff of other holdovers while a half-dozen aides to John Tower had been planning a transition for the man they thought would become secretary.

But now that the Senate has rejected Tower's nomination, a congressional expert on the Pentagon said, "nothing Tower's people have done is valid."

The pressure for action comes from the timetable set by President Bush for a series of studies and reviews now under way. Without a leader, Pentagon officials have been

laboring to find \$6.3 billion in reductions proposed by Bush in President Reagan's \$305 billion military budget. And, as part of a campaign pledge, Bush has ordered the Pentagon to produce a plan for sweeping reforms in its scandal-plagued weapons-buying system.

The president last month ordered Scowcroft and the National Security Council to make an intensive 90-day review of U.S. policies toward the Soviet Union and the arms treaties now under negotiation. Closely linked to that review are critical political and spending decisions.

For example, if Bush decides to resume where Reagan left off on the proposed Strategic Arms Reduction Treaty, the United States faces the possibility of reducing by half its long-range nuclear arsenal of 12,000 warheads. Against that background, the administration faces choices on how to modernize its strategic arsenal for the coming decade while complying with a possible treaty.

Scowcroft is known to favor the deployment of the Midgetman, which would have one or two warheads, at a cost of about \$3 billion to \$4 billion a year. But the Air Force wants more of the giant MX missiles, to be moved about by rail, at a cost of \$2.4 billion next year.

Cheney and Bush have supported the Strategic Defense Initiative, for which Reagan budgeted \$5.9 billion next year, but SDI has been an obstacle to a strategic arms treaty, and the review could propose that its development be slowed to save money.

In addition, the administration is expected to decide whether to delay or begin production of the B-2, or Stealth, bomber, which has had technical problems, at a cost of \$516 million each; the V-22 Osprey transport plane, the development of which is to cost \$1.6 billion next year, and the C-17 transport, budgeted at \$2.9 billion. These weapons are linked to possible new strategies for deployment of conventional forces, which at the same time are under negotiation in Vienna.

Several sources said that with the absence of strong and timely participation by the Pentagon and the Department of State, which has had its organizational problems, Scowcroft's views may prevail by default.

How Cheney's Name Came Up Again

By MAUREEN DOWD
Special to The New York Times

WASHINGTON, March 11 — President Bush had resisted the subject for as long as he could, believing it would be unseemly to make secret plans for a new Defense Secretary before his loyal ally from Texas, John G. Tower, was officially rejected. But by late Thursday morning the death rattle of the nomination could no longer be ignored in the Oval Office.

As Senator Bob Dole continued to argue for the nomination on the Senate floor and berate the Democrats for their treatment of Mr. Tower, the President began talking about new prospects for the Defense Department with John H. Sununu, his chief of staff, and Brent Scowcroft, his national security adviser.

There was a sense of urgency in the room as the three men talked. They knew they had to move quickly to regain the image of being in control. And they knew that they had to choose someone who was clean enough and popular enough to glide through confirmation and meet the heightened ethical and moral scrutiny that seem likely to follow the Tower debate.

Mr. Sununu and Mr. Scowcroft had recreated the original list of Defense prospects and added some names. Mr. Bush had been so determined not to talk about anyone besides Mr. Tower that when White House officials went to look for the original file of names in midweek, they could not even find it. They had to call the secretary of Mr. Bush's former chief of staff, Craig Fuller, to track it down, one White House official recalled.

Mr. Sununu and Mr. Scowcroft went over the old and new names with the President. The name of Dick Cheney, the Republican Wyoming Congressman who had served with Mr. Bush in the Ford Administration, was men-

tioned. Mr. Bush was enthusiastic and told his advisers to check out the possibility.

The first time around, immediately after the election, Mr. Cheney's name had been raised. But it was not mentioned in any serious fashion, partly because of Mr. Bush's early rule that he did not want to deplete Congress of Republicans and partly of Mr. Cheney's history of heart problems and his bypass operation last year.

This time, however, Mr. Sununu and Mr. Scowcroft put aside Mr. Bush's rule, with his agreement, and focused more heavily on members of Congress as possible replacements for Mr. Tower. "They had certain natural advantages," said one White House official drily. "There were other overriding considerations this time. We had to get somebody to move in quickly and not go through another knock-down, drag-out confirmation fight or through an extensive investigation."

As one official close to the selection process put it, "We looked down the list of members of Congress for the kinds of people who were familiar enough with national defense to be considered, and Cheney was a natural."

Mr. Sununu called Mr. Cheney at his office and asked him to come to the White House before the Tower vote, which was slated to take place at about 4:30 P.M. Thursday.

Mr. Cheney had a Cable News Network interview scheduled at 4 P.M. After he finished, he headed for the White House, where he met with Mr. Scowcroft and Mr. Sununu at 5 P.M. in the chief of staff's office, around the corner from the Oval Office.

The two White House officials asked Mr. Cheney if he had any suggestions for other possible Defense chiefs, and then they asked him if he might be interested. When he indicated he was, according to White House officials, Mr.

Scowcroft turned to Mr. Cheney and asked, "Dick, how about your health?"

Mr. Cheney, who had suffered three mild heart attacks since 1978 and had a coronary bypass operation in August, said his cardiologist had given him a clean bill of health. The two White House officials told him to "go back and seriously think about it," as one Presidential aide recalled.

Mr. Cheney called his doctor that afternoon and was given reassurance on the subject of his health. He reported that to Mr. Sununu, and the notion of his nomination proceeded with more confidence.

"In the time since his name came up the first time, we'd seen him at the White House, he'd been skiing and was back at work," said one White House official. "People had worked with him in leadership meetings and on the issue of contra aid, and obviously he had not been slowed down by what he had been through."

If concerns about Mr. Cheney's health and his specialized knowledge about issues like military procurement seemed to have faded, his strengths seemed more pronounced than ever, in light of the Tower debacle.

President Bush, stung by criticism that his Administration has become mired in problems with appointments and agenda, was grimly determined that this decision would be marked by speed and authority.

"He was quite determined to get this thing done quickly, very quickly, because of all the policy things backed up," said one top White House official. "That's one of the reasons why he didn't want to give up on Tower, because the switch would have entailed huge delays, and the President is very concerned that the policy machinery is backed up and there is no one at Defense to make appointments or decisions."

But Mr. Scowcroft emphasized later that, although the decision was swift, it fit the President's requirements that the choice be someone whom he was comfortable and someone who would be a team player.

"Dick Cheney's no stranger; this is somebody who's worked with the President and with me and with Jim Baker," Mr. Scowcroft said, referring to Secretary of State James A. Baker 3d. "It's a very warm, friendly kind of an association. We thought seriously about it and decided he fit naturally into the National Security team."

On Thursday evening, Mr. Cheney talked it over with his wife, Lynne, the Chairman of the National Endowment for the Humanities, and his two grown daughters, Elizabeth and Mary.

He also talked it over with his old friend and fishing buddy, the Secretary of State, who called him at home to urge him to accept the job.

Mr. Sununu and Scowcroft recommended Mr. Cheney to the President. On Friday morning, Mr. Cheney received a call to come to Mr. Bush's private office in the residential quarters of the White House. The two men talked for half an hour alone and then were joined by Mr. Sununu for another half hour.

The President asked Mr. Cheney if he would take the job if it were offered. Mr. Cheney said that he would.

By the time the Congressman got back to his office at 2:15, the President was calling. Mr. Cheney turned around to go back to the White House to be announced at 4 P.M. as the new Defense Secretary-designate.

Before the announcement had even been made, the Federal Bureau of Investigation swung into action, calling Mr. Cheney's secretary to get names, phone numbers and addresses of key colleagues they would need to contact.

One White House aide said the F.B.I. will use "crash resources" to finish its investigation so that the Senate can vote on the nomination before it recesses next week.

Cheney backed arms buildup but knew when to cut

Hawkish nominee viewed as pragmatic

By Richard H. P. Sia
Washington Bureau of The Sun

WASHINGTON — Here was Dick Cheney, a fierce advocate of four consecutive years of dramatic increases in military spending, urging President Reagan to make deeper cuts in a defense budget that, by late 1984, now seemed to be bloated and out of control.

The president's men were "cooking the books" to show some, but not enough restraint in spending, putting congressional Republicans "in the position of defending a budget everybody already knows is not going to fly," the hawkish Wyoming lawmaker told startled reporters at a December 1984 breakfast.

"He is putting in jeopardy his other goals and objectives," Mr. Cheney said.

It was a good example of the way Representative Richard B. Cheney views the shaping of national defense policy.

As President Bush's latest choice to be the nation's next defense secretary, Mr. Cheney, 48, the second-ranking Republican leader in the House, brings a wealth of political acumen to his new job and a well-deserved reputation as a pragmatist, not an ideologue.

The six-term congressman and former White House chief of staff under Gerald R. Ford has favored stronger defenses, but with increasing alarm over the effects of an unbridled military buildup on the mammoth national budget deficit.

But to many in the defense community, he was not the likely candidate to manage the vast, unruly Pentagon bureaucracy and its \$300 billion-a-year budget. Some wonder whether he will be able to exert strong discipline over the military services as they demand more money and newer missions in a era of belt-tightening, while others ask whether he can grasp the intricacies of a troubled weapons procurement system fast enough to spearhead effective reforms this year.

Many defense analysts and military experts added that they knew only generally about Mr. Cheney's past positions on the key defense issues likely to be affected by the Bush administration's current strategic policy review.

As one prominent defense analyst at the Heritage Foundation, a conservative think tank, said Friday, "He's basically a fairly solid conservative, but I don't know much more than that."

An aide to a Democratic leader in the House remarked that, despite "an extremely conservative" voting record, Mr. Cheney would not necessarily bring a specific agenda to the Pentagon.

"He's a very practical, non-ideological conservative who's not in love with any single weapon system or policy," the aide said. "He has a record of supporting everything Reagan wanted. Bush has a record of supporting everything Reagan wanted. That means nothing."

So far Mr. Cheney has declined to discuss his policy views, reserving any public comment for his Senate confirmation hearings, which could begin this week. When Mr. Bush introduced him to reporters Friday, Mr. Cheney said he was familiar with defense intelligence issues by virtue of his seat on the House Permanent Select Committee on Intelligence.

Mr. Cheney, the senior Republican on the congressional panel that investigated the Iran-contra affair, also has been an active supporter of U.S. aid to the Nicaraguan contras. On several occasions, he has expressed opposition to expanding congressional limits on covert operations, believing them to be an essential foreign policy tool.

On many defense issues, however, the Wyoming lawmaker suggested Friday that he lacked the expertise of former Texas Sen. John G. Tower, the former Armed Services Committee chairman whose nomination as defense secretary was gunned down by the Senate 24 hours earlier.

"Obviously, there are areas I need to know and I'll have to work hard to master," he acknowledged.

The Washington Post _____
The New York Times _____
The Washington Times _____
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

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His own staff on Capitol Hill was unable to recite his stands on specific defense issues, beyond mentioning that Mr. Cheney has been "a strong supporter of the MX missile."

Indeed, the nation's only base for the MX Peacekeeper missile is F. E. Warren Air Force Base, a strategic air command center near Cheyenne, Wyo. Mr. Cheney, who has voted against efforts to cancel production funds for the multiple-warhead nuclear missiles, had encouraged deploying the MX at the Warren base after it was rejected by lawmakers from other states.

The base, the Air Force's oldest facility, will be the central location for the controversial mobile MX rail garrison, where missiles mounted on train cars would be dispatched to far-flung locations to disguise their location during a nuclear war. The base already has a deployment of 50 MX missiles in fixed, underground silos.

"He's been a real supporter of all strategic modernization," said an Air Force officer who has worked with Mr. Cheney on missile issues.

If confirmed as defense secretary, Mr. Cheney would join National Security Adviser Brent Scowcroft, Secretary of State James A. Baker III and William H. Webster, director of Central Intelligence, in a strategic policy review that has been struggling to meet an April deadline to report to President Bush.

Mr. Bush's national security team already has missed a congressional deadline last month to declare whether the administration will proceed with full-scale deployment of the mobile, 10-warhead MX or the smaller, single-warhead Midgetman missile, which would be carried on special trucks — a decision affecting billions of dollars in military spending.

Mr. Scowcroft, a retired Air Force general, headed a 1983 commission that recommended development of the Midgetman, which congressional Democrats, led by House Armed

CONTINUED

Services Committee Chairman Les Aspin, D-Wis., have touted as more survivable than the rail-mounted MX. Despite recent attempts by the Reagan administration to cancel the \$40 billion Midgetman project in favor of the cheaper mobile MX, the Democrats have kept it alive.

"I've got to assume that when he spoke to the president about the [defense secretary] job, there was a meeting of the minds," the Air Force officer said of Mr. Cheney. "Actually, I would not be surprised if he would support the small [Midgetman missile]."

This officer, who spoke on the condition of anonymity, and several analysts said they did not believe that Mr. Cheney would lead a bitter, internal battle within the administration for the MX rail garrison project, despite his House record. Many predicted that he would favor funding for both missile options, although the mobile MX budget would have to be scaled back to accommodate the more expensive Midgetman.

Nor did they believe that he would necessarily push for full funding for the "star wars" missile defense plan known as the Strategic Defense Initiative, although retired Lt. Gen. Daniel O. Graham, former head of the Defense Intelligence Agency, said flatly that he expected Mr. Cheney to play a key advocacy role.

"He's 100 percent for SDI, 100 percent for deployment," said the general, founder of High Frontier, a group advocating full deployment of a space-based anti-missile defense. His organization opposed the Tower nomination partly because it felt that Mr. Tower had expressed only lukewarm support for the project.

"On every SDI issue that we are interested in, he's been with us completely," General Graham said of Mr. Cheney. "I'm quite sure he can express his SDI views strongly."

An Air Force source familiar with the SDI program was not so sure. At least one influential member of the Bush national security team, Mr. Scowcroft, has been wary of SDI's cost and its impact on arms control talks.

"The key thing is, Dick Cheney knows how to compromise. And he's not a free spender," said the source, aware that budget cutters on Capitol Hill already were eager to slice the latest SDI funding proposal of \$5.9 billion.

"He won't have too many preconceived views, which means there will be flexibility," agreed Lawrence J. Korb, a former assistant defense secretary in the Reagan administration who is now at the Brookings Institution.

"I think he comes in with a blank slate," Mr. Korb said. As for Pentagon management and procurement reform, he added, "It's very critical who he brings in, but if he can put together the right team, he'll do well."

Retired Rear Adm. Eugene J. Carroll Jr., an outspoken critic of Pentagon leadership, said he would have preferred a nominee with more extensive management experience who was familiar with the military services and issues of weapons, strategy and readiness. He favored someone such as Norman R. Augustine, a former civilian defense official who is chairman of Martin Marietta Corp.

"There just isn't anything on the surface that indicates that Congressman Cheney can undertake the real job that needs to be done," he said.

"He's going to have a time-consuming and costly learning period that, at best, will take the first [budget] cycle," Admiral Carroll said. "But the first cycle is the time when the administration hoped to get things done. One problem is to make the hard decisions on the big weapon systems and shape a coherent program for the 1990s."

"I think the first year for Bush is now a lost cause," he said.

The admiral predicted that few, if any, of the most expensive weapons projects would be cut sharply or canceled this year as the Bush administration scrambled to find \$6.3 billion in cuts to satisfy the president's announced goal of increasing defense spending only by the rate of inflation. Instead, cuts in manpower, operations and maintenance were more likely since they were the easiest to make, he said.

But these reductions would lead to a smaller military force structure and declining levels of military "readiness and sustainability," Admiral Carroll warned.

He and others said they doubted that Mr. Cheney's background in defense matters would be an impediment to speedy confirmation by the Senate, however.

"I think he'll go sailing through like a scalded cat," said General Graham, who was ecstatic over the nomination. "Anyone with a good reputation like his will do all right."

In the wake of the Tower wars

The nomination seemed doomed, but Republicans worried more about George Bush. "If this is how the White House does business, we're in trouble"

George Bush describes himself as a man of high standards and great loyalties. In that spirit, he says, he first chose John Tower as Secretary of Defense and then decided to stick with him when the confirmation fight grew rough. "I am not going to drop him," he told his staff. "We're going to pursue this all the way to the end." But as the Senate began to take measure of itself and its former confrere last week, Bush's hopes quickly dissolved, and he became the man with the most at stake in the debate. Just seven weeks into office, the White House had unwittingly scripted a political melodrama in which it directed its own probable defeat.

The story of the Tower nomination is not simply one of a Congress or a process gone awry; it is the story of a White House gone away. A disagreement that could have been cast as a predictable dust-up with the Democratic Congress instead grew like topsy into a major test of presidential strength. Once the fight got out of control, George the Bipartisan switched gears and publicly talked tough. But some of his most loyal Republicans complained that he had unwisely upped the partisan ante in choosing to make his first confrontation with Democrats over Tower. "Why bleed and die over this?" asked one. "It's dumb to

make your first fight with Congress one you will lose." A leader, Ronald Reagan proved, needs to win.

In this case, that is unlikely. The White House spent much of last week in search of five Democrats willing to defect, but the old Reagan conservative coalition was not ready for a reunion, certainly not for Tower. Bush pushed on, but neither his prestige nor his pressure seemed enticement enough to mollify the increasingly partisan Senate debate. Even if Tower withdraws, Bush has become a President with something to prove. "We know he cannot go to the bully pulpit and pound us," says a Democratic House leader. "He didn't scare anyone."

"Stick with it." The good news is that no political damage is permanent. Some would even argue that Bush will be better off without a Tower in his cabinet. Not only could he have developed into a political liability but he could also have been seriously weakened by a close Senate vote. Perhaps, by leaping to Tower's side and remaining there, Bush was behaving as the public expects a leader should. "A President cannot give up his nominee," says GOP lobbyist Tom Korologos. "He must make the choice himself and stick with it." Indeed, most Presidents *have* made the calculation that it is better to stand by a bad choice than admit to a bad choice. When Jimmy Carter withdrew Theodore Sorensen as his nominee for CIA director after he came under fire for his liberal views, the decision eroded Carter's political strength.

The long-term fear, though, is that "if this is an example of how the White House does business, we're in big trou-



ble," as one Republican senator puts it. Indeed, as the public watched the new President engage, he seemed a man with little strategic sense in several arenas. In the Tower fight, he played tough in a territorial battle he was destined to lose. As the foreign-policy President, he practiced jet-lag diplomacy, conducting numerous bilateral sessions of little apparent substance in Asia, while the Soviets scored public-relations points in the Middle East. His government, meantime, was paralyzed by bureaucratic gridlock. Some cabinet members appeared near mutiny over the loss of precious time in seizing the policy offensive while waiting for personnel clearances for key appointments.

Presidential allies looking to jump-

The search for signs of intelligent life in Washington

Bush has made or announced 62 nominations but has yet to decide several hundred other political appointments.



Defense: No one is in charge. Issues awaiting decision include MX vs. Midgetman missile, how to cut \$6.3 billion from Reagan's military-budget request, strategy on conventional-weapons reductions and multiyear production of the B-2 bomber.



Diplomacy: Off to a slow start. Policy reviews are under way for Central America, Europe, the Middle East and other regions, but at least one peace overture was missed in El Salvador. Meanwhile, Gorbachev's charm offensive goes unanswered.



ILLUSTRATION FOR TIME BY MICHAEL WITTE

Burnishing their halos: Tower, Baker, Eagleburger, Sullivan and Wright

So the question remains: How clean a regime in Washington should Americans demand? It is difficult to extract general rules of conduct from the Tower inferno because so many of the facts remain in dispute. Certainly America cannot afford a Defense Secretary with an untreated drinking problem. The issue is how closely this description fits Tower. There are also legitimate concerns raised by the widespread, but not unequivocally documented, tales of Tower's predatory behavior toward women. If true, the allegations of sexual high jinks seem to reflect a pattern of reckless and perhaps unbalanced behavior that should disqualify Tower for such a sensitive post.

These sensationalized aspects of the Tower battle are riveting, but they distract from far more universal questions about the conduct of public officials. The reason ethics in Government seems so tiresome is that the goal has become obscured in a legalistic fog of disclosure requirements, recusations and

blind trusts. Lost in the mist are commonsense standards for integrity in Government like these:

The Nation Can Demand Sacrifices for Public Service. Few deny that top Executive Branch officials are underpaid. Money, however, is but one measure of compensation for serving at the highest levels of Government; there is also a huge premium to be derived from fascinating work, public recognition and perhaps even the chance to shape history. This is why it is disturbing that the President's ethics commission last week kicked the issue of limits on outside earned income for top officials to Congress, an institution not known for its ethical sensitivity.

Second Trips Through the Revolving Door Are Dangerous. Tower left the arms-control talks in Geneva in 1986 with the clear sense that after 25 years in public office, it was now time to get rich. With this sense of entitlement, he promptly lined up more than \$750,000 in consulting work with six leading defense contractors. To believe Tower, he provided them with little more than the "enlightened judgment" they could just as easily get from reading the papers and dropping by a few academic think tanks. If true, it appears that Tower was vastly overpaid for his services, and it is troubling to contemplate what he now owes his benefactors.

Tower's problems in this area are far

from unique. National Security Adviser Brent Scowcroft returned to Government after advising foreign clients as vice chairman of Henry Kissinger's international consulting firm. Largely because Scowcroft is a noncontroversial official serving in a post that does not require Senate confirmation, there has been scant debate over the propriety of his prior business entanglements. Such quiet acceptance is not likely to be the fate of Lawrence Eagleburger, who became president of Kissinger Associates in 1984, after 27 years in Government. About to be nominated as Deputy Secretary of State, Eagleburger is expected to face a grueling confirmation battle revolving around the firm's globe-girdling client list that touches everything from Middle Eastern oil to Third World debt. Granted, Eagleburger is respected. But are his credentials so special as to override the possible conflicts of interest?

Legal and Ethical Are Not the Same Thing. By seeking to codify ethical conduct, the Government has inadvertently encouraged behavior that borders on what is legally permissible. Consider C. Boyden Gray, the White House counsel. While serving as an aide to then Vice President Bush, Gray moonlighted as chairman of a family-owned communications firm, which paid him as much as \$50,000 a year. White House officials are formally barred from such outside employment, but not the Vice President's staff. Even when appointed White House ethics czar, Gray apparently planned to continue this cozy arrangement until it was reported in the press.

Far more ingenious was the way House Speaker Jim Wright skirted the already generous congressional ceiling on outside income. Not content with mere honorariums, Wright arranged an unusual sweetheart deal: a supporter published one of Wright's books, sold most of the copies in bulk to groups like the Teamsters, and then handed over 55% of the proceeds (nearly \$60,000) to the Speaker as royalties. This daisy chain was probably legal, but clearly unsavory. It is among a welter of charges against Wright contained in a voluminous report now being studied by the House Ethics Committee. Few expect more than a mild reprimand.

This kind of easy tolerance among the powerful in Congress is what allows Tower to so adroitly muddy the waters surrounding his own ethical problems. The everybody-does-it defense may be cynical, but it has persuasive power, as long as Congress continues to confuse honor with honorariums. Ethics in government should be a bipartisan concern, not merely the responsibility of the Bush Administration. If the White House has fallen short of the standards it set during its much ballyhooed "ethics week," so too has the Democratic Congress been unwilling to judge itself by the criteria it sets for others.

— With reporting by Laurence L. Barrett/Washington

compensation legally owed him by the Morehouse School of Medicine. Even Senate Democrats wondered aloud if Sullivan's excessive concern with appearances did not overstep the bounds of financial prudence. Meanwhile, George Bush's ethics commission solemnly debated whether a top Government official should be entitled to royalties if he composed a hit song in his spare time.

Small wonder that fashionable opinion in Washington is now having second thoughts about this sudden overdose of ethics. Take Bush, who in late January declared that his commitment to the highest ethical standards "is not, believe me, a fad or some passing fancy." Of course, this was before Tower began to crumble and it was discovered that Secretary of State James Baker owned an estimated \$2.9 million worth of Chemical Bank stock while he was Treasury Secretary with policymaking influence over the treatment of the bank's shaky Third World loans. These days the President sounds less like a patrician reformer as he muses aloud, "I hope I haven't created something that just carries things too far."

It is easy to parody the overzealous quest for purity in Government and depict an Administration where top officials file disclosure forms each time they purchase an imported VCR at K mart. But it is also sobering to recall the taint that the "sleaze factor" left on the Reagan Administration and the nation's faith in Government integrity.

**BUSH TAPS REP. CHENEY
TO BE DEFENSE SECRETARY**

President Bush, declaring that he was determined to "move forward," March 10 nominated Rep. Dick Cheney (R-Wyo) to be defense secretary.

Of the Senate's rejection of John Tower, his initial nominee for the position, Bush said, "That's history."

"As of today, Dick Cheney is the best and proper choice," Bush said.

"I fought hard for John Tower because I believed in him," Bush said, but hastened to add that he wanted to work with Congress and hoped that Congress would move swiftly to confirm Cheney.

Cheney, 48, a conservative who just began his sixth congressional term, is the second-ranking Republican in the House. During the Reagan Administration, he served as the ranking Republican on the House Select Committee to Investigate Covert Arms Transactions with Iran. He held several positions in the Nixon and Ford administrations, including a stint as White House Chief of Staff during the Ford administration.

Cheney is a member of the House Permanent Select Committee on Intelligence and the House Interior and Insular Affairs Committee, but not the Armed Services Committee. However, Cheney said, "I feel I do have a depth of understanding" about defense issues.

Cheney told reporters he had been contacted late March 9 by National Security Adviser Brent Scowcroft and White House Chief of Staff John Sununu about the nomination. Bush called Cheney to the White House March 10 in the early afternoon to discuss the matter. Bush announced the nomination around 4 p.m. with Cheney at his side.

Bush noted that Cheney had already undergone two thorough FBI checks and said he thought the background investigation would "go very well."

Cheney said he had agonized over the decision of whether to give up his House seat, said he was "optimistic about the future of the Republican party in Congress," and predicted that Republicans will become a majority in Congress "within the next few years."

Cheney sidestepped questions about his views on specific defense matters such as the Strategic Defense Initiative, saying he would wait until Senate confirmation hearings to present his views. Bush said he and Cheney were in general agreement on SDI, but did not elaborate.

Cheney, who underwent coronary bypass surgery last August, said he had just spoken to his cardiologist about taking on the position of defense secretary and was told there was "absolutely no medical reason" why he could not undertake the assignment.

Pressed by reporters as to the underlying cause for Tower's defeat, Bush conceded that he may have made a mistake in delaying sending up the nomination last year after the November election. But once the nomination was sent up, Bush said he spent considerable time "gunning down" baseless rumors. Bush observed that having the FBI look at each new allegation, no matter how far-fetched it appeared, "set a tone up there [in the Senate] that then encouraged leaks, counterleaks, and innuendos."

Bush said that, after the vote on Tower, he had received pledges of cooperation from Senate Majority Leader George Mitchell (D-Maine) and Senate Armed Services Committee chairman Sam Nunn (D-Ga).

Hearings This Week

Meanwhile, Nunn and Ranking Minority Member John Warner (R-Va) late Friday issued a joint statement on the nomination:

Congressman Dick Cheney is well known and highly respected by the members of the Senate.

We have worked with him on many issues involving national defense and intelligence matters.

At the president's request, the Senate Armed Services Committee will commence hearings on this nominee next week. We will complete the committee's work as expeditiously as possible consistent with the President and the nominee providing the requisite background and financial material and consistent with thoroughness and fairness.

Selection of Well-Liked Cheney for Defense Post Shows Bush's Wish to Put Tower Fight in the Past

WSS
3/13/88
By GERALD F. SEIB
And JOHN J. FIALKA
Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON—The nomination of the widely liked and respected Rep. Dick Cheney to be defense secretary shows that President Bush wants to put the battle over John Tower behind him quickly.

Mr. Cheney of Wyoming, the second-ranking Republican in the House, appears likely to be confirmed easily. After his nomination was announced Friday, he was immediately praised by senators who will consider him, and Senate leaders pledged prompt action.

Mr. Bush's speed in turning to a well-liked figure such as Mr. Cheney, whose selection was made public just a day after Mr. Tower, a former Texas senator, was voted down by the Senate, indicates that the president doesn't want to engage in bickering or recriminations against Democrats in the wake of the Tower struggle. Mr. Bush said he expected the Cheney nomination to "go very fast, and I believe that it will have smooth sailing. . . . It is very important. Too much time has been wasted here."

The one weakness senators may cite about Mr. Cheney's background is a shortage of direct defense experience. In his decade in Congress, he hasn't served on the congressional committees that directly handle defense matters.

But the 48-year-old Mr. Cheney dealt with national security issues when he



Dick Cheney

served as White House chief of staff under President Ford, and he has dealt with defense budget matters as a member of the House Republican leadership. At a news conference announcing his selection, Mr. Cheney asserted that his service on the House Intelligence Committee also has made him familiar with many defense-related programs.

Another issue that might be raised at confirmation hearings is the fact that Mr. Cheney hasn't served in the military. Though he was of draft age in the early 1960s, he had a "sole provider" deferment because he was married in 1964 and had a daughter, Cheney aides said. He spent most of the 1960s pursuing college degrees and working in government internships and fellowships.

Mr. Cheney also will face some questions about his health. He has a history of heart problems, and had heart-bypass surgery last August. But he said he returned to work three weeks after that surgery and that his cardiologist assured him "there's absolutely no medical reason why I cannot undertake this assignment."

Still, none of the questions seem likely to pose serious problems. During his time in Congress, Mr. Cheney has developed a reputation as a partisan conservative. His selection is likely to cheer conservative groups, who were split over the ill-fated selection of former Sen. Tower.

Mr. Cheney has been a staunch supporter of the Contra rebels fighting Nicaragua's Sandinista government. He also has been an advocate of pursuing the Strategic Defense Initiative, the space-based antimissile system.

Yet because his partisan stands are cloaked in an affable and calm personality, Mr. Cheney has cultivated good relations with Democrats and lawmakers of all ideological stripes.

"Liberals respect him, and conservatives count him as one of theirs," said James Cannon, a longtime Republican strategist who served as the White House's domestic policy adviser when Mr. Cheney was chief of staff.

President Bush said he may order Federal Bureau of Investigation resources diverted from background checks of other nominees to speed the required checks of Rep. Cheney. And so far, all signs indicate the president will get his wish for quick confirmation. Sen. Sam Nunn (D., Ga.) and Sen. John Warner (R., Va.), the chairman and leading Republican on the Armed Services Committee, released a joint statement calling Mr. Cheney "well known and highly respected by the members of the Senate."

Sen. Nunn said his panel will begin confirmation hearings this week, and Senate Majority Leader George Mitchell pledged "prompt consideration" of Mr. Cheney. It is even possible he could be confirmed before the Senate leaves for a two-week recess Friday.

Within the Bush administration, the choice of Mr. Cheney may increase the influence of National Security Adviser Brent Scowcroft. He and Mr. Cheney are close acquaintances, and they worked together when Mr. Cheney was White House chief of staff and Mr. Scowcroft was national security adviser under President Ford. Mr. Scowcroft was among the first to seek out Mr. Cheney for the Pentagon post, and Mr. Cheney characterized Mr. Scowcroft as "an old friend of many years' standing."

One of the important ripple effects of Mr. Cheney's selection is the power struggle his departure will set off among House Republicans. Mr. Cheney had emerged as the heir apparent to House Republican Leader Robert Michel of Illinois, but now jockeying has begun for Mr. Cheney's post as the Republican whip. The leading candidates are Rep. Jerry Lewis of California, Rep. Newt Gingrich of Georgia, Rep. Mickey Edwards of Oklahoma and Rep. Edward Madigan of Illinois.

It isn't clear precisely how the defense industry will regard the Cheney nomination. David Smith, a Washington investment banking counselor with close ties to the industry, said he thinks Mr. Cheney will be welcomed.

The hard budget decisions the Bush administration will have to make, including the likely abolition of some major weapons systems, has made some in the industry leery of the kind of ties Mr. Tower had to some companies for which he worked, Mr. Smith said. "I think what they'll see in Cheney is somebody who has absolutely no preordained choices and someone who is smart and who can understand and weigh all of the various issues," he added.

Wall Street
Journal
Mar 13

PATRICK BUCHANAN

Battle strategy for the walking wounded

needs to explore the new neighborhood into which he and the family just moved. Political Washington is not Kennebunkport. The way this neighborhood likes to greet the new boy on the block is to take him down to the horseshoe pit and kick his butt. If Mr. Bush wants to survive, he is going to have to start kicking butt himself.

Moderate Republicans seem unwilling to recognize that the presidency is no longer what it was; it has been permanently redefined — by Franklin D. Roosevelt and John F. Kennedy. To the American people, it is a given that the president sets the national agenda; his office is the cockpit of action; he sits in the wheelhouse, and directs the trains.

Ronald Reagan understood this, instinctively. Arriving here, he launched a "Reagan Revolution." With his right-wing irregulars, he mounted assault after assault on the ideology of this city, forcing liberal politicians and press to accept tax cuts and Contra aid, MX missiles and a major military buildup, conservative jurists and SDI. He did not address the city's agenda; the city addressed his.

Mr. Bush, however, does not have a great agenda; he does not relish political conflict; and he has always been uncomfortable with Republican "ideologues" who do. After the campaign — where issues like the American Civil Liberties Union, prison furloughs, Willie Horton and the Pledge of Allegiance brought Bubba and the boys roaring into camp — the tough guys like Lee Atwater and Roger Ailes were pensioned off; and the moderate men who enjoy the politics of compromise and consensus, like James A.

Patrick J. Buchanan is a nationally syndicated columnist.

Baker III, Nick Brady and Brent Scowcroft were brought in.

Let me be direct. I do not think George Bush's concept of the presidency can work, not because Mr. Bush is not dedicated, decent and competent; he is all of the above; but because a president who places a high premium on bipartisanship cannot succeed in an age of ideological conflict, where both sides of this culturally divided nation are anxious to fight each other over what they believe.

Americans care more, much more, about ideas and ideals, than about "bipartisanship" or political peace. Almost everyone here, in politics and the press, on the Hill and in the think tanks, has an agenda. If the president does not set forth his, others will step into the vacuum. As the defenestration of John Tower demonstrated, the question is not whether there is going to be a bloody battle, but whether Mr. Bush, whose presidency is the stake, can remain above it. When a man wants a fight, you have got to oblige him. Either Mr. Bush imposes his will on Congress; or Jim Wright, Sam Nunn, George Mitchell & Co. will impose theirs on President Bush.

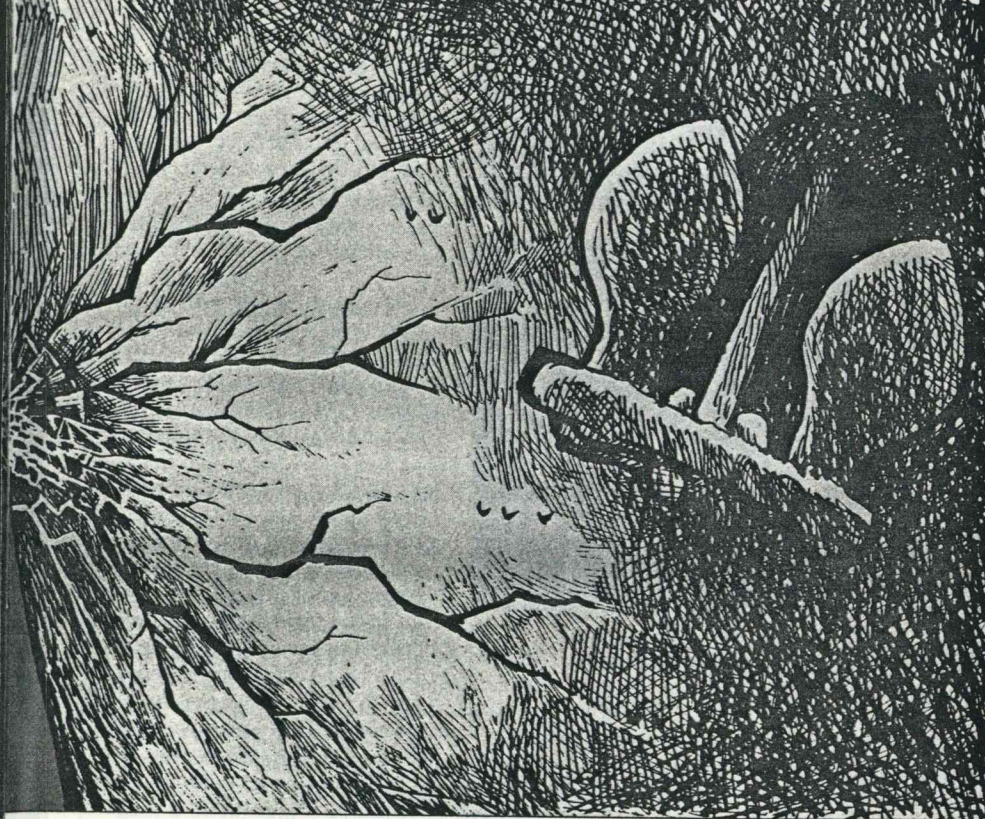
The age of Dwight D. Eisenhower is over, history. The fate of Gerald R. Ford, who wanted not only "a honeymoon" with Congress, but "a good, long marriage," settled that. Modern media — with its insatiable appetite for drama, conflict and controversy — have made the passive presidency a museum piece. Either Republicans will produce their own FDRs and JFKs; or they will produce their own Jimmy Carters.

stone? What is the single sentence Mr. Bush wants as his epitaph? Abraham Lincoln "saved the Union and freed the slaves." Franklin D. Roosevelt "launched the New Deal and fought Hitler." Richard M. Nixon "opened up China," and Ronald Reagan was "the great communicator, who saw the beginning of the end of the Soviet Empire."

Somehow, "Here lies our education president," doesn't quite cut it.

Washington
Times
3/13

U.S.S. BUSH



start the administration speak of a quick switch to the more comfortable terrain of a GOP agenda. Their problem is that none exists. So far, the White House has appeared less interested in policy than in establishing stylistic contrasts with Reagan. Talk of bipartisanship will continue, and it may even succeed, but it leaves some conservatives wondering whether Bush has moved to the other side. "All that 'kinder and gentler' stuff comes down to so much garbage when you get to the bottom line," says conservative strategist David Keene. Still, all is not lost—if the President decides to take charge.

Find a blue-chip replacement. If Tower is defeated, nobody on either side of the aisle wants a similar fight. In one piti-

able exercise at the National Press Club last week, it seemed to grow out of hand when he was asked to admit to marital infidelity. This, of course, after his network-television pledge to forswear alcohol. The new ad hoc Senate standards will still require that the next nominee undergo rigorous scrutiny, no matter how exalted his stature. One way to circumvent another inquisition is to nominate someone who has already survived the test, such as just departed Pentagon chief Frank Carlucci or widely respected National Security Adviser **Brent Scowcroft**. Former Defense Secretary Donald Rumsfeld is another candidate, although he seems less likely since Bush has not forgotten his campaign endorsement of Bob Dole. Some members are pushing

for former House colleague Jack Edwards of Alabama as an easy replacement. Still others prefer the management route, recommending Norman Augustine of Martin Marietta or former Eastern Air Lines chief and astronaut Frank Borman. "If Bush appoints someone new and he's confirmed in two or three weeks, people will forget all about John Tower," says a White House aide.

Put an A-team in the White House. The kindest thing that can be said about the White House performance in the Tower mess is, as conservative Keene describes it, "They didn't have their ducks in a row." More precisely, this White House, by the admission of one of its own, "has no sense of strategy." Caught unaware of changing sentiment on the Armed Services Committee and with the President halfway around the world, White House aides felt they had no choice but to continue the charge so Bush would not look weak. Even in the middle of their own assault, they were surprised by Tower's public sobriety oath. Inevitably, the sorry comparisons with Reagan's early senior team began. At a recent private dinner, White House Chief of Staff John Sununu astonished veteran GOP operatives when he shrugged in response to a question about spring strategy. "What have they been doing over there besides jumping on the Lincoln bed?" asks one. If Sununu intended to confound the conventional wisdom that an outsider cannot handle the top inside job, so far he has failed (see story, page 49).

Get the government moving. While the FBI was scrambling on the Tower nomination, clearances for the rest of the bureaucracy were kept on hold. Without critical personnel in place at assorted agencies, cabinet members complained they could not do their jobs. To make matters worse, the absence of top staff gave Congress an opportunity to step in on key spending decisions. As appropriations committees met to consider the budget, top agency staffers were often unavailable to testify. With an inexplicit Bush budget in play, Reagan's final offering became the operative document.

Make some policy. In the absence of a detailed agenda, a top White House staffer admits that the theme-of-the-week approach "seems silly." And while Office of Management and Budget Di-



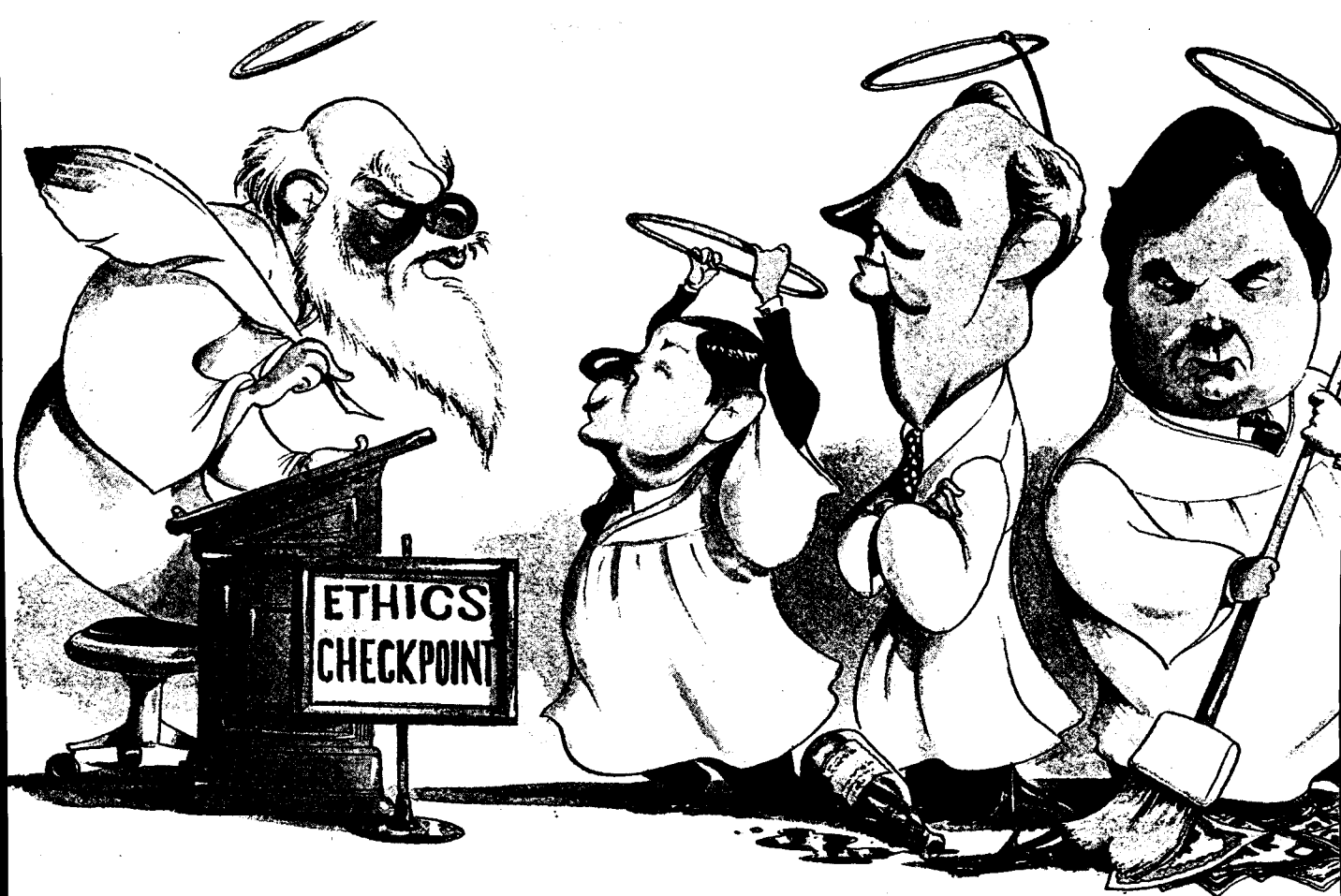
Social policy: Louis Sullivan was confirmed last week as Secretary of Health and Human Services, but his top aides are not in place. Goals include expanding medicaid eligibility and immunizing all poor youngsters under age 5 against childhood diseases.



Environment and energy: William Reilly is rejuvenating the EPA, but the Interior Department is in limbo, delaying decisions on issues such as oil drilling in the Arctic National Wildlife Refuge. The Energy Department also has the slows on nuclear safety, other matters.



Economy: Most of Bush's team is in place, and several initiatives are in play, including budget plan and bailout for savings and loans. But inflation pressures mount and tension rises between the administration and the Federal Reserve Board.



Nation

TIME/MARCH 13, 1989

Drawing the Line

In the Senate furor over John Tower's sobriety, some basic ethical concerns have been obscured

BY WALTER SHAPIRO

Morality is simply the attitude we adopt towards people whom we personally dislike.

Oscar Wilde's aphorism comes close to summarizing John Tower's last-ditch defense. Forget the sandstorm of charges swirling around the diminutive former Senator; ignore the serious questions of sobriety, sexual escapades and the sale of Government expertise. To the beleaguered nominee for Defense Secretary, the real issue is the motivation of his judges in the Senate, who he implied were hypocrites pursuing

the partisan politics of personal pique. "Is it an acceptable standard for Senators late in the evening who've had a few drinks . . . [to] vote on vital issues of nuclear deterrence?" Tower asked with rhetorical venom. "Is it an acceptable standard for Senators to accept honorariums, PAC contributions and paid vacations from special interests?"

Tower is enough of a realist to recognize that his chances of confirmation are not much better than the odds that Breathalyzers will be installed in the Senate cloakroom. But his argument serves as a deft reminder that there are also Senators whose alcoholic and amorous behavior might not stand sustained scrutiny. There is just enough merit to Tower's who-is-fit-to-

judge-whom bluster to accentuate the confusion over the proper standards of conduct for public officials.

Ethical posturing is fast becoming the Washington version of the old radio show *Can You Top This?* Tower, of course, was a major contributor to the piety on parade with his melodramatic vow that he would resign as Defense Secretary if a drop of liquor ever touched his lips.

But Tower's just-say-no theatrics pale in comparison with the price paid by Louis Sullivan, who was approved last week as Secretary of Health and Human Services. To avoid possible confirmation complications, Sullivan renounced all claims to nearly \$500,000 in severance pay and deferred

CONGRESSMAN CHENEY NEW DEFENSE SECRETARY DESIGNATE

Keeping his word to act fast in selecting a new person to fill the post of Secretary of Defense after his first choice, Sen. John Tower, lost a bitter fight in the Senate, President Bush announced Friday afternoon that he wants Republican Congressman Richard Cheney (Wyo.) to run the Pentagon.

Regarding Tower, Bush said, "look, that's history," and promised to move rapidly to get Cheney confirmed by the Senate.

The President said he and Cheney are "in general agreement" on the Strategic Defense Initiative, arms control and defense budget matters.

Cheney, who currently serves on the House Select Committee on Intelligence, has a 100 percent rating from the conservative American Security Council in its national security voting index. Cheney said he has a "depth of understanding" of defense issues now and acknowledged he'll have to learn even more to fulfill the demands of the position.

Bush described reaction on Capitol Hill to Cheney's selection as "very, very positive," and said the Wyoming Republican will be able to work with members of Congress to accomplish the Administration's agenda. When asked about his prior pledge not to deplete the ranks of Republicans in Congress, Bush declared Cheney is "the exception that proves the rule."

The new Defense Secretary designate cited his ability to work alongside Secretary of State James Baker and National Security Adviser Brent Scowcroft. Cheney was White House chief of staff from 1975 to 1976. When asked how this nomination will fare before the Senate and its Armed Services Committee chairman, Bush said it will be "clear sailing."

Defense Department**SENATE VOTES 53-47 TO REJECT TOWER;
BUSH NOMINATES REP. CHENEY**

After six days of contentious debate, the Senate March 9 voted 53-47 to reject the nomination of John Tower to be secretary of defense.

The following day, President Bush nominated Rep. Dick Cheney (R-Wyo) for the position (see related story).

The vote on Tower was cast largely along party lines, with all but one Republican, Sen. Nancy Kassebaum (Kansas), voting for Tower, and all but three Democrats voting against him. The three Democrats voting for his confirmation were Sens. Howell Heflin (Ala), Christopher Dodd (Conn), and Lloyd Bentsen (Texas).

In a statement issued at the Pentagon, Tower said, "I depart from this place at peace with myself, knowing that I have given a full measure of devotion to my country." He thanked the president for his support and said, "No public figure in my memory has been subjected to such a far-reaching and thorough investigation nor had his human foibles bared to such intensive and demeaning public scrutiny. And yet, there is no finding that I have ever breached established legal and ethical standards nor have been derelict in my duty."

Tower, a former Republican senator from Texas, served four terms in the Senate, including four years as chairman of the Armed Services Committee, which had voted 11-9 Feb. 23 to reject his nomination.

Only nine times in the history of the nation has the Senate refused to confirm a cabinet nominee.

Immediately before the final vote, Senate Minority Leader Robert Dole (R-Kan) criticized the emphasis that had been placed during confirmation proceedings on Tower's personal life, saying, "We're senators, not snoopers."

Anticipating that the confirmation would be rejected, Dole said, "I think we're making a mistake.... America's lost a good public servant." However, Dole added, "The president has won because he stood by his man."

Senate Majority Leader George Mitchell (D-Maine), in his final statement before the vote, noted, "Reasonable persons can and do disagree" on the meaning of some of the information contained in the Federal Bureau of Investigation background report on Tower.

But Mitchell added that concern about Tower's drinking habits proved to be "an insurmountable obstacle" to his confirmation. In addition, Mitchell said that Tower's two and a half years as a defense contractor consultant immediately after serving as chief U.S. negotiator at Strategic Arms Reduction talks in Geneva in 1985-1986 raised "serious and troubling" questions about Tower's mixing of private and public interests.

Mitchell said that "no universally accepted criteria for judging fitness for public office exists," and that ultimately the decision is a personal and subjective one, but clearly what the framers of the constitution intended in giving the Senate its role of advice and consent.

Mitchell stressed that the vote "is not intended to harm the president" and expressed hope that it would not hinder the relationship between the president and Congress. Mitchell also said he hoped the vote would not have an adverse effect on members of the Senate in light of the fact that "hard words have been spoken. Feelings have been hurt."

Mitchell praised Senate Armed Services Committee chairman Sam Nunn (D-Ga) for his role throughout the proceedings, saying there is "not a more respected senator" than Nunn.

Until early March 9, Senate Republicans, led by Dole, tried to put off the vote in an effort to gain time to persuade uncommitted Democrats to vote for Tower, while Democrats, led by Mitchell, pressed for a speedy vote.

Democrats control the Senate 55-45, and over the past week, the president as well as Senate Republicans had sought to coax five Democrats to support Tower. The administration had counted on the support of all 45 Republicans. Had their strategy worked, the tally would have been 50-50, which would have enabled Vice President Dan Quayle, as president of the Senate, to cast the tie-breaking vote in favor of Tower.

Republicans had a ray of hope March 6 when Heflin announced he would support Tower. The following day, Dodd announced that he, too, would support Tower. And on March 8, Bentsen said that he would support his fellow Texan.

But those three votes left the Republicans two votes short of a tie, and late March 8, aware that the outcome of the vote was precarious, Dole requested unanimous consent to allow Tower to appear before the Senate to state his case. However, Mitchell objected, saying there had been ample opportunity for Tower to make his case and for senators to consider his case. Mitchell argued that it would not be fair to accord Tower "preferential treatment" just because he had been a senator.

Dole also suggested March 8 that the Senate approve Tower on a six-month trial basis, with a letter of resignation dated Oct. 1. At the end of that probationary period, Tower would have to be re-confirmed.

Opposition Of Three Key Democrats Doomed Tower

But Republican hopes of getting Tower confirmed vanished late that day when three previously undecided Democrats—Sens. J. Bennett Johnston (La), Joseph Lieberman (Conn), and Charles Robb (Va)—announced that they would oppose Tower.

Johnston said it was not Tower's role as a consultant or his alleged indiscreet behavior with women that caused him to oppose Tower's nomination. Rather, he said, it was Tower's drinking habits. Johnston said the FBI record shows "unmistakable evidence" of an alcohol abuse problem and that Tower underwent a "change in conduct...a personality change...a recklessness in a social setting" when under the influence of alcohol.

As for Tower's role as a consultant, Johnston said that what Tower did was not illegal and that Congress could not deny Tower the confirmation for violating a

standard which has not been clearly articulated.

Lieberman, a freshman senator, cited Tower's record of excessive drinking and his role as a defense contractor consultant and said he had "too many doubts" about Tower to vote for him.

Robb, also a freshman senator, said he was troubled by the "ample evidence" of the excessive use of alcohol on Tower's part and by his role as a defense consultant. Robb, a former governor of Virginia, said he understood the prerogative of a president to choose his Cabinet, but that, in the end, he decided to side with Nunn, whom he greatly admired. Recognizing that those three votes sealed Tower's fate, Dole early March 9 dropped his proposal that Tower be approved for six months and agreed to a vote in the afternoon.

The final day of debate was devoted to reiterating and summarizing arguments and was for the most part uneventful, except for the declaration by Sen. Larry Pressler (R-SD) that he would vote for Tower. Pressler had previously indicated that he was leaning against the confirmation.

Kassebaum Is Sole GOP Member To Oppose Tower

Prior to the vote Kassebaum, who had previously said she was leaning against Tower, issued a statement saying she would not announce how she would vote beforehand. In a statement issued shortly after the vote, Kassebaum said she had voted against Tower's confirmation because "I do not believe he can provide the leadership that is necessary to forge a consensus on the critical national security questions confronting us today."

Kassebaum said her chief concern about Tower stemmed from his consulting activities, which she said, "raise very serious concerns about the nominee's judgment and his sensitivity to those major issues of conflict of interest, the role of consultants, and the revolving door."

Kassebaum also said she did not think Tower would be attuned to issues of sexual harassment and the integration of women into the armed forces.

Of the Senate's advice and consent role, Kassebaum said, "I firmly believe that our founding fathers did not intend for the United States Senate to be a rubber stamp."

Kassebaum later told reporters that she would have voted for Tower had her vote been critical to the outcome.

Speculation On New Nominee

Throughout the Senate debate on Tower, Bush had repeatedly expressed strong support for his nominee, denouncing the allegations against Tower as "rumors" and "innuendos." Bush insisted he had no other candidate in mind for defense secretary in the event Tower were not confirmed.

Nevertheless, several names surfaced as likely candidates for the position, among them Jack Edwards, a former Republican congressman from Alabama. Edwards recently co-chaired the Defense Secretary's

Commission on Base Realignment and Closure, which last December recommended closing or realigning 145 defense installations.

Another name frequently mentioned was National Security Adviser Brent Scowcroft. However, before the Tower vote, reporters approached Scowcroft at the swearing in of Energy Secretary James Watkins and asked if he would be the next defense secretary, and he replied, "No."

Others who were being mentioned as possible nominees included former defense secretaries, industry executives, and senators:

- Donald Rumsfeld, who served as defense secretary under President Gerald Ford;

- James Schlesinger, who served as defense secretary and CIA director in the Nixon and Ford administrations;

- Frank Carlucci, who was defense secretary during the final year of the Reagan administration.

- Norman Augustine, chairman of Martin Marietta Corp.;

- Paul O'Neill, chairman of Alcoa;

- Sen. William Cohen (R-Maine), a member of the Armed Services Committee and one of Tower's most zealous defenders during the Senate floor debate; and— Sen. John Warner (R-Va), ranking minority member of the Senate Armed Services Committee and a former secretary of the Navy. However, Warner has issued a statement indicating that he does not wish to be considered. "I want to leave no doubt that I have every expectation of seeking reelection in 1990," he said.

White House Reaction

Bush, in New York for a speech, praised Tower for having withstood a "cruel ordeal" with "dignity and lack of rancor." Bush also said that "we owe it to the American people to come together and move forward."

Echoing Bush's sentiments, White House spokesman Marlin Fitzwater said that, while Tower's defeat was a "very long and difficult struggle," the president intends to "put this behind us and move on."

Throughout the lengthy debate, Democrats pointed to Tower's record of excessive drinking, the appearance of a conflict of interest stemming from his two and a half years as a defense contractor consultant, and, to a lesser extent, his behavior with women as reasons for opposing his confirmation.

Republicans, on the other hand, sought to discredit the FBI report on Tower, which they said was replete with ambiguous allegations and contradictory statements. They also maintained that Tower had been unfairly treated because those who made the allegations had ever been publicly identified or cross-examined.

In addition, Republicans maintained that a president has the right to appoint a cabinet of his choice, and that the Senate's constitutional role of advice and consent is limited.

Republicans also cited Tower's 24 years of service in the Senate as a reason to support his nomination.

Drawing the Line

In the Senate furor over John Tower's sobriety, some basic ethical concerns have been obscured

BY WALTER SHAPIRO

Morality is simply the attitude we adopt towards people whom we personally dislike.

Oscar Wilde's aphorism comes close to summarizing John Tower's last-ditch defense. Forget the sandstorm of charges swirling around the diminutive former Senator; ignore the serious questions of sobriety, sexual escapades and the sale of Government expertise. To the beleaguered nominee for Defense Secretary, the real issue is the motivation of his judges in the Senate, who he implied were hypocrites pursuing the partisan politics of personal pique. "Is it an acceptable standard for Senators late in the evening who've had a few drinks... [to] vote on vital issues of nuclear deterrence?" Tower asked with rhetorical venom. "Is it an acceptable standard for Senators to accept honorariums, PAC contributions and paid vacations from special interests?"

Tower is enough of a realist to recognize that his chances of confirmation are not much better than the odds that Breathalyzer will be installed in the Senate cloakroom. But his argument serves as a deft reminder that there are also Senators whose alcoholic and amorous behavior might not stand sustained scrutiny. There is just enough merit to Tower's who-is-fit-to-judge-whom bluster to accentuate the confusion over the proper standards of conduct for public officials.

Ethical posturing is fast becoming the Washington version of the old radio show *Can You Top This?* Tower, of course, was a major contributor to the piety on parade with his melodramatic vow that he would resign as Defense Secretary if a drop of liquor ever touched his lips.

But Tower's just-say-no theatrics pale in comparison with the price paid by Louis Sullivan, who was approved last week as Secretary of Health and Human Services. To avoid possible confirmation complications, Sullivan renounced all claims to nearly \$500,000 in severance pay and deferred compensation legally owed him by the Morehouse School of Medicine. Even Senate Democrats wondered aloud if Sullivan's excessive concern with appearances did not overstep the bounds of financial prudence.

Meanwhile, George Bush's ethics commission solemnly debated whether a top Government official should be entitled to royalties if he composed a hit song in his spare time.

Small wonder that fashionable opinion in Washington is now having second thoughts about this sudden overdose of ethics. Take Bush, who in late January declared that his commitment to the highest ethical standards "is not, believe me, a fad or some passing fancy." Of course, this was before Tower began to crumble and it was discovered that Secretary of State James Baker owned an estimated \$29 million worth of Chemical Bank stock while he was Treasury Secretary with policymaking influence over the treatment of the bank's shaky Third World loans. These days the President sounds less like a patrician reformer as he muses aloud, "I hope I haven't created something that just carries things too far."

It is easy to parody the overzealous quest for purity in Government and depict an Administration where top officials file disclosure forms each time they purchase an imported VCR at K mart. But it is also sobering to recall the taint that the "sleaze factor" left on the Reagan Administration and the nation's faith in Government integrity.

So the question remains: How clean a regime in Washington should Americans demand? It is difficult to extract general rules of conduct from the Tower inferno because so many of the facts remain in dispute. Certainly America cannot afford a Defense Secretary with an untreated drinking problem. The issue is how closely this description fits Tower. There are also legitimate concerns raised by the widespread, but not unequivocally documented, tales of Tower's predatory behavior toward women. If true, the allegations of sexual high jinks seem to reflect a pattern of reckless and perhaps unbalanced behavior that should disqualify Tower for such a sensitive post.

These sensationalized aspects of the Tower battle are riveting, but they distract from far more universal questions about the conduct of public officials.

The reason ethics in Government seems so tiresome is that the goal has become obscured in a legalistic fog of disclosure requirements, recusations and blind trusts. Lost in the mist are common-sense standards for integrity in Government like these:

The Nation Can Demand Sacrifices for Public Service. Few deny that top Executive Branch officials are underpaid. Money, however, is but one measure of compensation for serving at the highest levels of Government; there is also a huge premium to be derived from fascinating work, public recognition and perhaps even the chance to shape history. This is why it is disturbing that the President's ethics commission last week kicked the issue of limits on outside earned income for top officials to Congress, an institution not known for its ethical sensitivity.

Second Trips Through the Revolving Door Are Dangerous. Tower left the arms-control talks in Geneva in 1986 with the clear sense that after 25 years in public office, it was now time to get rich. With this sense of entitlement, he promptly lined up more than \$750,000 in consulting work with six leading defense contractors. To believe Tower, he provided them with little more than the "enlightened judgment" they could just as easily get from reading the papers and dropping by a few academic think tanks. If true, it appears that Tower was vastly overpaid for his services, and it is troubling to contemplate what he now owes his benefactors.

Tower's problems in this area are far from unique. National Security Adviser Brent Scowcroft returned to Government after advising foreign clients as vice chairman of Henry Kissinger's international consulting firm. Largely because Scowcroft is a noncontroversial official serving in a post that does not require Senate confirmation, there has been scant debate over the propriety of his prior business entanglements. Such quiet acceptance is not likely to be the fate of Lawrence Eagleburger, who became president of Kissinger Associates in 1984, after 27 years in Government. About to be nominated as Deputy Secretary of State, Eagleburger is expected to face a grueling confirmation battle revolving around the firm's globe-girdling client list that touches everything from Middle Eastern oil to Third World debt. Granted, Eagleburger

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Scowcroft's '88 Income Was \$500,000

By Charles Babcock
Washington Post Staff Writer

Brent Scowcroft, President Bush's national security adviser, received more than \$500,000 in income last year, nearly \$300,000 of it from consulting for former secretary of state Henry A. Kissinger, according to his financial disclosure statements.

In a March 7 memo to White House counsel C. Boyden Gray, Scowcroft said he would place his extensive stock holdings in a blind trust and authorize the trustee to sell stock in companies whose business might conflict with his duties. In the interim, he said, he has recused himself from matters affecting about 70 entities, including Kissinger's firm and several defense contractors.

He added that he planned to seek a conflict of interest waiver "with respect to any of my interests that are not so substantial as to affect my actions in matters involving broad policy issues."

In the memo, Scowcroft noted that under his consulting contract with Kissinger Associates, "I worked for the company, not directly for its clients Because of this contractual relationship, Dr. Kissinger denied my request for a list of the clients for whom I worked."

Another Kissinger colleague, former undersecretary of state Lawrence S. Eagleburger, is Bush's choice to be deputy secretary of state. He reported that as president of Kissinger Associates, he received more than \$900,000 in salary, bonuses and severance pay and will receive \$197,121 more in July.

Eagleburger disclosed he was directly involved with 15 Kissinger clients, including Coca Cola, Fiat, Daewoo Corp., Union Carbide, Volvo, Midland Bank, Ericsson and H.J. Heinz.

Scowcroft reported receiving consulting fees of \$293,300 from the Kissinger firm, \$50,000 from the National Council for Peace and Security Study, and \$16,843 from Lockheed Corp.

He also reported director's fees of more than \$60,000 from seven companies, including the Rand Corp., Mitre, Aerospace Corp., DBA Systems and the National Bank of Washington.

Scowcroft earned more than \$50,000 more in speaking fees from several companies, think-tanks and colleges. The largest was \$19,623 from TRW, another large defense contractor.

In addition, the disclosure statement shows that he received more than \$85,000 in dividends, interest and the sale of his share in a real estate partnership. Scowcroft listed two liabilities. One was an investment loan of between \$150,000 and \$250,000 from Crestar Commercial Loan Services of Richmond, which he paid off in December. In the other, he was a guarantor for \$208,334 of a \$2.5 million loan on behalf of American Equity Investors, one of his holdings.

It is difficult to pinpoint the size of Scowcroft's business holdings because values need only be reported within a range of figures. His largest holdings, valued at "over \$250,000" are in Marine Midlands Bank and stock in General Electric and DBA Systems, Inc. of Melbourne, Fla., which manufactures and services defense products. He reported receiving at least \$15,000 in interest and dividends each from Marine Midlands and GE.

He said he earned less than \$100 in dividends from his extensive DBA Systems stock.

The statement says Scowcroft sold a vacation residence in Palm Springs, Calif., last year and also sold his partnership interest in NLS of Washington for \$25,000. In his memo to Gray, Scowcroft said NLS stands for "Never Lose Syndicate."

Brady Debt Plan Faces Rough Road

Question Now Is Whether Proposal Will Improve 7-Year-Old Crisis

By Paul Blustein
Washington Post Staff Writer

On Friday morning, about two hours before Treasury Secretary Nicholas F. Brady unveiled his new proposals on the Third World debt at a private conference, a former State Department official warned the audience: Brady's speech had better be good.

All across Latin America, hopes had been raised—"remarkably and precipitously"—by press reports that Brady would offer new approaches to ease the financial burden facing debtor nations, William D.

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Rogers, the ex-State Department official, told the conference. It could be disastrous to dash the hopes of impoverished Latins, Rogers said, adding ominously: "Desperation mixed with expectation is a volatile brew."

Brady delivered—on a theoretical level, at least.

His proposals represented an important philosophical shift toward meeting the demands of Latin American leaders, who have been calling for a new U.S. emphasis on shrinking the amount of their nations' debts instead of piling new loans on top of old.

The Treasury chief urged that

banks voluntarily reduce the principal or interest charges on their loans to Third World countries, and he suggested marshaling the resources of the International Monetary Fund and World Bank to make such deals attractive to banks—by guaranteeing part of the remaining principal or interest, for example.

Now the question is whether Brady can deliver in a practical sense—whether the approach that he outlined will produce a genuine improvement in the debtor countries' economic fortunes and a satisfactory resolution of the seven-year-old debt crisis.

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BRADY DEBT PLAN...

On that score, there are plenty of doubters, not only among outside experts but also among some top government officials, such as National Security Adviser Brent Scowcroft and Federal Reserve Board Chairman Alan Greenspan. They worry that the "Brady Plan" wouldn't work for a variety of reasons—most notably that it won't provide enough financial benefits to debtors, and won't adequately encourage them to adopt badly needed economic reforms.

The debt-reduction approach, if not properly managed, "could be hazardous to the economic health of debtors and creditors alike," said former Fed chairman Paul A. Volcker, echoing a view widely held at the central bank. Latin American leaders reacted more warmly to Brady's speech, but voiced fears that its lack of concrete financial detail might reflect a U.S. reluctance to commit sufficient resources to the problem.

Treasury officials reply: Watch what we do, not just what we say. They observe that Brady described his proposals merely as "ideas and suggestions," and they say that the hard numbers underlying his plan will emerge as individual debtors—probably starting with Mexico—strike debt-reduction agreements. The benefits for all parties, they assert, are potentially vast.

But even the Brady Plan's sympathizers within the government warn that it is no panacea, and that debtor countries in Latin America and elsewhere still face a bumpy road ahead. "The problem wasn't created overnight," said one administration official, "and it's not going to go away overnight."

Nearly all the involved parties, even the hundreds of banks from industrial nations that are owed over \$280 billion by troubled debtor nations, agree that the debt problem requires a fresh approach.

The current U.S. strategy, known as the "Baker Plan," has failed to achieve its basic objective of induc-

ing the banks to provide substantial amounts of new loans to debtor countries that agree to streamline their economies. The banks have lent little more than the amount needed to ensure that they continued to receive interest payments.

Meanwhile, per-capita national income in Latin America has fallen about 10 percent since 1981, and nationalistic political movements of both the far left and far right are gaining strength in country after country. Latin American leaders protest that they can't possibly turn their economies around under the current circumstances, in which about \$30 billion is flowing northward to their creditors each year, mostly in the form of interest payments, instead of being plowed into productive investment.

But it's far from clear that the Brady Plan would erase that \$30 billion transfer, or ameliorate the social unrest in Latin America.

In the first place, the plan would apply only to countries such as Mexico and Venezuela that agree to adopt politically painful measures aimed at eliminating costly subsidies and reducing budget deficits. Ac-

cording to administration sources, Scowcroft has voiced concern that the left-out countries would be more likely to radicalize and repudiate their debts.

More generally, Scowcroft, Greenspan and other officials, including Michael J. Boskin, chairman of the Council of Economic Advisers, "just don't see how this thing hangs together financially," said one government source.

Greenspan, in particular, is said to be skeptical that debt reduction offers an effective way of giving debtor countries the capital they need; he believes it is much better to give debtors new loans where possible. The Fed chairman and his staff fear that it will be nearly impossible to entice any new loans once banks have agreed to take writeoffs.

Other officials have questioned whether the debtors would feel that the financial rewards offered by the Brady Plan make participation worthwhile. This concern has been echoed by a number of outside experts, who point out that the proposed use of IMF and World Bank funds would divert resources from other forms of assistance that the debtors need.

To such objections, Treasury officials retort that there are billions of dollars in untapped resources held by the IMF and World Bank. And although "there would clearly be some shifting of monies from one pocket to the other under this proposal," said one senior department official, the resources could be better used, especially if they were applied toward reducing the debtors' burdensome annual interest payments.

Moreover, the senior Treasury official noted, the Brady Plan envisions new lending by Japan to assist debtors. And although the department agrees that additional new lending by banks would be desirable, "they are clearly increasingly reluctant to do it," he said.

Still, nobody is pretending that the problem has been solved. On the debt issue, said Volcker, "There is no magic elixir."

David S. Broder

Good News Cheney

Here are three things to understand about Rep. Dick Cheney (R-Wyo.), which will explain why President Bush made such a superb choice in naming him as secretary of defense following the John Tower fiasco. Cheney is smart, he is tough and he is totally trustworthy.

Put those qualities together, and you have a man who will bring real strength and rare judgment to the administration. At 48, Cheney already has proven himself exceeding competent in both the executive and legislative branches of government, performing admirably as President Ford's White House chief of staff and then rising in very few years to the second-

ranking leadership position of House Republicans.

His brain is as good as anyone's in town, and he is totally unafraid to voice his convictions in any company. From the time I first encountered him as a University of Wisconsin Ph.D. candidate working on the staff of an equally brainy young congressman, the late Bill Steiger, he has displayed qualities that command the respect of people much older than he is—and often of very different policy views.

Though he is a conservative by conviction and a staunch partisan Republican, he is admired by dozens of Democratic colleagues. He has a particularly close relationship with House Majority Leader Tom Foley (D-Wash.), a man of similar talent and temperament. Like Foley, Cheney plays down his own importance and conceals his shrewdness behind an engaging western humor.

Cheney and his wife, Lynne, the head of the National Endowment for the Humanities, are perhaps the most literate couple in town, individually turning out highly readable essays and, jointly, a fine book on leaders of the House. But Cheney's true calling is government, and in that field there are few better.

Although Cheney's career roots are in Congress, his viewpoint is almost

always that of a president's man. No one fought harder during the post-Watergate period and in the Iran-contra affair against measures he thought would inhibit future presidents from exercising their full powers as commander in chief and negotiator in chief. An essay Cheney wrote for an American Enterprise Institute conference this week, on what he calls "congressional aggrandizement" in the national security area, criticizes "aggrandizers" as varied as Sen. Jesse Helms (R-N.C.) and Speaker Jim Wright (D-Texas) and doubtless will provoke questions at Cheney's confirmation hearings.

But Cheney is totally consistent in his view, favoring a strong president—even if it's a Democrat. He told reporters in a 1987 interview that he would far rather see the Democrats nominate Sen. Sam Nunn (D-Ga.), the Armed Services Committee chairman and architect of Tower's defeat, than "a governor with no foreign policy experience," like Massachusetts' Michael Dukakis. Nunn would have a far better chance of beating the Republican nominee, Cheney allowed. But that was more than offset, in his view, by the prospect that if Nunn won, the nation would get what he considered a highly qualified president.

The Cheney nomination demonstrates, once again, that George Bush

has quick recuperative powers and the ability to do well with his second efforts. Bush showed that earlier by winning the presidency on his second try and, in that second effort, recouping in New Hampshire what he had lost in the opening contest in Iowa.

Recovery skills are about as useful a trait as a president can possess. No way will the occupant of the Oval Office go through four years, or eight, without bumping into adversity. The ability to come back from such a blow, to shake off the aftereffects and think clearly about what needs to be done, is what distinguishes the political survivors from those who contribute, willy-nilly, to their own political demise. Bush is a survivor.

In choosing Cheney, Bush has completed what may well be the most skilled, politically sophisticated trio of national security officials Washington has seen in decades. Along with Secretary of State James A. Baker III and national security adviser Brent Scowcroft, Cheney forms a team of highly competent, compatible lieutenants, with the capacity to adjust policies to a changing world and defend those policies in the domestic political arena.

Scowcroft is the old pro of the trio, the retired general who served as deputy to Henry A. Kissinger and then

established his own model of reticence, probity and professionalism in the national security adviser's post under President Ford.

Baker is the old smoothie in the bunch, the well-bred Texan who can deflect criticism as deftly as he can maneuver to reduce the opposition to impotent frustration. He is the consummate operative, perhaps the most impressive unelected official the capital has seen since Clark Clifford.

In terms of personal chemistry and past history, I cannot recall any match-up of men in these jobs that promises as much compatibility and teamwork as these three. Cheney and Scowcroft worked side by side in the Ford White House; Cheney and Baker were the twin strategists of Ford's courageous 1976 campaign, which turned a looming landslide defeat into a breathlessly close finish.

The country is lucky to have them working together again.

Sihanouk's Cambodian Force Is Asking U.S. for Arms Aid

Country's Situation Seen at Critical Stage

By Don Oberdorfer
Washington Post Staff Writer

Prince Norodom Ranariddh, military commander of the Cambodian force headed by his father, Prince Norodom Sihanouk, has been asking the Bush administration in a series of meetings this week to provide military aid for the first time as the Cambodian situation reaches a critical stage.

Administration officials said an increase in funds is being considered for the Sihanouk force and for another armed group of the noncommunist resistance. But no decision has been made to provide lethal U.S. aid, officials said, though the question is said to be under study.

Despite some reports to the contrary, Ranariddh said in an interview, no military assistance of a lethal variety has been received from the United States. However, he argued that providing such aid "would make a big difference" militarily as well as politically.

Ranariddh said a "force development plan" that has been established for his movement calls for a large increase in Sihanoukist troops from the present level, estimated by U.S. officials at 18,000, to about 30,000 troops by the end of this year. The purpose is to put these forces in a better position to compete effectively with the Khmer Rouge, which is estimated to have 30,000 to 40,000 troops, and the Vietnamese-backed Phnom Penh army, with an estimated 40,000 to 45,000 troops.

An allied noncommunist group headed by former prime minister Son Sann claims to have about 12,000 troops.

Ranariddh said his forces have arms for only about 15,000 troops, far less than the army projected for the end of this year. He said the Chinese government has promised to supply arms for an additional 2,000 troops.

In addition to a greater quantity of weapons, Ranariddh said his forces need more sophisticated arms, such as missiles and anti-aircraft weapons, including Stingers.

Provision of additional weapons from the United States would give a political as well as military boost to the noncommunist camp in Cambodia, according to Ranariddh. "Our people would for the first time believe us," Ranariddh said. Most of his forces are armed with communist-made AK47 assault rifles, the same basic weapon used by the Khmer Rouge and Phnom Penh forces, which he said suggests to the Cambodian populace that the Sihanoukist force may not be very different.

While at the White House Monday to meet national security adviser Brent Scowcroft, Ranariddh was summoned for a brief meeting with President Bush. According to Ranariddh, Bush said he wanted to express full U.S. support for the noncommunist cause in Cambodia. "I did not dare to ask what kind of support" Bush had in mind, the Cambodian said.

Amid Praise for Eagleburger, Ties to Kissinger Clients Questioned

By Don Oberdorfer
Washington Post Staff Writer

Deputy Secretary of State-nominee Lawrence S. Eagleburger provided a rare glimpse yesterday of the extensive consulting business of former secretary of state Henry A. Kissinger, but not enough to immediately satisfy two members of the Senate Foreign Relations Committee.

Hearings on Eagleburger's nomination, which drew unusually strong praise from committee members of both parties, were continued at least until today because of reservations by Sens. Jesse Helms (R-N.C.) and Paul S. Sarbanes (D-Md.) about the governmental consequences of Eaglebur-

ger's relationship with Kissinger's New York consulting firm.

Eagleburger, who was an aide to Kissinger in the White House and State Department and later served as assistant secretary of state and undersecretary of state in the Reagan administration, was president of Kissinger Associates from 1984 to 1989. Last year Eagleburger received more than \$900,000 from the firm in salary, bonuses and severance.

Eagleburger told the committee he has severed his connections with the Kissinger firm and all other business interests and sold all his stocks. He also agreed to take no part in any consideration as deputy secretary of any matter involving the Kissinger firm, an affiliate named Kent Associates or ITT

Corp., of which he was a director and from which he will receive a pension at age 65. He is now 58.

Eagleburger also agreed to take no part for at least a year in considering any matter involving 15 Kissinger Associates clients for whom he specifically worked to a value of more than \$5,000.

Citing secrecy policies of the Kissinger firm, however, he proposed to take no special action about an unnamed group of other Kissinger clients, believed to number about 15, for which he did little or no work. Eagleburger's past connection with these firms and the question of a possible move to recuse himself from any governmental consideration involving them are the issue with Helms and Sarbanes,

Most committee members, though, appeared to be enthusiastic about the nomination of Eagleburger, who if confirmed will be the most experienced member of the top State Department policy-making team.

"I find it amazing that we are tying ourselves in knots on these questions of conflict of interest, which seem to me to not be pertinent to policy shaping," said Sen. Nancy L. Kassebaum (R-Kan.). Last week she was the only Republican to vote against confirmation of John Tower as secretary of defense, citing Tower's lack of sensitivity to "issues of conflict of interest, the role of consultants and the revolving door."

Sen. Richard G. Lugar (R-Ind.)

calling Eagleburger "this remarkable candidate" whose confirmation is "absolutely essential" to the success of this presidency" in foreign affairs, expressed the hope that Eagleburger's confirmation "in no way becomes a debate about the merits of Henry Kissinger."

Sen. Joseph R. Biden Jr. (D-Del.), saying "welcome back" to government, praised Eagleburger's intellect and integrity and described him as one of a rare breed of State Department officials with "a little bit of vision . . . the capability beyond pragmatism."

Sen. Gordon J. Humphrey (R-N.H.), however, began by asking if Eagleburger "ever drank anything stronger than warm milk" and whether he "ever in public or private pinched a woman's behind." Eagleburger pleaded guilty to the first but answered in the negative to the second.

Describing the extraordinary secrecy of Kissinger's firm, Eagleburger's attorney, William D. Rogers, who is also a board member of Kissinger Associates, said there is "a very strict and clear confidentiality commitment" between the firm and its clients that neither would disclose anything about the discussions between them or even that the client relationship exists.

Eagleburger said Kissinger clients typically pay a fixed annual fee for their top management to meet several times a year for discussions lasting a day or two on international political, economic and security trends—ranging from Soviet affairs to the price of oil. Until they were recruited for top jobs in the Bush administration, Kissinger's principal associates were Eagleburger and retired Lt. Gen. Brent Scowcroft, now White House national security adviser.

Eagleburger began his testimony with a 12-page statement on the issues facing U.S. foreign relations that brought praise for its candor and insight from several committee members.

Cheney freezes past panel, but Tower hurricane lingers

By Paul Bedard
THE WASHINGTON TIMES

WT 3/17 A-1

The Senate Armed Services Committee voted 20-0 yesterday to approve Defense Secretary-designate Dick Cheney, and cleared the way for full Senate confirmation today.

While Mr. Cheney, the House GOP whip, was on a fast track for confirmation, some Republicans pledged yesterday to seek changes in the process because of what they see as the Senate's unfair treatment

of John Tower, President Bush's first choice for the defense post.

The committee voted 11-9 along party lines to reject Mr. Tower.

"When you go through a fiasco like that, don't you learn some things? What did we learn? What are we going to do to avoid that kind of unseemly process in the future?" said Sen. Trent Lott, Mississippi Republican.

"Where are the standards?" asked Mr. Lott, who hit the committee leadership for hyping allegations of drunkenness and womanizing prior to the Senate's 53-47 rejection of Mr. Tower on March 9.

"This is a very loose operation," he said, also pointing an accusing finger at the committee's ranking GOP member, Sen. John Warner of Virginia.

Mr. Lott's comments came in an interview just minutes after Mr. Cheney was approved.

In recommending confirmation of the conservative Wyoming lawmaker, committee Chairman Sam Nunn said: "Congressman Cheney, I believe, is highly qualified. ... His high standards of personal conduct and integrity will in my view help restore public confidence in the integrity of defense management."

"We're very pleased with the vote," White House spokesman Marlin Fitzwater said in Houston, where he was traveling with Mr. Bush. "We look forward to an expedient vote in the full Senate and we expect he will be confirmed just as overwhelmingly there."

Mr. Cheney, who has carefully avoided speaking to reporters until his final Senate confirmation, had no comment on the committee's vote.

Senate Majority Leader George Mitchell of Maine said the Senate will vote on confirmation today.

Mr. Cheney was picked a week ago today. White House and congressional sources said he was championed by Mr. Bush's chief of staff, John Sununu, and National Security Adviser Brent Scowcroft, who contributed \$500 to Mr. Cheney's 1988 re-election effort.

While the Armed Services Committee spent weeks investigating the

Unlike Mr. Tower, Mr. Cheney has no links to military contractors, senators said.

And while all senators were urged to read the thick and lurid FBI background check of Mr. Tower — a report composed of unsworn allegations made to nearly 40 agents — only Mr. Nunn and Mr. Warner read the report on Mr. Cheney.

The committee's report recommending confirmation concluded that "Rep. Cheney has exhibited the highest standards of integrity and honor."

The only tough questions Mr. Cheney faced during the hearings were about his limited defense experience and his lack of military service.

The committee said in its report that the congressman's experience as White House chief of staff under President Ford, his House GOP leadership position, his membership on the Select Committee on Intelligence and his role on the Iran-Contra panel give him "substantial expertise on national security and intelligence issues."

The report did not comment on the student and parental deferments that kept Mr. Cheney out of military service during the Vietnam War.

Mr. Cheney supports the Strategic Defense Initiative — the program for a space-based missile defense — favors greater European contributions to NATO, and has backed production of both the multi-warhead MX and single-warhead Midgetman nuclear missiles.

The biggest challenge immediately facing him is how to trim the defense budget.

Mr. Bush has ordered the Pentagon to trim \$6.3 billion from the \$315.2 billion fiscal 1990 defense budget submitted to Congress by

President Reagan before he left office in January.

Yesterday, the Senate Armed Services Committee gave preliminary approval to Mr. Bush's plan to freeze defense spending this year and hold growth in the following two years to 1 percent above inflation.

Mr. Lott said he and his allies on the panel wanted to seek changes to the nomination process prior to the consideration of Mr. Cheney, "but we didn't want to do anything to delay the quick confirmation of Dick Cheney."

He was critical of the FBI reports used by Mr. Nunn and others to reject Mr. Tower.

Referring to conflicting unsworn testimony, the freshman senator asked: "When do you bring [witnesses] in and swear them in and resolve those conflicts? Or do you resolve them? And if not, isn't that a pretty shoddy way to do business?"

In Houston, Mr. Bush also criticized the Senate's investigation of Mr. Tower, saying, "I think there are intrusions into people's lives that go beyond the public trust or go beyond one's ability to serve. ... I don't like it."

Mr. Lott said the committee shouldn't take for granted Mr. Nunn's and Mr. Warner's interpretation of FBI background reports.

"Where's my responsibility ... just to accept carte blanche what the chairman and ranking member says?" he asked.

"I keep going to meetings, participating in events that either don't make sense or don't seem to be fair or are very haphazard, and I keep saying 'Why is this?' And they keep saying it's the way we've done it and I say that ain't good enough."

Wash Times
3/17

On the Second Shot, a Straight Arrow

Dick Cheney is perhaps the only good thing to come out of the John Tower mess. The six-term Wyoming Congressman and new Defense Secretary-designate is many of the things Tower was not: a gentlemanly lawmaker whose low-key style belies his tenacity; a conservative who wins plaudits from colleagues in both parties; a straight arrow whose spotless personal history includes a 25-year marriage to his high school sweetheart Lynne Cheney, 47, head of the National Endowment for the Humanities. Cheney, 48, even passes the all-important Sam Nunn character test. The Georgia Democrat hailed him as "a man of honor and integrity."

Just as important, he is an old friend of George Bush's—a key asset in this presidency—and has ties to two other Administration power centers. While serving as Gerald Ford's White House chief of staff in 1975 and '76, Cheney worked alongside Brent Scowcroft, then as now the National Security Adviser, as well as Bush's Secretary of State James Baker, who ran Ford's 1976 presidential campaign.

After Ford's defeat, Cheney returned to Wyoming, where in 1978 he won election to the state's sole congressional seat. His path to the Senate has been blocked—Wyoming has two entrenched Republicans in Malcolm Wallop and



Dick Cheney with his old friend—and new boss. His relationships with Bush, Baker and Scowcroft may be his key assets

Alan Simpson—so Cheney has concentrated on climbing the House leadership ladder. Voted minority whip last December, he was considered a likely successor to minority leader Bob Michel. He defended the Reagan Administration during Congress's 1987 Iran-*contra* investigation and joined several G.O.P. colleagues in a harsh dissent from the panel's final report.

Cheney's principal drawback is his health. He had his first heart attack during his initial congressio-

nal campaign, and two more followed before he underwent bypass surgery last August. Cheney—who said last week that he got his cardiologist's O.K. to take the Pentagon job—generally shrugs off questions about his condition. "Some people are short, fat and ugly," he told the Casper (Wyo.) *Star Tribune* last year. "I happen to have coronary-artery disease."

His other shortcoming is a lack of experience: though he spent five years on the House Select Committee on Intelligence, he has never been a member of the Armed Services panel, has never performed military service or worked at the Pentagon. But in the wake of the Tower tempest, lawmakers on both sides of the aisle anticipate a quiet and speedy Senate review. "This time it will be a confirmation," said Senate minority leader Robert Dole, "not an execution." ■

DIANA WALKER

Cheney Pledges Swift Action On Pressing Defense Issues

JOHN D. MORROCCO/WASHINGTON

Defense Secretary-designate Richard B. Cheney pledged to assemble a Pentagon team quickly to confront policy and budget issues held in abeyance during the prolonged confirmation fight over John G. Tower.

In marked contrast to the partisan controversy surrounding Tower's suitability, Cheney's nomination was greeted with praise last week from both Republicans and Democrats. Sen. Sam Nunn (D-Ga.), who led the Democratic opposition to Tower, said Cheney was "highly qualified" for the job. "His high standards of personal conduct and integrity will help restore public confidence in the integrity of defense management," Nunn said.

President Bush's nomination of the Wyoming congressman was unanimously approved by the Senate Armed Services Committee last week. The vote came less than a week after Bush selected Cheney, the second-ranking Republican in the House, to replace Tower for the Pentagon post. After it received the committee's recommendation, the full Senate was expected to vote last Friday, probably unanimously, to confirm Cheney.

Nunn said he foresaw no opposition to Cheney's nomination. "We found nothing in the financial report, nothing in the FBI report, nothing in our questioning of him that would in any way interfere with his ability to be secretary of Defense," the committee chairman said.

Cheney, who underwent a quadruple

coronary bypass operation last August, provided a statement from his doctor declaring him mentally and physically fit for the job.

At his confirmation hearing Mar. 15, Cheney said his first priority would be to get his team in place at the Pentagon, noting there will be some "fundamental changes in personnel." He said that his management style would emphasize a "team approach."

Cheney said Donald J. Atwood, the General Motors vice chairman selected to serve as deputy Defense secretary under Tower, has agreed to continue in the job. Cheney gave no indication of whom he would pick to fill other top Pentagon posts, however, leaving the fate of a number of Tower supporters uncertain.

Other priorities Cheney set forth were resolving major questions on strategic modernization, the future of the Strategic Defense Initiative, acquisition reform and the immediate problem of cutting \$6.3 billion from the Fiscal 1990 Defense budget. In response to a question from Nunn, Cheney said he would prefer that the revised defense budget include funding cuts for Fiscal 1991 as well. He said there is a debate within the Pentagon on whether the revised budget proposal should cover reductions in both fiscal years.

Nunn said that in light of recent delays, the committee would be receptive to moving back the Apr. 9 date for submission of the revised budget to Congress. He said the same leeway would apply regarding the Administration's strategic review and

defense management review due to Congress on May 9.

During his confirmation hearing, Cheney warned Congress against making reductions in military spending or force levels in reaction to Soviet arms control initiatives and the promise of internal reforms.

Cheney said that although his initial skepticism of Soviet leader Mikhail Gorbachev's commitment to reforms had waned, it would be a "grave mistake" for the U. S. to assume it can reduce its military capabilities. There is a real danger that the perception of change in the Soviet Union will exceed the reality of change. Although recent Soviet moves, including the Intermediate Nuclear Forces treaty, hold promise for further accords, "we have to be very cautious," Cheney said. "It is very important that we not fall into the trap of answering to the offer of the week."

Although a staunch supporter of SDI in Congress, Cheney struck a moderate tone during his confirmation hearings. He argued that the program should be continued, but noted that the level of funding was "open to question."

Similarly, he refrained from voicing a preference between the rail-mobile MX and the road-mobile Small ICBM, although he did stress the need to move to mobile basing for U. S. ICBMs. "I will be a strong advocate of mobility," he said. "I think it is vital."

Cheney declined to make any judgments on a number of major defense issues until he has studied them further. He confessed he has a lot of homework to do on a number of issues, including conventional forces modernization, SDI and what he termed the "daunting" issue of

Pentagon procurement reform. His congressional voting record reveals, however, a staunch conservative who has voted consistently for major weapons systems and against arms control proposals.

The six-term Wyoming congressman supported the initial Reagan defense buildup and voted against defense budget restrictions later in Reagan's term. He has opposed limits on antisatellite weapon testing and U. S. compliance with the unratified SALT 2 Treaty. He supported increased budgets for SDI (including early deployment), the B-1B bomber, rail-garrison basing for the MX missile and the single-warhead Small ICBM until the Air Force recommended the program be canceled due to budget constraints.

Cheney, 48, came to Washington in 1968 and served in a series of jobs in the Nixon White House. When Nixon resigned in 1974, Cheney headed Gerald Ford's transition team and later became his chief of staff. As such, he served with two other Ford assistants who now hold key positions in the Administration—Bush's national security adviser, Brent Scowcroft, and Secretary of State James A. Baker, 3rd.

Cheney is expected to work closely with Scowcroft, who is engineering the Bush Administration's national security review. A critic of congressional meddling in national security matters, Cheney is expected to defer to the White House on major policy decisions.

While he has far less defense experience than Tower, Cheney served for four years on the Select Intelligence Committee, a post that gave him a broad background in a number of defense-related fields. Cheney cited antisubmarine warfare and strategic issues as his areas of greatest strength.

The Bush-Ford Tie

OUT on the golf course near his Rancho Mirage, Calif., home Jerry Ford doubtless is chuckling these days. He's seeing his short-lived presidency being given new life.

George Bush is at the helm, Brent Scowcroft at Bush's side, James Baker at State, and now Richard Cheney taking over at Defense. The President and these three key appointees obviously comprise the power nucleus of this new administration. And they were all part of Mr. Ford's team — all of them his "boys."

Under President Ford these men held key positions. Mr. Bush headed the Central Intelligence Agency; Mr. Cheney was chief of staff; Mr. Scowcroft was, as he is now, national security advisor; and Mr. Baker, after serving high up at Commerce, became Ford's top political advisor and campaign shaper in 1976.

Later, in President Carter's administration, they tried to persuade Ford to run again. In fact, Baker who had become Bush's campaign aide and strategist, told me back in the winter of 1975-76 that Bush's early campaigning was to hold the ground for a later Ford entry. When Ford decided otherwise, Bush stayed on — to win Mr. Reagan's grudging respect and become Reagan's choice for vice-president.

Somehow it has been forgotten where Bush's allegiances really were — and are. Because of his loyalty to President Reagan, Bush has become in the eyes of the media and the public a 100-percent "Reagan man." The two became good friends and

worked closely together. But Reagan's GOP political roots go back to Goldwater conservatism, even back to Robert Taft. And Bush's basic philosophy goes back to Dwight Eisenhower and a more moderate point of view. That's where Ford fits, too.

Remember how the Republican right wing expressed its distrust of Vice-President Bush and Reagan's chief of staff, James Baker? They called them "liberals" and charged them with "capturing" President Reagan.

Bush and Ford confer frequently, and Ford (and Baker) recommended that Bush choose Cheney. No doubt, Ford has been bending Bush's ear on taxes, too. He's doubtless telling Bush that he must cut, cut, cut expenditures — but, having done so, he must find some way of raising revenue. And Bush, despite his pledge not to raise taxes, is doubtless listening to his old boss.

Bush really isn't a believer in Reaganomics. Evidently he tried to live at peace with Reagan's economic concept in order to keep peace with his President. But deep Bush probably is ready to accept some kind of revenue enhancement — perhaps next year if not in 1989 — if he can't trim existing programs enough to make a substantial dent in the deficit.

At breakfast the other morning James Sasser, chairman of the Senate Budget Committee, said that in private talks with Office of Management and Budget head Richard

Darman he had found that Mr. Darman had a "private" view on taxes that differed with his public statements. He also found Darman willing, at some point, to look at the possibility of finding new revenue. Darman later denied this. But the memory in this city is of David Stockman, holding private misgivings about Reaganomics while he pushed through Reagan's tax cuts.

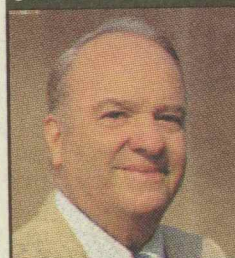
So on economics Bush will probably be traditionally conservative — just like Eisenhower and Ford. And on other domestic subjects he will likely be more "moderate" or even "liberal" than Taft and Reagan — more like an Eisenhower or a Rockefeller. Ford was around too briefly to be able to show much of his moderate side, although it was always there.

Forgotten over the years is Eisenhower's ability to pull a respectable amount of support from blacks. In Chicago he took away a surprising number of votes from Adlai Stevenson in both 1952 and 1956. Blacks didn't find Ike threatening.

So when Bush reaches out to blacks and minorities and talks of trying to be a president of all the people, it is really nothing new in the Republican Party. It began, of course, with Abraham Lincoln. But it has lived on with the Eisenhower line of the GOP — of which Bush is a direct descendant.

■ Godfrey Sperling Jr. is the Monitor's senior Washington columnist.

GODFREY
SPERLING JR.



A night of quips and wits

WJ
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Parts of the Radio & Television Correspondents' Association's 45th annual dinner Thursday at the Grand Hyatt were greater than its whole.

■ "He's with me. What better excuse?" — **Marilyn Quayle**, providing tongue-tied dinner partner **Pat Buchanan** with a reason why he attended the black-tie event.

■ "I already have a reputation for that" — Mrs. Quayle, when complimented on her "rescue."

■ "It was one of the toughest decision's Marilyn's ever made" — Vice President **Dan Quayle's** punch line in relating his indecision about attending the event.

■ "Peeking over your shoulder at the bar exam" — Mr. Quayle on how he met Mrs. Quayle.

■ "Sitting up here and witnessing your conduct throughout the evening, I realize that most of you do not aspire to be secretary of defense" — Mr. Quayle.

■ "I think [John Tower] got a bum rap. But that's history. We have a new secretary now and I like him" — National Security Adviser **Brent Scowcroft**.

■ "I just saw [Defense Secretary] **Dick Cheney** soused at the bar" — political satirist **Mark Russell** on the funniest thing he's seen all night.

■ "Shut off all taxi service to National Airport" — Mr. Cheney, in a skit with The Capitol Steps on how to deal with terrorists.

■ "You don't know what it's got" — Surgeon General **C. Everett Koop**, in a skit with The Capitol Steps on the perils of dating in the '80s.

■ "I know Mark Russell. I have worked with Mark Russell. And, my friend, you are no Mark Russell" — NBC's **Chris Wallace**, on stage, to The Capitol Steps.



Vice President Dan Quayle

■ "And you're no Sam Donaldson" — a member of The Capitol Steps to Mr. Wallace.

■ "Bryant Gumbel? I said that doesn't work. How about Sam Donaldson? Anything to promote the show" — Mr. Wallace, overheard explaining his contribution to the skit to two young women.

■ "I'm here with my advance man" — Republican National Committee Chairman **Lee Atwater**, referring to Democratic Committee Chairman **Ron Brown**, who was too busy chatting with NBC's **Connie Chung** to respond.

■ "She's a good professional; she's a woman; she's black. I'm committed to those things" — Health and Human Services Secretary **Louis W. Sullivan** on hiring Kay James, former Right To Life public affairs director, to head the public affairs office at HHS.

■ "Just watch. Anybody who says that just hasn't been watching. Who said that?" — Mr. Atwater's response to a comment made by D.C. Chamber of Commerce president **Andrew Bryant** at the Washington Urban League dinner the previous night.

■ "It's probably this generation's 'Manchurian Candidate'" — **Ike Pappas** on "The Package," a movie he just finished making with Gene Hackman.

■ "It's where it's at," he said facetiously — Justice **Antonin Scalia** on why he attended the dinner and how his comment should appear in print.

— Lisa McCormack

Bush Asking for Changes in FSX Deal

Restrictions Sought in Japan's Use of Technology for Fighter Plane

By David Hoffman
and Stuart Auerbach
Washington Post Staff Writers

Senior advisers to President Bush yesterday informed Japan's ambassador to the United States of changes that Bush wants in the controversial U.S.-Japan fighter plane project, administration sources said.

Ambassador Nobuo Matsunaga was called to the State Department for a meeting with Secretary of State James A. Baker III, Defense Secretary Dick Cheney, Commerce Secretary Robert A. Mosbacher and national security adviser Brent Scowcroft, according to a White House official.

The meeting was a sign that Bush had made key decisions over the weekend about placing restrictions on the technology that would be shared with Japan for the design of a new fighter plane called the FSX.

One of these decisions, the sources said, involved a compromise about what are known as "source codes," or blueprints of the computer software used to control the plane and its weapons. The compromise, the sources said, is that sensitive data will be shared for this project but with restrictions

designed to prevent Japan from applying the technology to other aircraft.

This and other modifications to a deal negotiated during the Reagan administration are the result of criticism from Mosbacher and some members of Congress that the United States was giving Japan advanced technology that could help Tokyo develop its civil aviation industry.

However, the deal has been pushed by Defense Department officials and Baker on grounds that it would strengthen U.S.-Japan ties and would provide technological benefits to the United States as well.

On Saturday, Bush held a second lengthy meeting with his senior advisers on the complicated issues involved in the FSX project, which has divided his Cabinet and become the first major foreign-policy decision of his young administration. At an earlier contentious meeting last Wednesday, Bush heard opposing views in which his economic advisers objected to sharing the technology while his defense and foreign policy advisers generally backed the arrangement.

Bush's top advisers reportedly told the Japanese ambassador yesterday that the modifications were necessary to make the agreement

palatable to congressional critics. A spokesman for the Japanese embassy acknowledged the meeting but declined to characterize Japan's reaction.

It could not be determined whether Bush is seeking changes that Tokyo would regard as excessive. Sources said they now expect the White House to announce the Bush revisions later this week, which would give Japan time to study them.

The FSX deal was negotiated after Japan said it wanted to build its own jet fighter but the United States insisted on a joint project. The FSX will be a modernized version of the American F16.

Also yesterday, Bush again expressed desire to reach a compromise on the issue of semiautomatic assault rifles. Speaking to state legislators at the White House, Bush said he is a "proud member" of the National Rifle Association, which has opposed legislation to outlaw the weapons.

"I believe we can find accommodation between the legitimate interest of the sportsman and the interest of the police chiefs in protecting their people who put their lives on the line every single day," Bush said.

Many police groups have called for legislation outlawing semiautomatic weapons, which have turned up increasingly in drug-related violence. Drug czar William J. Bennett has announced a temporary import ban covering 80 percent of the semiautomatics brought into the United States.

White House spokesman Marlin Fitzwater said yesterday that Bush would not expand the import ban while the review is under way.

"We're in very different times now, and I am convinced that reasonable men and women can work together to find an answer to the problem of these automated weapons," Bush said. "I'd like to tell you I think the solution can be found right here and that'll solve it. But that's not true. It's going to be found in various ways out in the states, in my view. ..."

BUSH ASKING FOR CHANGES IN FSX DEAL Restrictions Sought In Japan's Use Of Technology For Fighter Plane

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Wash Post
3/21

NEWARK STAR-LEDGER

23 MARCH 1989

Pg. 23

'Star Wars' debate and tests go on

By DAVID WOOD
Newhouse News Service

WASHINGTON—Shortly after the "Star Wars" program enters its seventh year today, an unmanned missile will roar into space from Cape Canaveral, carrying a satellite festooned with experimental sensors designed to detect and track inbound enemy missiles.

The six-month orbital experiment will be followed by a quick succession

of other ambitious Star Wars tests, including the first launch of a missile designed to intercept nuclear warheads and a test of a neutral particle-beam device in space that could be used to track enemy warheads.

These dramatic demonstrations of missile defense test hardware developed under the six-year, \$15 billion Strategic Defense Initiative come as the Bush administration ponders whether to accelerate development to allow the deployment of anti-missile weapons to begin in about 1995, or to continue indefinitely the current level of research.

White House officials say the future of the Star Wars program is a key issue in an intense administration review of U.S. strategic programs.

That review, scheduled to be completed by the end of next month, is also considering whether to proceed with the MX and Midgetman strategic nucle-

ar missiles and will likely result in new U.S. approaches to its strategic arms reduction talks with the Soviets.

The review takes place at a time when the fiery emotions ignited by President Reagan's March 23, 1983, speech—calling for a concerted national effort to develop missile defenses—have largely abated.

Instead, there is a growing consensus in government and among Washington's national security community that some form of less exotic and less costly anti-missile system eventually may be desirable to protect U.S. land-based strategic missiles.

Advances in defense technology now appear to make feasible a limited defense that could provide, for about the same cost, the increased survivability for land-based missiles such as the new mobile MX and Midgetman the administration has under study.

White House national security ad-

viser **Brent Scowcroft**, long a skeptic of Star Wars, acknowledges that "at some point we may need defensive systems to help protect our strategic forces."

Quayle: Soviet moves 'encouraging' but strategic defense still necessary

By Warren Strobel
THE WASHINGTON TIMES

The Bush administration "remains committed to the development and deployment of a viable strategic defense" and will field anti-missile technology as soon as it is ready, Vice President Dan Quayle said yesterday.

The vice president, in one of the Bush administration's first major speeches on missile defense, said recent developments in the Soviet Union do not lessen the need for the Strategic Defense Initiative research program.

"Despite some encouraging changes within the Soviet Union, I know of nothing that has occurred since 1983 that should change our thinking about strategic defense," said Mr. Quayle, speaking on the sixth anniversary of then-President Reagan's "star wars" speech.

That speech launched the U.S. anti-missile program, aimed at developing ground- and space-based weapons that could shield the United States from nuclear attack.

"SDI would not only defend against actual aggression, but by making the outcome of an attack more dubious, it would lessen the incentives for aggression — and thus enhance deterrence," he said. "That is why I believe that strategic defense is technologically feasible, strategically necessary and morally imperative."

President Bush and his top advisers indicated little about plans for the SDI program inherited from the Reagan administration.

Mr. Quayle, a missile defense advocate since his U.S. Senate days, is believed to favor SDI more than some top Bush advisers. National Security Adviser Brent Scowcroft, for example, has expressed skepticism over whether the United States should switch from offensive weapons to defensive as a primary deterrent to nuclear war.

The vice president cleared his remarks with the White House. An administration official requesting anonymity said the speech "went through unscathed."

With the White House in the middle of a review of U.S. military policy and relations with the Soviet Union, numerous officials — including Lt. Gen. George Monahan, the Pentagon's new SDI director — won't explain the Bush administration approach to the politically divisive project.

Until the strategy review is complete, "there cannot be commitments to programmatic particulars," Mr. Quayle said yesterday. "But as the president has said many times, we intend to continue our research and to begin deployment of a missile defense as soon as it's ready."

"We are determined not to leave America undefended against ballistic missiles. Defending America is the first responsibility of this administration or any administration."

Mr. Quayle spoke at a Washington exposition sponsored by the Navy League of the United States.

The Navy, which would spend about 5 percent of SDI's proposed \$5.9 billion fiscal year 1990 budget, has been lukewarm in supporting the program.

The vice president, who by law heads the new White House Space Council, said, "Today, some of America's finest scientific and technological achievements are embodied in our military spacecraft."

Citing even newer technologies that he said have made missile defense cheaper and more workable, Mr. Quayle became the latest official — along with Gen. Monahan and the former SDI director, retired Lt. Gen. James Abrahamson — to praise a new space-based anti-missile concept called "Brilliant Pebbles."

The concept envisions thousands of small orbiting missile interceptors, each containing their own sensors and targeting computers. Current SDI plans, by contrast, call for huge satellites, each carrying 10 interceptors and other gear.

"If tests of the 'Brilliant Pebbles' concept show the promise that is expected, it could revolutionize much of our thinking about strategic defense," Mr. Quayle said.

The Washington Post _____
The New York Times _____
The Washington Times **A-4**
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

Date **24 MAR 1989**

Bush Advisers, Japanese Discuss FSX Fighter Plan

Senior advisers to President Bush met yesterday with two Japanese government officials to discuss Bush's proposed "clarifications" to the agreement on the FSX fighter plane and agreed to meet again today, a White House official said.

Details of the talks could not be

learned, but the meeting was called to hear Japan's response to the modifications approved by Bush to the agreement under which the United States and Japan would develop and produce a new-generation warplane for Japan.

Participants in the State Department meeting included Secretary of

State James A. Baker III, national security adviser Brent Scowcroft and Commerce Secretary Robert A. Mosbacher.

They met with Tokyo's ambassador to the United States, Nobuo Matsunaga, and Seiki Nishihiro, the second-ranking official in Japan's Defense Agency.

Japanese Assure U.S. On Fighter

35% of Work on Jet Will Be Reserved for American Companies

By CLYDE H. FARNSWORTH

Special to The New York Times

WASHINGTON, March 24 — Responding to Bush Administration demands, Japan has assured the United States that at least 35 percent of a jet fighter the two Governments want to build together would be made in the United States, Administration officials said today.

But the issue of safeguarding American technology apparently remains unresolved.

Seiki Nishihiro, the third-ranking official of Japan's Defense Agency, has been in Washington this week to discuss revisions in the project.

President Bush has been under pressure from the Commerce Department and some members of Congress to alter the original agreement, reached last year, in order to assure that vital American technology is not transferred to the Japanese.

The United States had formally asked Japan to guarantee that American companies would receive a 40 percent share of production costs. Japan had agreed last fall that Americans would share in development costs, but until today had not agreed to provide them a share of production.

Production is not expected to begin for five years. Japan's Defense Agency had maintained that it could not make production commitments on weapons systems that were not yet developed.

When Secretary of State James A. Baker 3d sought production assurances last month in talks in Tokyo during the funeral of Emperor Hirohito he was politely rebuffed, Administration officials said.

In addition to the Japanese, the Defense and State departments, which see the project as cementing Japan's military and political ties with the United States, are its principal supporters.

The Japanese are planning to build 130 of the FSX fighters, derived from the General Dynamics Corporation's F-16, at a cost of \$6 billion to \$7 billion, on top of the \$1.2 billion already committed for development. Most of the American work is expected to take place at General Dynamics plants in Texas.

Congressional aides said that a Japanese commitment on production could help soften the criticism. "I think it would help the Administration case," said one staff member who opposes the deal.

The United States has also asked for better protection for computer "source codes," which help fly the plane and fire weapons and for guarantees of some feedback in terms of Japanese technology that might be developed for the plane.

President Bush said on Tuesday that he had decided to go forward with the project but was insisting on "certain clarifications" from the Japanese.

Mr. Nishihiro arrived Thursday on what was supposed to be a secret mission. But word of it leaked out in Tokyo. The envoy has seen Secretary of State Baker, Commerce Secretary Robert A. Mosbacher, Defense Secretary Dick Cheney and the national security adviser, Brent Scowcroft. Japanese officials said Mr. Nishihiro was expected to return to Tokyo Saturday morning.

Both American and Japanese officials said Mr. Nishihiro was not expected to give final answers to all the points raised by the United States. Instead, they said, he will bring Washington's demands, most of which were described as highly technical in nature, back to Tokyo.

Japan's Prime Minister, Noboru

Takeshita, was expected to call a Cabinet meeting next week to consider the final position.

"I think it will work out all right," said one Bush Administration official who has supported the project. "What we're trying to do is bridge the gap while recognizing that the President has to face Congress and Takeshita the Diet," a reference to Japan's parliament.

The Japanese press and many Japanese legislators have expressed the view that Japan is actually doing the United States a favor and that it should make no concessions.

Because of his own weakened political position after Cabinet resignations following a stock scandal, Mr. Takeshita may have limited room for maneuver, analysts in Japan say.

Many American lawmakers who object to the deal say Japan should buy F-16's off the shelf. "This is a bad deal," said Representative Richard A. Gephardt, Democrat of Missouri. "We are the best producers of this product in the world. They should be buying this product from us."

But supporters of the project note that Japan had initially insisted on making the plane itself, and only came to the United States after former Defense Secretary Caspar W. Weinberger insisted that the two countries work together.

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FACE THE NATION

Sunday, March 26, 1989

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Correspondent

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National Security Adviser

REP. NEWT GINGRICH (R-Ga.)
House Minority Whip

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MS. STAHL: Welcome to FACE THE NATION. I'm Lesley Stahl. President Bush gave in to the Democrats and changed U.S. policy in Central America away from the military focus he used to support toward a commitment to the peace process in the region.

PRESIDENT BUSH: We do not claim the right to order the politics of Nicaragua. That is for the Nicaraguan people to decide.

MS. STAHL: The Democrats agreed to fund the contras with \$45 million in purely humanitarian aid for ten months, but the president gave the Democrats the power to stop the money after six months if the rebels engage in any military activity.

HOUSE SPEAKER JIM WRIGHT: I see that noxious blue of mistrust beginning to dissolve.

MS. STAHL: The agreement was hammered out in secret between the Democrats and Secretary of State James Baker, who admitted the Reagan freedom-fighter policy had failed.

SECRETARY OF STATE JAMES BAKER: We all have to admit that the policy basically failed to some extent, because we were not united.

MS. STAHL: The package could still face opposition in Congress.

SENATE MINORITY LEADER BOB DOLE: I must add that not every Republican senator is enthusiastic about this proposal.

MS. STAHL: As Mr. Bush was hailing the new bipartisan-ship, House Republicans took a step in the other direction, choosing Newt Gingrich as their No. 2 leader, a man known as the head of the "flame-thrower wing" of his party.

REP. NEWT GINGRICH (Minority Whip): When the Democrats try to run over us probably more than most of our colleagues, I'm going to stand in the way.

REP. BERYL ANTHONY (D.-Ark.): I think it tells me that, hey, this is going to be war for the next few months.

MS. STAHL: The Georgia conservative spearheaded the ethics investigation of House Speaker Jim Wright that could lead

to his censure or even expulsion.

SPEAKER WRIGHT: No, I'm not worried about that.

MS. STAHL: The Democrats are fighting back, levelling ethics charges against Gingrich.

SECRETARY OF DEFENSE RICHARD CHENEY: On the one hand, the Republicans want to become the majority--that means confrontation with the Democrats. The president needs to pass a program; that means he's got to have support from the Democrats.

MS. STAHL: Will it be flame-throwing or fellowship? We'll ask the new Republican House Whip Newt Gingrich, and we'll talk with the president's national security adviser, Brent Scowcroft.

Bipartisanship, can Mr. Bush keep his own troops in line? An issue facing the nation.

ANNOUNCER: From CBS News, Washington, FACE THE NATION, with CBS News White House Correspondent Lesley Stahl.

This portion of FACE THE NATION is sponsored by McDonnell Douglas, giving America its money's worth in aerospace and information systems.

(Announcements)

MS. STAHL: Joining us, President Bush's national security adviser, Brent Scowcroft.

General Scowcroft, welcome to FACE THE NATION.

GENERAL SCOWCROFT: Thank you, Lesley.

MS. STAHL: There is a report this morning in the London Sunday Times that the United States now knows who did the bombing of the Pan Am flight over Lockerbie. It's apparently the Popular Front for the Liberation of Palestine General Command--that's Jabril's group. And we have actually notified Western European governments where the perpetrators are. Is this true?

GENERAL SCOWCROFT: There's a marvelous bit of detective work going on in this whole thing, and it's incredible how they are able to develop their leads. But, so far as I know, we are not that far along.

MS. STAHL: So you deny that we have identified them

and notified other countries where they might--

GENERAL SCOWCROFT: So far as I know, yes, we do not know specifically who did it.

MS. STAHL: There's a quote in the report that says that it would make no sense to go public with the fact that we know until we have--I think the word is caught these people, or brought them into custody, arrested them, even perhaps--well, I don't know what the official word, but kidnap them, in effect.

GENERAL SCOWCROFT: Well, I wouldn't want to comment on that. But, as I say, as far as I know, we are narrowing it down significantly, but I don't know that there is a resolution.

MS. STAHL: Okay, let's talk about the contra agreement. In this agreement, there was bipartisanship, which the president hailed, but, on the other hand, the president had to give up a considerable amount of his own power to the Democrats in Congress to control the flow of money to the contras, the humanitarian aid. And the White House counsel, Boyden Gray, is apparently complaining about this after the fact.

Did the president give away too much to the Democrats to get this agreement?

GENERAL SCOWCROFT: No, I really don't think so. I think this is a really considerable achievement. Here is a foreign policy issue which has been as divisive as any in the country over the last eight years, and here is true bipartisanship, an attempt to give diplomacy a chance, and to resolve the issue.

Over the last eight years we've had problems both with our allies, because they have not been able to count on U.S. policy, because what the president wants is not what the Congress has wanted. So they've been ambivalent about their position.

Our opponents have not known what our policy was, and they have been able to drive wedges and to play the executive off against the legislature.

That's over now. The president really didn't give up his power. He has ten months, assuming the legislation passes,

obligating monthly humanitarian assistance for the contras. He has agreed that at the end of the seventh month that he will not further obligate without a letter from certain committees. That is a voluntary agreement.

And it's done really to reduce the still residue of suspicion that remains between the executive and the legislature. It is not a unique agreement and it does not reduce the president's power.

MS. STAHL: As part of his campaign, the president said and pledged that he would try to continue military aid. The day after he was elected, he repeated this pledge--military aid for the contras.

I guess my question is, was he coerced into changing a policy that he believed in, or did he change his own mind? What's the case?

GENERAL SCOWCROFT: Well, he was not coerced into any policy. We looked at the realities of the situation, at what was possible and what were our objectives. Our objectives are not to permit the establishment of Soviet or Soviet-supported base in Nicaragua, to prevent the export of revolution, insurgency, to neighbors, and to promote democratization within Nicaragua. All of those are encompassed within this agreement. We do maintain the contras as a viable force outside the country, awaiting the implementation of what the Nicaraguans have promised, and promised before--never delivered. That is an environment in which the contras can be reabsorbed into the country and exercise their political rights.

MS. STAHL: If the Sandinistas do not carry through on their part of the agreement with the Central American presidents to open free elections, fair elections, which would allow the contras to participate actually, what's the recourse? You didn't get any commitment from the Democrats for military aid at that point.

GENERAL SCOWCROFT: No, we didn't get any commitment,

but in the event this does not work, our options are open; our options are no more foreclosed than they were before we agreed upon this policy.

MS. STAHL: You know, a lot of people are saying that the Democrats won, that the war in the United States--I put "war" in quotes--was the Democrats opposing President Reagan's freedom-fighter contra policy, and the Democrats won. And really what President Bush signed was a treaty ending that war in which the Republicans lost.

GENERAL SCOWCROFT: I think that's not true at all. First of all,--

MS. STAHL: I didn't expect you to say so.

GENERAL SCOWCROFT: I think the United States won. But I think the president got a mechanism by which he can pursue what he believes--and I think in general what the Congress believes--are our true objectives in that area. And I don't think we ought to look at winners and losers. The president is happy with this agreement, because it does--if it works, if it works, it does accomplish U.S. objectives.

Now, what more could you want?

MS. STAHL: Well, do you now think that the past policy was a mistake?

GENERAL SCOWCROFT: I don't want to look at the past policy. The past policy was not able to be implemented the way the executive wanted it to be implemented because the Congress was not on board, and thwarted it. This, both sides are on board, and that is a considerable achievement.

MS. STAHL: What do you hope to persuade the Soviets to do to help in this process, to nudge their allies, the Nicaraguans? Do you really think that Gorbachev is going to come around and pull aid away from the Nicaraguans?

GENERAL SCOWCROFT: I would hope so.

MS. STAHL: Why would he do that?

GENERAL SCOWCROFT: Why would he do that? Because any

excuse that he may have had before in his own mind, any rationale, for providing assistance to Nicaragua is now gone. We are not providing lethal assistance against Nicaragua. There's absolutely no reason for him to continue that aid.

MS. STAHL: Well, we still give money to the rebels in Afghanistan. Wouldn't he see that as sort of a way to get us to stop supporting the Mujaheddin, a sort of quid pro quo there?

GENERAL SCOWCROFT: You ask what this--you know, why he might change his mind. It seems to me that is significant. And if he will not, then it seems to me that has to affect our attitude toward the whole relationship.

MS. STAHL: Have we told him we'll stop aiding the Afghan rebels if they'll stop aiding Nicaragua?

GENERAL SCOWCROFT: No, we have not told them that.

MS. STAHL: Would we do that?

GENERAL SCOWCROFT: We have told him that our aid for the Afghan rebels depends on aid from the Soviet Union, and what we are after in Afghanistan is a situation where the Afghan people themselves can decide the form of government which they wish.

MS. STAHL: Let me ask you about El Salvador and the fact that the right wing ARENA party has won over the party that we've been supporting with massive infusions of aid. Is there any thinking in the White House, in the administration, about withdrawing aid to El Salvador, just sort of to withhold it to see what kind of a new government this party--in the past associated with death squads--might begin to--

GENERAL SCOWCROFT: No, I think that would be a mistake. What we have had is another really very heartening expression of democracy at work, against really physical threats to a number of the voters. I mean, this is really a heroic achievement of the Salvadoran people.

Now, it seems to me what we need to do is to work with the new ARENA government, with President-elect Cristiani, to make quite clear our attitude toward previous human rights violations,

towards death squads and so on. And to promote our mutual objectives in Salvador. We should not forget, though, that this government represents the will of the Salvadoran people.

MS. STAHL: Let's skip over to the Middle East, if we can. It doesn't seem that nudging either the Israelis or the Palestinians, the PLO, after the United States' first real substantive meeting, is getting anywhere at all. Both sides, at least publicly, are saying--the Israelis are saying they won't talk with the PLO, the Palestinians are saying they won't encourage an easing of the intifadah, the uprising. Is it hopeless?

GENERAL SCOWCROFT: What happens on the surface is not necessarily what's going on underneath, because in the Middle East, above all places, one does not want to go public with everything that's going on.

I think the fundamental facts--the United States cannot make peace in the Middle East. The role that the United States can play is to take the views of the sides, to look for areas of relative congruence or overlap, and to work with those and to try to fashion and negotiate between the parties to bring them closer together.

MS. STAHL: After our meeting with the PLO the other day, their representative came out and said one thing in English and something different in Arabic--and it was a much harder line in Arabic. That's one thing the Israelis always say kind of drives them nuts.

GENERAL SCOWCROFT: Yes.

MS. STAHL: What does this mean? Do you trust them?

GENERAL SCOWCROFT: Well, you know, the suspicion in the area on both sides is immense, and one of the things that has to be done is to work on issues that don't require in the beginning trust. What both sides do do is have a certain amount of trust in the United States, and that is why we are a valued intermediary here between the two, who cannot get together directly at the present time.

But what we have to do is to work with them and to bring together, as I say, these areas where there is a possible congruence. It will be probably of considerable duration.

MS. STAHL: One final question. Today there's an election in the Soviet Union. It looks a little bit like democracy, it looks a little bit like free speech. What's your read on what's happening over there?

GENERAL SCOWCROFT: I don't think we ought to oversell what's happening. But in fact there is some limited freedom of choice here. We ought to applaud it, we ought to hope it continues.

MS. STAHL: Brent Scowcroft, thank you very much for being our guest today.

GENERAL SCOWCROFT: Thank you.

MS. STAHL: And happy Easter.

GENERAL SCOWCROFT: Happy Easter.

MS. STAHL: Newt Gingrich when we come back.

PRESIDENT BUSH: He knows, too, the importance of approaching our foreign and national security policy on bipartisan basis.

(Announcements)

MS. STAHL: Joining us, the new House Republican whip, Congressman Newt Gingrich of Georgia.

Congressman, now I hear that you're supporting George Bush's new contra policy. If you weren't the whip, what would you be saying?

REP. GINGRICH: Well, I think first of all I'd be supporting the new contra policy. It's a very simple reality. The leftwing Democrats can stop any military aid at the present time. George Bush and Jim Baker need time--

MS. STAHL: What do you mean, "the leftwing Democrats"? It's all the Democrats.

REP. GINGRICH: Oh, no, there were 40 or 50 Democrats who consistently voted in favor of trying to keep the freedom fighters active. So it's the leftwing of the Democratic Party, which is about 190 votes.

And the problem you've got is, how do you buy time to test the communist regime and to make it clear either that they truly are democratizing--in which case, frankly, you can disband the contras because they're going home to vote in a free election --or to make it clear beyond a doubt that even with a very reasonable, very bipartisan approach that the communists in fact are intent on setting up dictatorship in Central America. I think that's the test for the next seven or eight months.

MS. STAHL: You used to say--and it wasn't that long ago--that anybody who voted against military aid for the contras was actively supporting communism--quote.

REP. GINGRICH: Was actively willing to rock American help against communism. I think--I mean, I wish that the leftwing Democrats would change; I wish they'd look at the record of El Salvador, I wish they'd look at the record of what's going on in Nicaragua.

But the fact is that people like David Bonior are not going to change in the short run. So if you're George Bush and Jim Baker, and if you're the Republican whip, and you are looking at how do we get something through Congress, what is the best we can get through, I think sending Jim Baker as secretary of state out into the world with a bipartisan agreement is helpful and increases America's leverage in the world.

MS. STAHL: Do you still think that the leftwing Democrats, as you call them, are actively supporting communism? I mean, that's the kind of--

REP. GINGRICH: I never said they were actively supporting.

MS. STAHL: It's a quote--it's a quote.

REP. GINGRICH: I said that leftwing Democrats are willing to do everything they can to block help to freedom fighters, and in many cases would far prefer to see a communist dictatorship to a pro-American regime.

MS. STAHL: Quote: "actively helping communism." And I quote it, because a lot of the Democrats are wondering how

you're ever going to be able to go to them and ask them to vote on issues that the president supports, which is basically the job as well, having said things like that, which basically questions their patriotism.

REP. GINGRICH: And I've been very clear on the House floor over and over again--I do not question the patriotism of leftwing Democrats; I question their values, I question whether they are in touch with reality. But I don't question their patriotism.

MS. STAHL: Well, what's "actively helping communism"?

REP. GINGRICH: Well, I think you have to look at--the Grenada papers made it very clear, for example, that the Grenadian communists were working closely with some staff people in Congress. Now, this is clearly, flatly true; I mean, I can show you the documents--they are public documents now.

Why is it improper to tell the truth--and I have the same problem talking about ethics--why is it improper to tell the truth? They can be well-meaning patriots. A person can be a patriot, and that doesn't mean you want to trust them with the fate of the nation--because they can be unwise, they can be uninformed.

MS. STAHL: That's not the issue; the issue is how do you then go to these same people and say come on, vote for our programs. Won't you have trouble?

REP. GINGRICH: I think first of all that's a misunderstanding of the nature of politics in Washington. Democrats don't vote with Republicans because they're drinking buddies or they're golfing buddies. Democrats vote with Republicans when either their district makes them vote that way or when both sides win. And I've said over and over again, I am for honest fair bipartisanship. I would have been actively in favor of the agreement this week because both sides got something: the left stopped military aid, but the president got some aid on a bipartisan basis. I think that's a good deal.

MS. STAHL: Have the Democrats come to you and asked you to sort of get into the shadows on the Jim Wright ethics

investigation?

REP. GINGRICH: Democrats haven't, but--

MS. STAHL: I meant Republicans.

REP. GINGRICH: The best advice I've gotten from very wise people, including my wife, Marianne, is that the job I had to do--the dynamite charge I had to lay--was to start the investigation. But now that we've had a \$1,600,000 investigation--we have a report that's over 450 pages long--it's appropriate to back off. We don't need the John Tower kind of emotionalism you had in the Senate. It's appropriate to back off, go very slowly and very methodically, and let the report come out in the open and let people see the report.

MS. STAHL: Have you sort of decided that maybe it's better to keep Jim Wright in as speaker, as wounded and--

REP. GINGRICH: No, there are some Republicans who say that, and that is just plain wrong.

MS. STAHL: You'd rather have him out?

REP. GINGRICH: Well, if the speaker did nothing fundamentally wrong, we ought to exonerate him, and he's speaker; if the speaker did something fundamentally wrong, you can't keep a man second in line to be president who's done something wrong. Now, you can't play games with ethics issues, it's just wrong to do that.

MS. STAHL: What if this committee votes 6 to 6 along partisan lines, which would in effect be an exoneration, I guess--right?

REP. GINGRICH: Well, no, I would think a 6-to-6 vote would be devastating. If the speaker of the House--

MS. STAHL: What would you do then? What would you do, if it was 6 to 6?

REP. GINGRICH: All I ask--and Barney Frank joined me a week ago in making the same comment, the Democrat from Massachusetts--all we ask is that the report and the supporting documents be published. Then I think the American people, the American news

media, will decide. Frankly, the committee's vote is less important than the committee's investigation.

MS. STAHL: Now the Democrats say they are going to call for a similar investigation of you because you have a book that you wrote, with help of promoters, people who invested in it. How worried are you?

REP. GINGRICH: Well, I wrote a real book, printed and distributed by St. Martin's Press, which is a real press; we got real royalties--my share was 3 percent, my wife got 3 percent, and our co-author got 2 percent. And it was sold to real people through real bookstores. Jim Wright cannot make any of those claims.

MS. STAHL: Why won't you disclose the name--

REP. GINGRICH: We will. We didn't, frankly, because it was a five-year-old project, and all of our files weren't here in Washington--and we were getting the files, putting it all together. And the week of April 3rd, when we were back in session, we'll release everything.

MS. STAHL: Let me ask you the other question that's around, because the Democrats are making these charges, and apparently are going to ask the ethics committee to look into it. You managed a PAC, a political action committee, and, according to the charge, raised \$200,000 but only dispensed \$900.

REP. GINGRICH: Yes.

MS. STAHL: What was--

REP. GINGRICH: Well, the charge, the way it's framed by the Democrats, is simply not true. The PAC grossed in direct mail about \$212,000, but in fact spent more in sending the mail out than it got in; it never netted any real money. So the \$3,000 or so we spent, it was a case where we sent out one last big mailing that was going to be the breakthrough, and it all fell apart.

MS. STAHL: I'm confused. You didn't spend more than \$200,000 on--

REP. GINGRICH: It's a process which anybody who sets

up a political action committee, including the presidential campaigns, will tell you is very normal. You send a letter out, you get some money in. The first thing you do is invest that in the next letter, so you try to build a big base of supporters who send money in.

MS. STAHL: So you invested \$200,000 in mailing out?

REP. GINGRICH: And got back--

MS. STAHL: Is that right?

REP. GINGRICH: Yes, and got back--well, we invested about 260,000 in mailing out and got back in about 210. We ended up, frankly, losing money on the venture. It was a like business --this happens fairly often, it's happened to Democrats, Ed Markey has had a similar experience; that's part of the business of modern politics.

MS. STAHL: I want to ask you about some issues. You know, Richard Cohen, who's a columnist with the Washington Post, wrote a piece the other day called "Killing Conservatism"--"Killer Conservatism," that's what it was. And he said that our drug situation, our education problems, welfare, roads falling apart, which are festering problems that have gotten much worse over the past eight years during the conservative regime of Ronald Reagan, are because of conservative policies and cutting of funds.

REP. GINGRICH: The challenge I have for liberals like Richard Cohen is very straightforward. For fifty years, Democrats and big labor have dominated the great cities of America--New York, Chicago, Detroit, Washington--for fifty years they've been unchallenged powers. Those cities are decaying in corruption, they're decaying in unionized bureaucracies that don't work, they are decaying in a welfare culture, and they're decaying in drugs.

Now, I'm willing to create and to work hard to build a caring, humanitarian reformed Republican Party.

MS. STAHL: Without spending money.

REP. GINGRICH: Well, I'm willing to spend money. But when you're told, for example, by the new mayor of Chicago that

the No. 1 reason babies die in Chicago is mismanagement by Chicago --and he said that on the record--then I don't see how you can blame the federal government for Chicago's mismanagement.

MS. STAHL: I need to ask you many more questions, but I'm getting a sign that says wrap it up. I'm sorry. I must invite you to come back to talk about the issues some more.

REP. GINGRICH: Look forward to it.

MS. STAHL: And congratulations and happy Easter.

REP. GINGRICH: Thank you.

MS. STAHL: We'll be back with a final word.

REP. GINGRICH (on tape): I mean, I'm now in the leadership. Unlike the old press conferences I used to hold, I am not going to stand up here and wing it and give you the first three things I think of. That may be the most dramatic event of the day.

(Announcements)

MS. STAHL: Our cartoon is by Steve Kelley: " 'With pesticide on apples and cyanide in grapes, I'm not taking any chances.' 'But throwing out your Fruit of the Looms?' "

I'm Lesley Stahl. Happy Easter everyone.

ANNOUNCER: This portion of FACE THE NATION was sponsored by Sharp Electronics: from sharp minds come Sharp products.

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Bush Counsel Contests Contra Aid Plan

Gray Feels Pact With Congress May Infringe on Presidential Power

By David Hoffman and Ann Devroy
Washington Post Staff Writers

White House counsel C. Boyden Gray has expressed irritation and concern over the bipartisan agreement reached between President Bush and congressional leaders Friday on aid to the Nicaraguan contras, administration officials said last night.

Gray, a long-standing adviser to Bush, has raised legal questions about whether the agreement goes too far in extending congressional influence over foreign policy, the officials said. In addition, Gray has complained that he was not asked to review the agreement, which was worked out in lengthy secret negotiations led by Secretary of State James A. Baker III, also one of Bush's closest advisers.

Gray's expression of concern

about the agreement could mark another collision with Baker. Last month, the secretary of state was privately angered by questions that Gray raised about Baker's personal financial holdings of bank stock, which Baker later sold. Associates of Baker said he felt Gray was raising the issue to deflect public attention from questions about Gray's own finances.

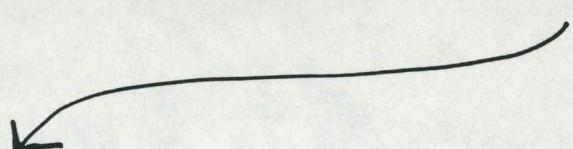
Gray could not be reached for comment last night. A White House spokesman had no comment on Gray's objections.

The bipartisan accord announced Friday would continue nonlethal aid to the Nicaraguan contras until February 1990, by which time the Sandinista regime has pledged to hold free elections. The aid would be subject to review by four key congressional committees, any one of which could block the aid. The agreement will require legislation.

Gray's concerns, according to the administration officials, relate to whether giving Congress such a right of review would amount to a legislative veto, which the Supreme Court has struck down. Gray and Bush also have argued strongly in the past that Congress should not be allowed to encroach further on presidential prerogatives in foreign policymaking.

A senior State Department official said the agreement would not amount to a legislative veto, however, because the congressional review would not be written in legislation. Rather, the official said, the deal allowing the four committees to review ongoing aid to the contras will be contained in a separate letter now being drafted by the State Department.

The official said, "This couldn't involve a legislative veto; there's



nothing in the legislation [that will go to Congress] that mentions a veto."

The official said the letter will stipulate that the executive branch will not obligate additional contra aid after a Nov. 30 deadline unless it gets the go-ahead from the four committees, and leaders from both parties in the House and Senate.

The official said that Baker had received approval from Bush throughout the negotiations with Congress.

"What is going on here is that Secretary Baker went over it every step of the way with President Bush and with [national security adviser Brent] Scowcroft and I suspect the counsel's office is annoyed at not being part of that process," the official said.

According to a White House official, Baker relied almost entirely on his own legal and legislative assistants in crafting the plan, rather than those at the White House. This was a departure from practice in the Reagan administration, when White House officials were closely involved in strategy and planning on such issues.

The Washington Post _____
The New York Times _____
The Washington Times _____
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

DOW JONES
Date **26 MAR 1989**

DJUQA
0158

SCOWCROFT DENIES U.S. KNOWS WHO BOMBED PAN AM FLIGHT 103

Sun Mar 26 23:03:15 1989

WASHINGTON --(DJ)--NATIONAL SECURITY ADVISER BRENT SCOWCROFT DENIED A REPORT ON SUNDAY THAT U.S. INTELLIGENCE OFFICIALS KNOW WHO CARRIED OUT THE BOMBING OF PAN AM FLIGHT 103.

IN A TELEVISION INTERVIEW SUNDAY, SCOWCROFT SAID, 'WE ARE NOT THAT FAR ALONG' IN THE INVESTIGATION OF THE DEC. 21 BOMBING OF THE JET, WHICH BROKE APART OVER LOCKERBIE, SCOTLAND, KILLING 270 PEOPLE.

THE SUNDAY TIMES OF LONDON REPORTED THAT AN EXTREMIST PALESTINIAN FACTION FINANCED BY IRANIAN RADICALS IS ALLEGED TO HAVE CARRIED OUT THE BOMBING OF PAN AM FLIGHT 103, AND U.S. INTELLIGENCE KNOWS WHERE THE BOMBERS ARE.

THE NEWSPAPER QUOTED UNIDENTIFIED SOURCES IN WASHINGTON AS SAYING THE POPULAR FRONT FOR THE LIBERATION OF PALESTINE--GENERAL COMMAND MADE AND PLANTED THE BOMB ON BEHALF OF IRANIANS SEEKING REVENGE FOR THE U.S. NAVY DOWNING OF AN IRANIAN CIVILIAN JETLINER OVER THE PERSIAN GULF ON JULY 3. ALL 290 PEOPLE ON BOARD THE IRANIAN PLANE WERE KILLED.

THE NEWSPAPER QUOTED ONE SOURCE AS SAYING THE PALESTINIAN GROUP WAS PAID 10 MILLION DLRS TO DESTROY THE NEW YORK-BOUND PAN AM JUMBO JET.

THE ORGANIZATION IS LED BY AHMED JIBRIL, A PALESTINE LIBERATION ORGANIZATION (PLO) RENEGADE WHO OPPOSES PLO CHIEF YASSER ARAFAT'S DRIVE FOR PEACE NEGOTIATIONS WITH ISRAEL.

SCOWCROFT SAID THERE WAS 'A MARVELOUS BIT OF DETECTIVE WORK GOING ON IN THIS WHOLE THING ... (BUT) SO FAR AS I KNOW, YES, WE DO NOT KNOW SPECIFICALLY WHO DID IT.'

'AS FAR AS I KNOW, WE ARE NARROWING IT DOWN SIGNIFICANTLY, BUT I DON'T KNOW THAT THERE IS A RESOLUTION,' SCOWCROFT SAID.

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-(DJ-03-27-89 0403GMT)

Kissinger miffed

Former Secretary of State Henry Kissinger said he resents insinuations of impropriety in work done by his consulting firm, Kissinger Associates Inc. "Every smart-alecky newsman is asking my clients what I did for them and I think it's an outrage," he told reporters earlier this week.

"When we do not represent foreign governments, when we do not lobby in Washington, when we do not represent anybody in the United States government, what is the problem?" he asked.

Newsweek reported this week that Mr. Kissinger's firm sells access to powerful world figures to some 30 big-business clients. The magazine estimated the firm grosses more than \$6 million a year.

Two of Mr. Kissinger's former associates in the firm, Brent Scowcroft and Lawrence Eagleburger, are now serving in top administration positions.

SCOWCROFT DENIES U.S. KNOWS WHO BOMBED PAN AM FLIGHT 103

National Security Adviser Scowcroft denied a report Sunday that U.S. intelligence officials know who carried out the bombing of Pan Am Flight 103.

Appearing on CBS's "Face the Nation," Scowcroft said, "We are not that far along" in the investigation of the Dec. 21 bombing....

Nov 24
The Sunday Times of London reported that an extremist Palestinian faction financed by Iranian radicals is alleged to have carried out the bombing of Pan Am Flight 103, and U.S. intelligence knows where the bombers are.

The newspaper quoted unidentified sources in Washington as saying the Popular Front for the Liberation of Palestine-General Command made and planted the bomb on behalf of Iranians seeking revenge for the U.S. Navy downing of an Iranian civilian jetliner over the Persian Gulf on July 3....

Scowcroft said there was "a marvelous bit of detective work going on in this whole thing...(but) so far as I know, yes, we do not know specifically who did it."

"As far as I know, we are narrowing it down significantly, but I don't know that there is a resolution," Scowcroft said. (AP)

DOES CHENEY HAVE ENOUGH ARTILLERY TO SCRAP WITH THE BRASS?

Unlike his rejected predecessor, John G. Tower, Defense Secretary-designate Dick Cheney should have no trouble winning Senate confirmation. The Wyoming congressman's difficulties will begin when he crosses the Potomac to take charge at the Pentagon.

The immediate task is cutting at least \$16 billion from the \$626 billion in military spending proposed over the next two years by the Reagan Administration. The budget is likely to put Cheney, a member of the bipartisan congressional Military Reform Caucus, at odds with the chiefs of the armed services.

The response of the brass to President Bush's budget cuts has been to keep all major programs alive but to spread the buying over a longer period of time, boosting unit costs. "If Dick Cheney wants to make a mark," says one Pentagon civilian official, "he'll send all the budgets back to the services and tell them: 'No more stretchouts.'"

Even more unpopular with the chiefs are reductions in military manpower. The services traditionally have equated troop strength with clout in intense Pentagon budget rivalries and will fight to keep every battalion, ship, and squadron.

The brass can be a formidable adversary, but Cheney has powerful friends. The President himself is pressing the Pentagon to implement reforms. In particular, Bush has been pushing to reduce weapons costs through multiyear contracting. Cheney is also close to National Security Adviser Brent Scowcroft, with whom he worked in the Ford White House.

INEXPERIENCE. The new Secretary will also benefit from the early start by Deputy Secretary-designate Donald J. Atwood, whose nomination is unlikely to be affected by the Tower fiasco. Atwood, a former top General Motors Corp. official, is already at the Pentagon, encouraging the civilian officials who hope to put broad procurement reforms in place.

The Cheney team's inexperience in defense matters could be a problem. Cheney did not serve on the House Armed Services Committee, and Atwood has no prior government experience. "They're going to spend too much time learning," says Russell Murray, a top Democratic aide on the committee. "That means a potential for delays and for getting snookered."

Cheney is getting a late start, and dozens of Pentagon positions remain unfilled, including the key jobs of Army, Navy, and Air Force Secretaries. With strong support from the White House, Cheney has a chance to make reform work, but he's going to have to move fast.

By Dave Griffiths

Sununu Rebukes Counsel

Chief of Staff Angry At Gray's Challenge To Contra Aid Deal

By David Hoffman
Washington Post Staff Writer

White House counsel C. Boyden Gray was given a stern rebuke by chief of staff John H. Sununu yesterday in the wake of Gray's unusual public criticism of the bipartisan accord on Central America that President Bush reached with congressional leaders, administration officials said.

Gray and Sununu met briefly with the president and then met without him, at which point the chief of staff expressed his displeasure that Gray spoke out publicly against a policy that Bush had already approved, the officials said.

"We carefully work out something with congressional support—a hell of an accomplishment, a very positive thing, in only the first two months—and what happens but we have somebody out of personal pique" raising objections, said a senior administration official familiar with the events. He said Gray's "judgment was lacking" in going public with his concerns, sullying what White House officials had hoped would be a development reflecting harmony between the president and Congress.

The official said these sentiments were conveyed to Gray yesterday by Sununu.

Gray refused to comment on the episode yesterday, the second time in recent weeks he has been at odds

with Secretary of State James A. Baker III, who personally led negotiations that produced the accord.

Officials said Gray, who was not informed in advance of the deal, was out of town attending an alcohol-fuels conference when the agreement was announced on Friday. Gray attempted to challenge it that afternoon in a memo he dic-

tated questioning whether the arrangement, under which continued nonlethal aid to the Nicaraguan contras could be terminated in November by any one of four congressional committees, amounted to a legislative veto of executive branch policymaking, officials said.

When other White House officials said they did not share his concerns, Gray then urged calling a meeting of agency lawyers to review the accord, the officials said. When that request met with a negative response, Gray went public, the officials said. Gray's criticisms, made in an interview Saturday with the New York Times that appeared in Sunday's editions, included a complaint that he was not consulted before the agreement was reached.

Baker has said he informed Bush, Sununu and national security adviser Brent Scowcroft of the deal in which the Nicaraguan contras will continue to receive nonlethal aid and that he relied on State Department legal advice in negotiating the agreement.

Baker said Sunday the bipartisan agreement would not amount to a legislative veto because the congressional review is to be stated in

a separate letter, not in legislation. Other officials acknowledged that the agreement does give Congress a right to review the policy but defended this as a vital ingredient to win bipartisan approval.

White House press secretary Marlin Fitzwater said yesterday Gray "felt his remarks were largely overblown," which other sources said was the explanation Gray used in the morning senior staff meeting.

Fitzwater said Gray had told him "his only concern was to see that the legal aspects of it had been considered, and that he was now convinced they had been."

Fitzwater refused to characterize what Bush told Gray, but another official said the meeting was relatively short. Afterward, Sununu and Gray "had a polite discussion of how things work in the White House," Fitzwater said. Asked if Sununu had asked Gray "not to take his case to the newspapers anymore," Fitzwater said, "I think that's a good idea—I'd be glad to tell him that."

Bush, asked about Gray at the annual White House Easter egg roll, said, "On a day like this, I am not angry at anybody."

Fitzwater said the arrangement under which Congress can review the ongoing aid to the contras will not be a legal precedent for other bargaining with Capitol Hill on foreign policy issues. Bush and Gray have charged in the past that Congress has eroded presidential authority on a broad array of issues and they have vowed to try and restore the balance more toward the White House.

Also today, Bush met with his Cabinet on the issue of dealing with assault rifles, but officials said no decisions were reached.

Baker, Outlining World View, Assesses Plan for Soviet Bloc

By THOMAS L. FRIEDMAN

Special to The New York Times

WASHINGTON, March 27 — Secretary of State James A. Baker 3d said today that the Bush Administration was cautiously considering a proposal to seek discussions with Moscow on a new political arrangement for Eastern Europe.

The basic concept of such a new arrangement would be for Moscow to loosen its hold over the region in exchange for a pledge by the United States and its Western allies not to exploit the new environment in a way that threatens the Soviet Union.

Mr. Baker said the idea, first broached by former Secretary of State Henry A. Kissinger, was being addressed as part of his "overall" strategic policy review, which is to be completed by the beginning of May.

"I think that it is worthy of consideration because it is a novel approach," Mr. Baker said in an interview in his paneled State Department office suite. "It is broadly gauged in its features."

But he emphasized that care was needed. "I think it is important that any such idea, to the extent that it is going to be pursued, be pursued carefully, so that you do not send a signal that somehow we are getting together with the Soviet Union and carving up Eastern Europe," he said.

On another matter, Mr. Baker said the Bush Administration was expecting Prime Minister Yitzhak Shamir of Israel to come to Washington with "new ideas" for dealing with the Israeli-Palestinian conflict — "not ideas that have been discussed and surfaced before," he said. Mr. Shamir is to meet with President Bush on April 6.

The Kissinger proposal for central Europe was first conveyed to President Bush when he was a candidate. Mr. Baker said he then took up the idea with State Department European experts when he began to be briefed in preparation for taking over as Secretary of State.

Mr. Kissinger reportedly suggested that Washington and the NATO allies consider an arrangement in which Moscow would be called on to sharply ease its political and military control over Eastern Europe so that the countries there could truly run their own affairs without the threat of Soviet intervention, in exchange for the West's providing some type of promise that NATO would not exploit that easing to move into Eastern Europe or undermine the Soviet Union.

Ideally, that would give the Eastern European countries a greater chance to liberalize, and NATO and the Warsaw Pact an opportunity to reduce their military forces without destabilizing the balance of power that has existed between the two alliances since the end of World War II.

'If There Was a Reversal...'

While the proposal had elements of "great appeal," Mr. Baker said that the West should not rush into such a plan because the counter argument also had appeal: Why strike a deal that would grant the Soviets any type of formalized status in Eastern Europe when countries in the region, like Poland and Hungary, are already moving toward a more Western orientation in their economies and political systems?

"I think that is a very valid question to ask, because we are moving in that direction," Mr. Baker said. Speaking of his meetings in Vienna three weeks ago with the Foreign Ministers of Poland and Hungary, he said: "It was absolutely fascinating to meet with the Polish delegation and to have them argue, in a friendly way, among themselves whether they should adopt an American-style presidency or a French style. It would seem right now that we are moving in Hungary and Poland, and to a lesser extent in other Eastern European countries, in this direction. So why not let the process move forward for the time being?"

But, the Secretary said: "If progress did not continue to be made along the lines of Eastern Europe opening up and coming toward the West, if there was a reversal, or if you had anarchy and a reaction by the Soviets, it would be a different situation. Then it would be much more appropriate in my view to look at the possibilities of the proposal that Henry advanced. It is a part of the overall review."

Mr. Baker dismissed speculation that Mr. Kissinger would quietly dominate the Bush Administration's foreign-policy thinking through his advice and the presence of his former aides — **Brent Scowcroft**, the national security adviser, and **Deputy Secretary of State Lawrence I. Eagleburger** — in senior positions.

'Bush Is Calling Those Shots'

The fact that Mr. Kissinger might occasionally put forward proposals, Mr. Baker said, "is not something that is troubling as far as I'm concerned."

He continued: "I think that, like this idea on Eastern Europe, to the extent that Henry has some ideas he would like to run past us or float here, we welcome those. He is certainly not, and he would be the first to tell you, calling the shots on the development of policy or the selection of personnel in this Ad-

ministration. President Bush is calling those shots."

Turning to the Middle East, Mr. Baker said he believed that the meeting last week between Robert Pelletreau Jr., the American Ambassador to Tunisia, and representatives of the Palestine Liberation Organization — the first since the Bush Administration took office — went well.

"We believe they understood the points we were making," Mr. Baker said.

Although P.L.O. officials were quoted after the meeting as saying they would not halt the Palestinian uprising in the occupied West Bank and Gaza Strip, Mr. Baker said the Administration never asked them to do that.

The next move from the P.L.O., the

Secretary of State said, is to come up with some low-level "tension-reducing, climate-improving steps" that would change the situation between Israelis and Palestinians on the ground and help pave the way for some type of negotiations.

As for what Washington expects from its consultations with Prime Minister Shamir, Mr. Baker said President Bush told Foreign Minister Moshe Arens of Israel in his visit two weeks ago that the Administration "was very anxious that the Prime Minister bring some new ideas for the peace process — not ideas that have been discussed and surfaced before — but some new ideas that broke new ground and that would also serve to improve the climate in the region between the parties, so that ultimately we can find a way to get some direct negotiations started."

Asked whether Israel's allowing Palestinians in the West Bank and Gaza to hold elections would be considered a "new idea," Mr. Baker said, "I think that we would have to wait and see whether that was something that came out of this visit and judge it at the time."

Optimism on Afghan Guerrillas

"I believe there is a bit of a new dynamic in play," he said. "The fact that there is a dialogue now between the United States and the P.L.O. and the fact that for the first time we and our ally Israel are not winning the public-relations battle."

"There is a genuine desire among many people who are strong supporters of Israel to make sure that we leave no stone unturned in the pursuit of peace," he continued.

On Afghanistan, Mr. Baker denied that the Bush Administration was no longer optimistic that the Muslim guerrillas, whom Washington has been backing, would be able to quickly topple the Soviet-armed Kabul Government. For the last two weeks the guerrillas have been trying to take control of the city of Jalalabad, near the border with Pakistan, without success.

White House Reaffirms Contra-Aid Plan After Bush's Counsel Expressed Doubts

By GERALD F. SEIB

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — The White House, brushing aside the concerns of President Bush's lawyer, said a new deal with Congress on aid for Nicaragua's Contra rebels will go ahead as planned.

The White House had to reaffirm its intentions because of an unusual public airing of internal misgivings about the Contra-aid plan, announced Friday by President Bush and Secretary of State James Baker. White House counsel C. Boyden Gray over the weekend publicly expressed reservations about the agreement, asserting that it gives Congress too much power in determining administration policy in Central America.

White House spokesman Marlin Fitzwater said yesterday that Mr. Gray's concerns were assuaged in meetings with President Bush and White House Chief of Staff John Sununu. The spokesman also mildly rebuked Mr. Gray for raising his doubts publicly after the policy had been announced by the president.

"Boyden simply explained his concerns, and they were met, and that's pretty much the end of it," said Mr. Fitzwater. Asked whether Mr. Gray was told to avoid making his case publicly rather than pressing it internally, Mr. Fitzwater replied: "I think that's a good idea. I'd be glad to tell him that."

The agreement between the administration and Congress, negotiated largely by Mr. Baker, will provide the Contras roughly \$4.5 million a month in "non-lethal" aid—meaning it wouldn't include weapons or ammunition—through next February. But Mr. Baker also agreed to send Congress a "side letter" pledging to stop the flow of aid in November unless the president receives letters of approval to continue from four congressional committees.



C. Boyden Gray

Mr. Gray, a longtime advocate of guarding presidential powers, said the provision allowing Congress to veto aid after November would set an important precedent. He said his office had expressed "reservations."

White House officials said Mr. Gray, at a regular White House staff meeting yesterday, played down the significance of his objections, saying they had been "overblown." Mr. Gray didn't return a phone call for comment.

The dispute marks the second public spat between Mr. Gray and the powerful Mr. Baker. Earlier, Mr. Gray raised questions about the secretary of state's stockholdings in Chemical Bank Corp., which holds large amounts of Third World debt. Mr. Baker subsequently said he would sell the stock. The disputes between the two men put President Bush in an awkward position, because both are close, trusted advisers of the president.

Other administration aides were peeved at Mr. Gray for clouding what most considered a big administration achievement. The aides asserted that the concerns Mr. Gray raised already had been considered by Mr. Baker, Mr. Sununu and National Security Adviser Brent Scowcroft during negotiations with Congress.

Still, some constitutional-law experts agreed with Mr. Gray that the aid pact raises serious questions involving the Constitution's separation of powers. "I don't think there has been [another] act by a president as greatly reducing presidential power [as this]," said Roy Schotland, a Georgetown University Law School professor. "I can't think of a precedent for a written agreement like this," he says.

But others argued that the agreement may not actually run afoul of a Supreme Court ruling barring Congress from exercising a legislative veto to keep the executive branch in check. "If it's a gentleman's agreement and it isn't binding, it probably is constitutional," says Alan Morrison, of the consumer-oriented Public Citizen Litigation Group, who was a lawyer in the Supreme Court's 1983 legislative-veto decision.

Defense: The Defense community was amazed by the first shot from Dick Cheney as Sec. of Defense, publicly spanking General Welch for engaging in missile policy questions with members of Congress. This was a preemptive strike by Cheney made significant by two recent developments: 1) The tendency over the last decade by the uniformed military to free lance on Capitol Hill, thanks to the disinclination for Congressional activity by ex-Defense Secs. Caspar Weinberger and (to a lesser extent) Frank Carlucci; 2) The recent Defense Department Reorganization Act sponsored by Senate Armed Forces Committee Chairman Sam Nunn (D-Ga.), which strengthens the Joint Chiefs and, in the opinion of critics, jeopardizes civilian control of the military.

Rejected Defense Sec.-nominee John Tower was determined to move against the military, which accounts for the abundance of dry eyes among the uniformed at the Pentagon when the Senate shot him down. But there was no expectation that Cheney, as a new boy on the block, would move so quickly or so boldly. More than anything, he was signalling that he will not be anybody's patsy at the Pentagon. Incidentally, the White House was not informed in advance and staffers there were puzzled by the supposedly conciliatory Cheney's outburst. These further points:

1) Cheney has decided that he wants to retain Richard Armitage, slated to leave as Assistant Sec. to go to work at State as Baker's top Asian diplomat. Baker did not fight and Armitage will be one of the Service Secretaries, possibly Navy, if incumbent Will Ball can be pushed out.

2) The rebuke of Air Force Gen. Welch was ostensibly over Welch's private chats on the Hill about Midgetman vs. MX. Welch has been brought around to a 50-MX plus 250-Midgetman dual plan for strategic land-based weapons by ex-Air Force Gen. Brent Scowcroft, now GB's National Security Adviser, working in the background without any public or even Administration notice. All this is doubly intriguing since Scowcroft and Cheney are old buddies since their time together in the Ford White House, and Scowcroft was one of those urging Cheney to leave the House for Defense.

3) As for Cheney's five reported requests for draft deferment, the issues received only a single question at his confirmation hearing - a somewhat incredible fact considering what happened to then-Sen.-now-V.P. Dan Quayle when his non-war record was uncovered at the GOP convention last summer.

4) One other Cheney note: He is very strong for the Contras and a hardline follower of all aspects of the Reagan Doctrine. That suggests feuding between State and Defense along the whole line of bipartisanship, and we would not count Cheney out on that one.

Gray-Baker Vendetta: A Long-Running Tale Of Potomac Intrigue

NYT 3-29 816
By BERNARD WEINRAUB

Special to The New York Times

WASHINGTON, March 28 — Is Secretary of State James A. Baker 3d furious at C. Boyden Gray, the White House legal counsel?

No, of course not, Mr. Baker's associates insist. But with a hint of glee they whisper that it is the man in the Oval Office who is angry.

Whether President Bush is angry at his friend, Mr. Gray, is only one of the questions that has burst over official Washington with the same flourish as the city's cherry blossoms. Some of Mr. Bush's friends say he is not peeved at all and may actually be somewhat pleased.

Outlasting the Cherry Blossoms

The cherry blossoms bloom and fade with almost poignant speed. But the Gray-Baker vendetta is another matter. Virtually everyone agrees the quarrel will linger far longer than the cherry blossoms.

At issue in the latest dispute between the two men is Mr. Gray's unusual public criticism of the bipartisan accord that Mr. Baker reached with Congressional leaders to resolve the once rancorous issue of aid to the Nicaraguan contras.

Mr. Gray, who told The New York Times on Saturday that the accord allowed Congress to infringe on Presidential powers, was rebuked by the White House on Monday.

In the corridors of the White House

In the corridors of power, the topic of the day is Boyden and Jimmy.

and the State Department, and in the downtown expense-account restaurants at lunchtime, the topic of the day was Boyden and Jimmy — two of Mr. Bush's wealthy, Southern, upper-class friends whose curious public disputes in the last two months have enlivened Washington.

Today, Mr. Bush handled the matter with a smile. Asked for his reaction to Mr. Gray's comments, the President replied, "No, but I shared my reaction with Boyden, which is the way I handle things."

By some accounts, the latest conflict probably had its roots in the first public clash between the two men, a clash that began when Mr. Gray, as legal counsel to the President who is also in charge of the White House ethics office, was forced to resign as chairman of his family's communications company and put his considerable holdings in a blind trust to blunt charges of conflict of interest.

To divert attention from that controversy, Mr. Gray is widely believed

to have disclosed that Mr. Baker might have faced a similar conflict and pressed him to sell large amounts of stock in a bank holding company. Mr. Baker vented his anger privately at Mr. Gray after that clash. Just as the dispute faded, the latest one erupted.

Numerous questions about the current dispute have stirred gossip in Washington. Since Mr. Baker and Mr. Gray are not publicly discussing the rift, the scenarios involving the two men follow different paths.

Did Mr. Baker deliberately bypass the White House counsel in working out the agreement on the contras? Mr. Gray was especially incensed be-

cause the issue of Congressional encroachment on Presidential powers in foreign policy has long been a "cause" for him.

Was Mr. Gray simply naïve in telling a reporter that he objected to the agreement on the contras, or did he make the comment knowing that the President would not mind at all? Friends of Mr. Bush say he was not especially pleased when it was disclosed in the transition that Mr. Baker sought to be a virtual deputy President by having Craig Fuller, a close friend, named as White House chief of staff.

Mr. Fuller, who was widely expected to be chief of staff, was bypassed by Mr. Bush, who appointed former Gov. John H. Sununu of New Hampshire to the job. It was widely known in the campaign that Mr. Fuller and Mr. Gray did not get along, and that Mr. Fuller sought to force Mr. Gray out. In the end, Mr. Gray stayed and Mr. Fuller went.

A senior Republican said he received a telephone call today from a prominent official in the Reagan Administration who suggested "a tremendously Machiavellian scenario of Baker manipulating this all by himself."

The Republican added: "The theory is, Boyden shouldn't mess in Baker's sandbox. The guy who told me is a senior Government official, a credible guy, and it just shows the degree to which there are fault lines between Boyden and Baker."

The Republican said there also were widespread rumors that Brent Scowcroft, the national security adviser, was "not displeased" at the Gray-Baker fight.

But that's another Washington story of power and palace intrigue.

Bush, Baker press Soviets to put brakes on Nicaragua

By Thomas J. Breen
and Frank J. Murray
THE WASHINGTON TIMES

Working to loosen the Soviet Union's grip on client states around the world, the Bush administration yesterday urged the Kremlin to curtail sharply its \$1 billion-a-year funding of Marxist Nicaragua.

In Washington, White House spokesman Marlin Fitzwater said President Bush through diplomatic channels "had made his views [on Nicaragua] known to Secretary General [Mikhail] Gorbachev."

And at the Jimmy Carter Center in Atlanta, Secretary of State James A. Baker III strongly challenged the Soviets to demonstrate their "new thinking" by changing gears in Nicaragua.

Mr. Fitzwater didn't say how the president communicated with the Kremlin, but in Moscow the official Tass news agency said U.S. Charge d'Affaires John Joyce handed Soviet Foreign Minister Eduard Shevardnadze the message.

The increased pressure on the Soviets to slash their Nicaraguan presence comes before Mr. Gorbachev's four-day visit to Cuba, which begins Sunday. The administration hopes that Mr. Gorbachev in Havana will publicly tie continued support to Nicaragua to democratic reforms by the Sandinista government, and that he will persuade Cuban President Fidel Castro to reduce financial and military support of Nicaragua.

At the White House, Mr. Fitzwater said that Mr. Bush had let Mr. Gorbachev know that "we would like to see the Soviet Union... use its influence in Nicaragua to bring about a peaceful settlement of the situation. We would like to see the Soviet Union withdraw resources and support in Nicaragua, and we would like to see Secretary Gorbachev take an active role in furthering both of those objectives."

In Atlanta, speaking before a conference of hemispheric leaders run by former Presidents Jimmy Carter and Gerald Ford, Mr. Baker in strong language added that the United States won't let Latin America become "a dumping ground for failed ideologies."

He added, "We are looking for signs of new thinking. The Soviet Union now has an opportunity to demonstrate it in Central America. That's what the Esquipulas [peace] Agreement requires and what the democratic community demands."

In return for a new Soviet approach to Nicaragua, the United States quietly has raised the possibility of improved economic relations between the superpowers, according to administration officials.

Asked what the Soviets might want in return for a reduced role in Nicaragua, one former U.S. official who knows the situation said, "My guess is that they'll ask us to try to coexist with the Sandinistas, providing the reforms continue to take place. I think we could stomach those terms."

"It's a sure bet the Soviets will be asking for something; they're not going to just pack up and leave [Nicaragua]."

Although Yuri Dubinin, Soviet ambassador to Washington, last week said his country was "open and willing" to discuss Central America with the United States, the Soviet Embassy yesterday had an immediate negative response to Mr. Bush's message.

"The attempt to call in doubt the display by the Soviet side of new political thinking in the approach to eliminating seats of international tension in Central America is totally ungrounded," an embassy spokesman said.

Despite those remarks, one U.S. official said the administration was "extremely hopeful" that the Soviets are in a mood "to listen."

Soviet and Cuban military cutbacks in Nicaragua would keep with the 1987 Esquipulas plan calling for nations outside the region to stop funding insurgencies.

U.S. intelligence sources said that the Soviets, as part of their \$1 billion aid package to Nicaragua in 1988, sent \$515 million in military equipment to the Sandinistas, including a major shipment of North Korean torpedo boats in mid-February.

"We want that kind of military support to end as soon as possible," one administration official said.

The Washington Post _____
The New York Times _____
The Washington Times **A1** _____
The Wall Street Journal _____
The Christian Science Monitor _____
New York Daily News _____
USA Today _____
The Chicago Tribune _____

Date **31 MAR 1989**

Recently, the Soviets publicly have said they might reduce their presence in Nicaragua only if the United States would withdraw support from Central America's democracies, a deal Mr. Baker has called unacceptable to the Bush administration.

But speculation exists within Washington's diplomatic community that the Soviets would settle for a U.S. commitment to live with the Sandinistas.

On Friday, the Bush administration and the congressional leadership agreed to a bipartisan accord that calls for a \$45 million aid package to keep together the 11,000 members of the Nicaraguan resistance until promised free elections are held in Managua in February 1990.

The administration maintains that the United States owes humanitarian support to the resistance on "moral grounds." In addition, a delayed demobilization, or repatriation, of the resistance can be used as "leverage" to prod the Sandinistas toward democratization, the administration believes.

Mr. Baker has campaigned to drum up support for the accord, which still must clear Congress, and to silence critics who charge that the absence of a Latin American head at the State Department has hamstrung policy. The job's nominee, Bernard Aronson, still has not been confirmed.

In addition, Mr. Bush and Mr. Baker have set a series of meetings with Latin American leaders.

Yesterday, Mr. Baker conferred with Venezuelan President Carlos Andres Perez, who is set to participate in a working breakfast tomorrow with President Bush, Mr. Baker, Treasury Secretary Nicholas Brady and National Security Adviser Brent Scowcroft.

On Tuesday, Mr. Bush and key Cabinet members will meet with Costa Rican President Oscar Arias Sanchez and on April 7 with El Salvador's president-elect, Alfredo Cristiani.

The Distant Drum of C. Boyden Gray

The President's Friend and Ethics Czar, Pursuing His Causes & Clashing With Insiders

By Phil McCombs
Washington Post Staff Writer

C. Boyden Gray—multimillionaire tobacco heir, Harvard '64, certified member of America's patrician elite and now President Bush's controversial White House counsel and ethics czar—rams the pedal to the metal.

His long hair flying wildly, a chortle on his lips and a wicked gleam in his eye, "CB"—as his blueblood buddies call him—shouts over the wind, "See if I can race this Porsche!"

He eyes the Porsche, which has come from behind to snake around the battered old methanol-powered Chevy that he's piloting along the George Washington Parkway.

RRRRRRRRRR! goes CB's engine.

"Huh huh, hahaha, HAHAAH!" goes CB—uncharacteristically, it might seem, for a lean, 6-foot-6, ascetic-appearing man with thick bushy eyebrows who's given to striding around the White House like some stoop-shouldered Ichabod Crane with a somewhat distracted, professorial air.

He pushes his Chevy past 75 mph, pressing toward 80.

"It doesn't stop!" he shouts, referring to the zip the 110-octane, low-pollution alcohol fuel made from natural gas gives the ancient Chevy. "It keeps on going. IT JUST KEEPS ON GOING!"

But the Porsche gets away.

Did it occur to Gray as he revved more than 20 mph over the limit that it might not do the president any good if his legal counsel got picked up for speeding?

Well, sort of.

"I don't really want to get picked up," he grinned, lifting his foot. But a moment later he jammed it down again, in the passionate belief that alcohol fuels are the solution to the nation's energy problems.

Did it occur to Gray last weekend, when he publicly criticized aspects of the administration's

triumphant bipartisan accord with Congress on Central America, that this kind of publicity might not do the president any good?

Gray, 45, may be one of Bush's most trusted aides, but it's being said in the White House and elsewhere in Republican circles that this free-thinking maverick is a political bumbler who's hurting his boss.

That he's dabbling in policy and pushing pet projects like alcohol fuel when he should stick to his job of lawyering for the president.

"He's politically inept, that's his problem," says a major Republican operative. "The guy is very well meaning, but he's got a political naïveté. He kept pushing this grain stuff [grain is the source of ethanol, another alcohol fuel] back in Iowa. He overdid it. He just didn't have the perspective."

A Bush staffer who watched Gray at work during the campaign recalls that "in senior staff meetings he'd go on about something out of this world. You'd be in a meeting 10 days before Iowa and he would blow on about some insane thing in the paper on methane."

"This guy," sums up a key Republican observer, "is not coming across as a suave Washington insider who knows the ways of power. He comes across as a lawyer who's in over his head."

Gray's eight years as Bush's vice presidential counsel, in this observer's view, "didn't include any heavy lifting. He was basically standby equipment."

Gray, whose legal brilliance is unquestioned—he clerked for Earl Warren and later became a partner at Wilmer, Cutler & Pickering—is offended by these suggestions.

"I don't think I'm politically dumb," he protests, "I really don't. . . . The ethanol thing was such an explosive and powerful issue in the farm community. The argument could be made it made a big impact in the Illinois primary against [Sen. Robert] Dole."

But with the administration barely two months old, the flaps continue.

In the latest, White House Chief of Staff John H. Sununu this week rebuked Gray for his public criticism of the Central America accord that Secretary of State James A. Baker III had worked out with Congress. Gray believed that it might encroach on the constitutional powers of the president, amounting to a legislative veto, but his sin was telling this to The New York Times.

"Judgment was lacking," a senior administration official was quoted as saying.

Gray wouldn't comment, but another administration official came to his defense, saying, "He has an academic interest in the whole subject of legislative vetoes, and part of his job is to protect Bush's position. This could set a precedent for the future, and he was doing his job by questioning it."

Still, it didn't look good in public.

And it was the second time in recent weeks that Gray had clashed bitterly with Baker—whose ties with the president go back much further than Gray's.

Gray, designated by the president to enforce ethical standards in reviewing financial and personal information on the new administration's appointees, had been privately pressing Baker to sell a large block of stock in a bank holding company with outstanding loans to Third World countries. Suddenly news of this dispute appeared on the front page of The Washington Post.

Baker sold the stock but was said to be "wild" with rage at Gray, thinking the counsel planted the story, which Gray as much as admitted to The Wall Street Journal. He said he mentioned Baker's situation to reporters as one of several examples of troubles officials face in dealing with family businesses.

"Baker will kill him for it," says a Republican observer. "Baker likes to toy with people like that. He will, over time, destroy his credibility."

Asked if he's mad at Gray, Baker smiles blandly and says, "No, he's doing his job—as he sees it."

Gray viewed the matter, he says, in purely legal terms. "I don't know him personally," he says of Baker, "but the law changed in 1988 or 1987 and I basically had no choice."

C. Boyden Gray...

Earlier, Gray had come under fire for taking a legalistic approach in assessing the FBI reports on defense secretary-designate John Tower. At a time when Sununu wasn't yet fully in charge, it fell to Gray to read the reports and explain their significance to Bush. Several administration sources believe he focused too narrowly on whether Tower was guilty of serious wrongdoing, rather than considering whether Senate Democrats could mount a political offensive.

"But I wasn't the political manager!" retorts Gray in his own defense. "I don't know who was—Sununu, [White House congressional liaison Fred] McClure, but not me. I'm not the point man... My role was not to make political judgments about it. I had nothing to do with the selection of Tower to begin with."

In a particularly noticeable lapse, Gray, the ethics watchdog, failed to bring his own finances into line with Bush's stated standards. Two weeks after the inauguration, he hurriedly resigned his position with a family communications company and took steps to put his extensive holdings into a blind trust after disclosures in the press that he had accepted thousands of dollars in fees while serving as counsel to then-Vice President Bush.

"Doonesbury" jumped on that one.

Some believe that Gray's own embarrassment led him to leak the Baker information a few days later in order to get the spotlight off himself—politically unpardonable, if true.

Again, Gray gives a narrow interpretation, saying he didn't technically do anything improper.

"I didn't have to set up a blind trust," he says. "I thought I'd done the one better thing, which is to sell everything that posed a potential conflict... I didn't have that much anyway because I'd been selling all throughout the period of the vice presidency."

"It definitely looked bad," says Frederick Khedouri, the vice president's deputy chief of staff in 1985-86. "Sometimes Boyden exhibits characteristics that in other people have been described as absent-mindedness."

Or, says a Republican insider, it might be "the noblesse oblige concept that the rules don't apply to me because I'm a certain class of person."

To Gray's oldest and dearest friends, the idea that he did wrong is impossible to entertain. "To have CB, of all people, come under ethics charges!" says Tom Goodwin, who helped vote Gray into the exclusive Porcellian club at Harvard and who now runs a Washington television production company. "He's one of the most honorable people I know. He just wouldn't do that."

"Well," says Gray, "it was embarrassing to be in 'Doonesbury,' you know. It's not fun."

Sununu and others in the White House may be mad at him, but Gray's relationship with Bush—a strong friendship, really, that developed when he was vice presidential counsel—remains solid. Bush has "developed a confidence and trust level with Boyden that's not going to be shaken," says Republican National Committee Chairman Lee Atwater.

Gray was Bush's first presidential appointment.

A White House insider, asked if the flaps had affected the Gray-Bush relationship, says simply, "No. Why should it?"

There are those who believe the chemistry between the two men is based on their patrician origins. "I'm totally convinced it's class solidarity and nothing else," says a source who worked with the two during the vice presidential years. "Boyden's background is amazingly similar to Bush's—they come from this narrow spectrum of American society. The president feels very comfortable around him, and it enables Boyden to understand better what goes on in the president's mind. I mean, how many rich WASPs are there anymore?"

Bush and Gray belong to the Alibi Club, perhaps the most exclusive and secretive club in Washington with just 50 members. Their fathers were golfing buddies. Gordon Gray, who died in 1982 (whose own father had been a president and chairman of the R.J. Reynolds Tobacco Co.), was national security adviser to President Dwight D. Eisenhower, secretary of the Army for President Harry S. Truman and president of the University of North Carolina.

"Boyden's father was what you might call one of 'The Wise Men' of that generation," says Lloyd Cutler, former White House counsel to President Jimmy Carter and Boyden Gray's mentor at Wilmer, Cutler & Pickering. "He was a citizen-statesman who followed the tradition of Cincinnatus... Boyden is in that mold of citizen-statesman."

Indeed, Clayland Boyden Gray seems relaxed and comfortable poking around in his large, wood-paneled West Wing office. In the way that only the very rich can manage, he's rumpled and tweedy and looks as if he would greatly benefit if someone would buy him a new shirt. There's a huge hole in the bottom of one of his shoes, and you get the feeling that if he were preparing to drink a martini, he might casually stir it with his finger.

"It's my way of trying to hide my family assets," he joked once when Sen. Sam Nunn (D-Ga.) noticed the hole in his shoe. Gray is worth more than \$10 million.

Sprawled on the sofa, warily eyeing his visitor, he's charming and funny and serious by turns. He talks about his job as counsel, about the flaps, but seems happier by far when he manages to turn the conversation to Thomas S. Kuhn's "The Structure of Scientific Revolutions" and its theory on cultural resistance to "paradigm shift, the way people think, and why they resist" new ideas like alcohol fuels.

Bush, he notes, pushed alcohol fuels during his vice presidency—at first as a matter of energy security, and later for environmental reasons.

"At one point," Gray recalls, "I remember Dwayne Andreas [head of Archer Daniels Midland, the giant of the ethanol industry] dragging me aside at dinner or something and saying"—here Gray assumes a deep voice—"Yew oughta tell George, m'boy, tell Georrtrrge, that he, uh, could really make a big thing in the farm belt by pushing ethanol as a pollution control measure." And I thought to myself, "You jerk, I was the one who told your people that it had this benefit!"

It's not long into the interview before Gray mentions in passing that his old college buddy Billy Nitze (Paul Nitze's son) was "having lunch today with the president, and he asked me to go down." A little later he mentions that he's "involved in lunch Friday with the president... Baker, [national security adviser Brent] Scowcroft, [drug czar William] Bennett and myself."

It's kind of hard to miss the point.

The phone rings, and he takes the call. "I talked to the president about it at noon," he says to someone. "I told him it was a tricky business."

Another call comes and, after keeping the second caller on hold for a minute or so, he finally tells the first, "I got Senator Tower waiting on another line."

He switches to Tower, whose nomination, half an hour earlier, was deep-sixed by the Senate.

"Yes, sir," he says. "... I'm sorry that it happened, but I thought it was as dignified as possible."

Gray then chuckles at some witticism of Tower's, and hangs up.

He describes his interactions with Bush, modestly, as "just a good working relationship."

The long vice presidential years—during which Bush and Gray, among other things, spearheaded President Ronald Reagan's effort to reduce government regulations—put the two men through what Gray calls "some testing, which provides a basis for a working relationship."

Now, as a result, the president "knows what my strengths and weaknesses are—he knows when he can trust me, I think, and when he should get somebody else to do something that is not my area of expertise."

