

MEMORANDUM

TO: Senator Dole
FROM: Chris Georgacas, Political Director, People for Boschwitz
RE: Background For November 1st Minnesota Visit
DATE: October 30, 1990

A. Overview of the Boschwitz-Wellstone Race

Our race has tightened up considerably in the last three weeks.

Paul Wellstone (biographical sketch attached) has been able to beat expectations and mount a fairly aggressive campaign on modest funding (about \$1 million vs. our \$7 million). The populist Wellstone, a Jesse Jackson liberal (he was Jackson's state chairman), has aggressively accused Rudy of being a captive of the Beltway and monied interests.

Rudy has stressed that he has been willing to take the tough votes for Minnesota's and the nation's good.

B. Polling

- Public polls: The most recent public poll released was the Minnesota Poll, conducted mid-October, showing Boschwitz 48%-Wellstone 45%. (Less than two weeks earlier, the Minnesota Poll reported an 18% Boschwitz margin.)

- Tracking: We are on the rebound after this last weekend's resolution of the Republican gubernatorial nomination (see D.3 below). However, in a volatile state like Minnesota the race must still be considered fairly close.

C. Paid Media

- Boschwitz: Prior to last week, our paid media was positive, emphasizing Rudy's "down-home" relationship with Minnesotans and his legislative work. Since then, we have gone on the attack, rolling out ads showing the irresponsibility of Wellstone's liberal spending wish-list and suggesting that he would raise taxes not only on the wealthy (which he proposes) but indeed on all Americans--to good effect.

- Wellstone: His TV ads have been quite creative, resulting in greater "memorability" than the GRPs of his buys would suggest. For example, in early October he broadcast a two-minute *Roger and Me* take-off falsely insinuating that Rudy was avoiding debates. His current attacks center on Rudy Boschwitz as friend of special interests and the wealthy.

D. Problems

Several factors have contributed to the closeness of Rudy's race, and may be summarized as follows:

1. National political climate. Minnesota media outlets have picked up on the anti-incumbent theme, with several newspapers endorsing Wellstone as a "fresh face for the '90s."

2. Wellstone's "class warfare." Wellstone has used the budget to focus his attacks on Rudy's capital-gains cut support, attitude toward defense spending, and promote his own spending priority list (e.g. national health care, ABC, etc.). Wellstone speaks of "social justice" and "fairness," and accuses Rudy of being both beholden to special interests and pre-occupied with political fundraising. [See attached clipping.]

3. Gubernatorial race. This has been a surreal year in Minnesota gubernatorial politics. The withdrawal of Jon Gruneth as the IR party's nominee last Sunday amid allegations of sexual improprieties and the installation yesterday of state auditor Arne Carlson as his replacement have provided a great political drama in the last week.

Some conservative party activists, who warmly supported Gruneth, are having difficulty embracing the moderate-liberal Carlson, who is pro-choice. Carlson has a longtime reputation for engaging in spats with the IR party leadership and conservative IR elected officials.

Nevertheless, a number of conservative have endorsed Carlson in the last week, and as few prominent pro-life IR activists are even starting a "Pro-Lifers for Carlson" group.

A IR party poll taken Oct. 20 prior to Gruneth's resignation of the nomination showed Carlson beating Democrat incumbent Gov. Rudy Perpich (a pro-lifer--whose negatives were driven sky-high during the Gruneth sex-scandal episode) by a wide-margin.

Pro-life insiders who were unhappy with Rudy's attempt to expedite Gruneth's departure are watching to see that Boschwitz does not link himself too closely with Carlson.

E. Points to Stress

- Rudy is an effective player in the Senate.
- Wellstone is irresponsible; an example is his treatment of the budget.
- Wellstone is out of step with Midwest and Minnesota values.

F. Points to Avoid

- Avoid closely linking Rudy with IR gubernatorial nominee Arne Carlson, only because we do not want to turn off pro-lifers and gun owners.

G. Phone Numbers

Sen. Rudy Boschwitz (at home)	612/473-2473
People for Boschwitz Headquarters	612/338-7878
	612/338-7770 (fax)
Boschwitz Senate offices	202/224-5641 (Washington)
	612/221-0904 (Minnesota)
Tom Mason, Campaign Director	612/653-9625 (home)

Senator Robert Dole
Proposed talking points
October 31 1990 press conference
on behalf of Senator Boschwitz

Main Themes:

1) Paul Wellstone, Senator Boschwitz's Democrat opponent, has proposed new federal programs and program expansions that would increase the federal budget deficit by more than \$600 billion per year.

2) In addition to the fiscal illiteracy that such proposals represent, such false and undeliverable promises constitute a cruel hoax on the many of the people who Professor Wellstone wants to represent.

Talking Points:

Wellstone proposed cutting \$200 from the defense budget over the next five years. Rudy Boschwitz voted for budget cutting defense by \$180 billion. How far does Wellstone think that \$20 billion difference will go?

Wellstone spending initiatives include 1) Universal Child Care; 2) Doubling EPA appropriations; 3) Full funding for WIC and Headstart programs; 4) Universal health care; 5) National limits of classroom size to 15. Some of those programs might be on a lot of wish lists, but the cost would be \$3.4 trillion over five years. We would have to double taxes to pay for those programs.

Wellstone is a college professor. He knows those programs can't and won't be enacted. He is holding out false hope in order to get votes. His is making false promises.

WELLSTONE SPENDING INITIATIVES

	1991	1992	1993	1994	1995
GNP INCREASE (NOMINAL) OVER PREVIOUS YEAR (from assumptions of original budget agreement)		6.75%	7.60%	7.06	6.53%
INFLATION (from budget agreement)		3.4%	3.2%	3.0%	2.8%
UNIVERSAL CHILD CARE (from National Research Council)	118 bil.	122 bil.	125.9 bil.	129.7 bil.	133.3
DOUBLE EPA (Appropriations Bill)	5.5 bil.	5.7 bil.	5.9 bil.	6.0 bil.	6.2 bil.
NUTRITION FULL FUNDING--WIC (Congressional Budget Office)	1.4 bil.	1.4 bil.	1.5 bil.	1.5 bil.	1.6 bil.
HEAD START-- FULL FUNDING (CBO)	6.6 bil.	6.8 bil.	7.0 bil.	7.3 bil.	7.5 bil.
UNIVERSAL HEALTH CARE (based on National Physicians Working Plan, tied to GNP)	426.1 bil.	454.9 bil.	498.7 bil.	526.9 bil.	561.3 bi
15 STUDENTS PER CLASSROOM (Dept. of Education)	37 bil.	38 bil.	39.5 bil.	40.7 bil.	41.8 bil.
ADEQUATE COMPENSATION FOR TEACHERS (based on MEA goal, average increase of 10.75%)	8.1 bil.	8.4 bil.	8.6 bil.	8.9 bil.	9.2 bil.
TOTAL FIVE YEAR TOTAL	602 bil. \$3.4 TRILLION	637 bil.	678 bil.	721 bil.	761 bi

WELLSTONE'S ENDORSEMENT OF CITED PROGRAMS

UNIVERSAL CHILD CARE	From Wellstone literature piece entitled "Paul Wellstone Stands Up for Children"
DOUBLE EPA OPERATING BUDGET	From Wellstone's op-ed "Boschwitz fails to reflect Minnesota's environmental image", <i>Pioneer Press</i> , February 23, 1990
FULL FUNDING--WIC	From Wellstone literature piece entitled "Paul Wellstone Stands Up for Children" [Wellstone claims "Universal nutrition" as a top priority]
FULL FUNDING--HEAD START	From Wellstone literature piece entitled "Paul Wellstone Stands Up for Children"
UNIVERSAL HEALTH CARE	<p>From Minnesota Public Radio debate against Jim Nichols (September 5, 1990): "There are a lot of different models (for national health care coverage). I think the proposal of the National Physicians Working Plan which was presented in the <i>New England Journal of Medicine</i>, very prestigious journal, makes the most sense."</p> <p>From Twin Cities Reader article "What's So Radical About Paul Wellstone?", June 27, 1990: "I'm a strong proponent of universal health care coverage...That's so radical the <i>New England Journal of Medicine</i> came out in January, 1989 with a plea for it."</p>
15 STUDENTS PER CLASSROOM	From Wellstone literature piece entitled "Paul Wellstone Stands Up for Children"
ADEQUATE COMPENSATION FOR TEACHERS	From Wellstone literature piece entitled "Paul Wellstone Stands Up for Children"

The Children's Defense Fund cited a study by the National Research Council that estimated the cost of universal child care at \$126 billion annually. Current spending on child care is \$8 billion.

The EPA budget used as a base for doubling is that included in the FY 90 Appropriations bill.

Nutrition (WIC) and Head Start figures come from the Congressional Budget Office.

Universal health care spending rises annually with GNP, because funding for the plan Wellstone has endorsed is "set at the same proportion of the gross national product as health costs represented in the year preceding the establishment of the national health program." ["A National Health Program for the United States: A Physicians Proposal." David U. Himmelstein, M.D., Steffie Woolhandler, M.D., M.P.H., and the Writing Committee of the Working Group on Program Design, *New England Journal of Medicine*, January 12, 1989, p. 102] According to Wellstone [*Hospital News, Minnesota*, October 1990 p. 7], 11.2 percent of GNP is spent on health care in the U.S. Using 1990 as the base year, and subtracting current federal government expenditures on health care, the total spending increase for 1991 is 426.1 billion.

The cost of reducing class sizes to 15 students is based on a study by the Department of Education, which researched the cost of reducing all K-12 classes to 15 students. The estimated cost is between \$68 and \$93 billion annually, an average of \$80.5 billion. Assuming Wellstone only referred to elementary classes (K-6), which comprise 46 percent of all K-12 students, the cost is \$37 billion, annually.

Adequate compensation for teachers is based on the MEA goal, which is an average 10.75 percent increase per teacher. This increase nationwide would total \$8.1 billion. From Wellstone's NEA questionnaire: "I will be clear that to stand up for children means a commitment in dollars (his emphasis), enough to make up the education deficit and (his emphasis) more funding if we are to move forward." Also from questionnaire: "[I agree with NEA which] supports a full partnership role for the federal government in assisting local school districts by redirecting national priorities to provide substantial increases in federal funding for education."

MINNESOTA -- POLITICAL BRIEFING

STATE POLITICAL BACKGROUND

- o Republicans have won three of the 10 presidential elections in Minnesota since 1952 (1952, 1956, and 1972).
- o A Minnesotan has been on the Democratic presidential ticket in five of the last seven elections (Humphrey-1964, 1968; Mondale-1976, 1980, 1984).
- o The Democratic-Farm-Labor (DFL) Party controlled both U.S. Senate seats between 1959 and 1978. Republicans have held both seats since 1978.
- o Since 1952, Independent-Republicans (IR) have won five of the 12 gubernatorial elections.
- o Minnesota is one of 22 states that does not register voters by party. A party ID poll, conducted by the Minneapolis Star Tribune in early October 1989, revealed that 44% of the Minnesota voters polled considered themselves DFLs (or leaned to the DFL Party) while 46% called themselves IRs (or leaned to the IR Party). This was the second poll in three months to show higher identification with the IR Party for the first time in 37 years.

1988 ELECTION RESULTS

PRESIDENTIAL:	Bush	46%	958,199
	Dukakis	54%	1,106,975

Reagan lost the state with 44% of the vote in 1980 and 49% in 1984.

U.S. SENATE	David Durenberger (R)	57%	1,171,678
	Skip Humphrey (D)	41%	853,004
	Polly Mann (I)	2%	44,170

U.S. HOUSE: All incumbents were re-elected.

STATE LEGISLATURE: Republicans gained two seats in the state House and gained a seat in the state Senate.

STATE UNEMPLOYMENT RATE

- o The July 1990 not-seasonally adjusted unemployment rate for Minnesota was 4.6%, above the July 1989 rate of 4.1%. The not-seasonally adjusted national rate for July 1990 was 5.5%.

MOORHEAD (Clay County)

- o The July 1990 not-seasonally adjusted unemployment rate for Clay County was 4.6%,
- o As of July 1, 1988, the total population of Clay County was 48,200.
- o Moorhead is located in the 7th C .D. represented by Republican Arlan Stangeland (1989 ratings: Americans for Democratic Action (ADA)-0; American Conservative Union (ACU)-96) since 1977 (see page 9).
- o In 1988, Bush-Quayle lost Clay County, 48%-52%. In 1984, Reagan-Bush carried Clay County, 53%-47%.
- o Bush-Quayle lost the 7th C.D., 39%-60%. In 1984, Reagan-Bush carried the 7th C.D., 57%-43%.

STATE ISSUES

- o The 1990 session of the Legislature began on Feb. 12 and concluded in late April.

ABORTION:

- o Current Minnesota law bans abortions when the fetus is viable, except to save the woman's life. DFL Gov. Rudy Perpich is pro-life, however, he has said he would sign whatever legislation reaches his desk if it were approved by both House and Senate Democratic leaders. Democratic leaders were split on the issue during the 1990 session.
- o In June 1990, the U.S. Supreme Court struck down a Minnesota law requiring unmarried minor girls to obtain permission from both parents or a judge prior to an abortion. Nearly three out of four Minnesotans supported the law. Twenty-five states have similar laws, however, Minnesota's was the only one that required both biological parents be notified.

1990 Legislation:

- o The 1990 session of the Legislature debated two major bills dealing with abortion but no action was taken on either bill on the floor. A bill to prohibit abortions for birth control reasons was defeated three times in the Senate. Another bill was introduced that would have prohibited the use of any aborted fetal tissue for medical purposes; it never received a hearing.

FLAG BURNING:

- o A Senate committee approved a resolution to protect the American flag from willful desecration. The resolution, introduced by Senate Assistant Minority Leader Don Storm, was debated on the Senate floor and was later withdrawn when it ran into opposition.

CAMPAIGN FINANCING:

- o A bill which will place voluntary spending limits on U.S. Senate (\$3.4 million) and House (\$425,000) races will take effect on Jan. 1, 1991. The measure will also ban political candidate fund-raisers during a legislative session and requires the Legislature to abide by the open meeting law.
- o If both major party candidates for an office agreed to abide by the limits, neither would receive taxpayer subsidies. If one candidate agreed and the other did not, the candidate who limits expenditures would receive public financing of up to 25 percent of the limit established for the office they seek.

STATE PRESIDENTIAL PRIMARY:

- o Gov. Perpich signed legislation in May 1990 creating an April presidential primary in Minnesota, which coincides with Wisconsin's primary on the first Tuesday in April. Minnesota has not held a presidential primary since 1956.
- o Voters will be required to declare a political party affiliation before voting in the presidential primary. However, state primary voters would not be required to declare a party affiliation prior to voting.

1991 REDISTRICTING:

- o In 1980, a federal court adopted a DFL reapportionment plan for Minnesota's U.S. House districts after the Legislature failed to enact one.
- o The initial plan will be drawn up by the state Legislature and the governor will have veto power over the proposed plan.

Population Estimates:

- o Preliminary reports released by the Census Bureau show Minnesota has gained more than 280,000 residents during the 1980s. However, the number of congressional districts is expected to remain the same.

1988 PRESIDENTIAL ELECTION

- o Dave Jennings was chairman and Marge Gruenes was chairwoman of the Bush-Quayle campaign in Minnesota.
- o Vice President George Bush didn't travel to Minnesota during the general election campaign, while Massachusetts Gov. Michael Dukakis made two campaign visits to the state. Dukakis carried the state, 54%-46%.
- o Minnesota ranked first in the nation in voter turnout, with an estimated 65.4% of the voting-age population participating in the presidential election.

POLITICAL SUMMARY

- o The IR state convention was held on June 14-16 and the DFL state convention was held the weekend of June 9.
- o The 1990 primaries were held on Sept. 11. More than 1,000 Minnesotans filed for various public offices. Among candidates for statewide office, only Secretary of State Joan Grove and Attorney General Hubert "Skip" Humphrey III were unopposed in their primaries.

BUSH APPROVAL RATING:

- o A July poll taken by the St. Paul Pioneer Press and WCCO-TV showed President George Bush with a 55 percent favorable rating (down from 64 percent in January) and 44 percent unfavorable (up from 35 percent in January).
- o Of those polled, 60 percent opposed a tax increase to "help reduce the growing budget deficit" and 38 percent opposed an increase.

U.S. SENATE:

- o In 1988, Independent-Republican Sen. David Durenberger (1989 ratings: ADA-40; ACU-41) was elected to a third term, defeating Minnesota Attorney General Hubert "Skip" Humphrey III (son of the late Sen. and Vice President Hubert Humphrey II), 57%-41%. Independent candidate Polly Mann received 2% of the vote.

Ethics Charges:

- o The Senate Ethics Committee concluded on Feb. 20, 1990 that there was "substantial credible evidence" Durenberger may have violated federal law and Senate rules. After further investigation of the charges, including evading limits on speaking fees and failure to fully disclose financial reimbursements from outside groups, the Ethics Committee recommended that Durenberger be denounced.

- o Durenberger denied any intentional wrongdoing and apologized to voters for "lapses of judgment." On July 25, 1990, the full Senate formally denounced Sen. Durenberger for "knowingly and willfully" violating Senate rules and ordered him to make restitution of up to \$123,000 for money he received improperly. Durenberger and IR Sen. Boschwitz voted present.
- o Prior to the Senate vote, Boschwitz claimed Durenberger had been punished by the length of the 22-month-long ethics investigation and the \$500,000 in legal fees he has incurred. After the Senate vote, Durenberger pledged to strive to become "first a better man and then a better senator."
- o Durenberger has not announced if he will seek re-election in 1994. However, he plans to get an early start on fund-raising because he depleted his campaign money to help pay for nearly \$500,000 in legal fees.

Polling:

- o A July Star Tribune Minneapolis Poll (n=500 adults, d=7/26-29/90, ±4%) taken after the U.S. Senate decision to denounce Durenberger showed 39 percent believe Durenberger should resign and only 43 percent gave him a favorable job performance rating (down from 79 percent in 1987).
- o A Minnesota poll taken prior to the Senate vote by the Star Tribune (n=500 adults, d=6/14-17/90, ±4.4%) showed that 40 percent of those polled believed Durenberger should stay in office and 40 percent believed he should have resigned. Fifty-seven percent believed he had done something seriously wrong and 58 percent believed he tried to take advantage of Senate rules.

1990 U.S. Senate Race:

- o IR Sen. Rudy Boschwitz (1989 ratings: ADA-15; ACU-81) won a second term in 1984, defeating DFL Secretary of State Joan Growe with 58% of the vote.
- o Boschwitz was endorsed by the IR state convention and defeated John Zeleniak, a retired physicist from Minneapolis, 87%-13%, in the IR primary.

DFL:

- o Political science professor and Jesse Jackson's 1988 state campaign manager Paul Wellston, who was endorsed by the DFL convention, defeated state Agriculture Commissioner Jim Nichols and Lyndon LaRouche follower Gene Schenk in the primary with 60% of the vote.

Abortion:

- o Boschwitz is pro-life. Wellston is pro-choice.

Campaign Finances:

- o As of June 30, 1990, Boschwitz had raised a total of \$4,783,714 (\$794,990 from PACs) million with \$1,155,000 cash-on-hand and a total debt of \$62,920. The Boschwitz campaign plans to raise a total of \$7 million for the general election.
- o As of June 30, 1990, the Wellstone campaign had raised \$188,670 (\$13,338 from PACs) with \$38,177 cash-on-hand and a total debt of \$700. Wellstone indicated he needs to raise a total of \$3 million through November to defeat Boschwitz in the general election.

Polling:

- o A general election match-up between Boschwitz and Wellstone taken prior to the Sept. 11 primaries by Political/Media Research Poll (n=825 likely voters, d=8/31-9/4/90, $\pm 3.5\%$) and Decision Research Ltd. poll (n=1,000 likely voters, d=8/27-31/90, $\pm 3.1\%$) showed the following results:

	<i>PMR Poll</i>	<i>DR Poll</i>
Boschwitz	52%	56%
wellstone	26	32

- o The Cook Political Report (9/21/90) rates this race as "solid Republican."

GOVERNOR:

- o DFL Gov. Rudy Perpich first elected in 1982, sought re-election in 1986. Perpich's running mate was incumbent Lt. Gov. Marleen Johnson. Perpich has previously served a two-year term when former Gov. Wendall Anderson resigned to become a U.S. senator, and Perpich moved up from lieutenant governor to the chief executive office for two years in 1977-1978.
- o The Republican nominee was former state Rep. and IR party political director Cal Ludeman. Ludeman chose Minneapolis Alderman Dennis Schulstad as his running mate. Schulstad is an independent, not an IR regular. Perpich won re-election, 57%-43%.

DFL:

- o Perpich will seek a third term in 1990 with Johnson as his running mate. Both were endorsed by the DFL state convention.

- o Perpich and Johnson defeated former State Commerce Commissioner Michael Hatch and his running mate former state Sen. Emily Anne Staples and LaRouche followers Kent Hershbach and running mate Andrew Olson in the primary with 56% of the vote.
- o Perpich has been endorsed by the Minnesota Education Association.

IR:

- o Businessman Jon Gruneth and his running mate Sharon Clark, president of the Minnesota Corn Growers, defeated State Auditor Arne Carlson and running mate Joanelle Dyrstad, in a field of six in the IR primary. Polls taken prior to the primary showed Carlson leading. Gruneth's victory was attributed to the low voter turn-out. He and Clark received 49% of the vote.
- o Gruneth and Clark were endorsed by the IR state convention and U.S. Sen. Boschwitz.
- o President Bush attended various fund-raisers for Gruneth and Sen. Rudy Boschwitz on Sept. 27 which raised approximately \$1 million for both campaigns.

Abortion:

- o Perpich is pro-life and Johnson is pro-choice. Gruneth is pro-life.
- o Carlson, defeated by Gruneth in the DFL primary, said "the abortion issue played awfully, awfully big -- much bigger than anybody expected." Carlson is pro-choice.

Polling:

- o A Minnesota Poll conducted for the Minneapolis Star-Tribune and KSTP-TV (n=852 likely general election voters, d=9/14-19/90, $\pm 3.4\%$) showed the following results:

	<i>ALL</i>	<i>MEN</i>	<i>WOMEN</i>
Gruneth	46%	46%	46%
Perpich	43	45	41
Undecided	11	9	13

- o The Cook Political Report (9/21/90) rates this race as a "toss up."

SECRETARY OF STATE:

- o DFL incumbent Secretary of State Joan Anderson Grove will be challenged by IR endorsed candidate David Jennings in November. Grass Roots Party candidate Candice Sjostrom will also run in the general election.

ATTORNEY GENERAL:

- o DFL incumbent Attorney General Hubert H. Humphrey III will be challenged by IR endorsed candidate Kevin Johnson who defeated Howard Hansen and Sharon Anderson in the IR primary.

STATE AUDITOR:

- o The state auditor race will be open in 1990 because incumbent IR Arne Carlson ran in the IR gubernatorial primary.

IR:

- o Businessman Bob Heinrich, who received the IR endorsement, defeated four other IR candidates in the September primary.

DFL:

- o Former U.S. Senate candidate Mark Dayton, who received the endorsement for state auditor at the DFL convention defeated former Minneapolis councilman Dick Franson in the September primary. He indicated his campaign will stay within the spending guidelines of \$135,000, if his opponent does. When Dayton ran for the U.S. Senate in 1982 against Durenberger, he spent \$7.1 million, most of it his own money.

U.S. HOUSE OF REPRESENTATIVES:

3 Republicans 5 Democrats

- o 1988 election results:

<u>District</u>	<u>Winner</u>	<u>Percentage</u>
1	Tim Penny (DFL)	70
2	Vin Weber (IR)	58
3	Bill Frenzel (IR)	68
4	Bruce Vento (DFL)	72
5	Martin Sabo (DFL)	72
6	Gerry Sikorski (DFL)	65
7	Arlan Stangeland (IR)	55
8	James Oberstar (DFL)	75

1990 KEY CONGRESSIONAL RACES:

3rd C.D. Southeast - Bloomington

- o Incumbent Republican Bill Frenzel won re-election in 1988 defeating Democrat Dave Carlson, 68%-32%. Frenzel will not seek re-election in 1990.
- o State Sen. Jim Ramstad, who was endorsed by the IR convention, defeated Dave Drummond in the IR primary. He will be challenged by former Democratic Minneapolis City Council president Lou DeMars in November.
- o Ramstad has been endorsed by U.S. Rep. Frenzel, Sen. Boschwitz, the Police Officers Federation and the Metropolitan Handicapped Coalition.

Abortion:

- o Pro-choice Ramstad accused DFL candidate DeMars of flip-flopping on abortion after his campaign produced a news story from eleven years ago which said DeMars was pro-life.
- o DeMars campaign manager Cathy Forcica responded, "Lou did change from pro-choice to pro-life in 1979 during a politically tense period when he was thinking about running for mayor (of Minneapolis). He told me that it was an emotional decision that he soon regretted. He is definitely pro-choice now and he is committed to work for that position in Congress." (Minneapolis Star, 9/21/90)

Fund-raising:

- o As of June 30, 1990, the Ramstad campaign had raised a total of \$379,612 and had \$340,340 cash-on-hand. The DeMars campaign raised a total of \$114,598 and had \$66,078 cash-on-hand and a debt of \$41,167.
- o The Cook Political Report (9/21/90) rates this race as "likely Republican."

7th C.D. Northwest - St. Cloud

- o Incumbent Republican Arlan Stangeland, who won re-election by 300 votes in 1986, was re-elected with 55% of the vote in 1988, defeating DFL candidate Marv Hanson.
- o Stangeland will be challenged by former DFL state Sen. Collin Peterson in the November election. Peterson has pledged he will focus his campaign on farm issues and not personal attacks against Stangeland. Peterson lost to Stangeland by 121 votes in 1986.

- o As of June 30, 1990, the Stangeland campaign raised a total of \$255,701 and had \$121,866 cash-on-hand. The Peterson campaign raised a total of \$66,409 and had \$52,024 cash-on-hand and a debt of \$32,809.

Ethics:

- o Earlier this year, Stangeland was accused of using his House credit card to make hundreds of long distance phone calls to a female lobbyist, who has since been revealed to be a clerk in a D.C. office. He was later criticized for allowing a second lobbyist to park in his parking space in the Capitol.
- o Stangeland said the phone calls were business-related and said the second lobbyist, a friend, allowed him to use his car in exchange for the parking space.

Polling:

- o A poll commissioned by Peterson and conducted by the North Dakota Bureau of Government Affairs (n=522 adults, d=6/17-19/90, \pm 4%) showed Stangeland with the following results:

Favorable	30%
Unfavorable	52%
Undecided	17%

- o When voters were asked who they would support if the election were held today:

Stangeland	42%
Peterson	41%
Undecided	14%
Neither	2%

- o However, when those polled were reminded about Stangeland's ethics incident:

Stangeland	34%
Peterson	47%
Undecided	16%

- o The Cook Political Report (9/21/90) rates this race as "toss up."

STATE LEGISLATURE:

State Senate:	23 Republicans	44 Democrats
State House:	53 Republicans	81 Democrats

- o In 1988, all 134 House seats were up for election and the Republicans gained two seats.
- o The entire state Legislature will face re-election in 1990. Twenty incumbents will be unopposed in the general. Six faced only primary opposition or will face an independent candidate in the general election.

Special Election:

- o A special election was held on Feb. 15, 1990, to fill the vacancy created when state DFL Sen. Donna Peterson resigned to assume a lobbying position with the University of Minnesota. DFL candidate Carol Flynn defeated IR Mary Johnson in the 61st Senate District. Flynn is pro-choice and Johnson is pro-life.

STATE PARTY UPDATE

- o Minnesota Independent-Republicans do not organize along county lines; instead they organize by Basic Political Organization Units (B.P.O.U.s), generally formed around town organizations. There are approximately 158 B.P.O.U.s in Minnesota.
- o The State Central Committee Chairman Dave Jennings did not seek re-election in 1989. On June 17, 1989, the party's Central Committee elected Bob Weinholzer as state chairman.
- o National Committeewoman Evie Teegan was appointed ambassador to Fiji by President Bush in the fall of 1989.
- o The Minnesota State Central Committee met on Dec. 2, 1989, to adopt a 1990 budget and to elect IR activist Evie Axdahl as Republican national committeewoman to fill the position vacated by Teegan. The committee approved a \$2.3 million budget for 1990 and voted to hold the 1990 state IR convention in Duluth on June 14-16.
- o During the state committee meeting, Chairman Bob Weinholzer announced the party had paid off its outside creditors, although at that time it still owed \$314,648 to its local organizations. The IR party was \$450,000 in debt at the beginning of 1989. It raised \$1.4 million, cut back spending and on Nov. 30, 1989 the state party had a \$7,110 cash balance.

STATE PRIMARY ELECTION:

- o Minnesota's IR leaders "overwhelmingly favor an earlier primary election and a requirement that voters register by party before they can vote in primaries, according to a survey of IR central committee members." A 73 percent to 25 percent majority favored moving the primary from the second Tuesday in September to the first Tuesday in August, giving candidates "more time to regroup" between the primary and the general election.

- o The registration requirement is favored because the IRs now spend \$500,000 per year on voter identification, and as House Minority Leader William Schreiber put it, "why not let the secretary of state do it for us?" (St. Paul Pioneer-Press, 12/6/89)

REPUBLICAN STATE PARTY OFFICIALS

STATE CHAIRMAN/CHAIRWOMAN	Bob Weinholzer/Barbara Sykora
NATIONAL COMMITTEEMAN	Frank Graves
NATIONAL COMMITTEEWOMAN	Evie Axdahl

ELECTED OFFICIALS

GOVERNOR Rudy Perpich (DFL) - re-elected in 1986

SENATORS David Durenberger (IR) - re-elected in 1988
Rudy Boschwitz (IR) - re-elected in 1984

U.S. HOUSE OF REPRESENTATIVES:

Independent-Republican members:

Vin Weber	2nd District
Bill Frenzel	3rd District
Arlan Stangeland	7th District

STATE BACKGROUND

- o Half of the state's population lives in the metropolitan area around the twin cities of Minneapolis and St. Paul.
- o Minnesota has the fourth-largest public university system in the nation.
- o The DFL was founded in 1944 by Hubert Humphrey II. Originally, the DFL was a Coalition of urban German, Irish, and Polish Catholics, and rural Scandinavian Lutherans. Their support has been the backbone of the Democratic Farm Labor Party. Notable DFL members in addition to Humphrey include former U.S. Sens. Eugene McCarthy and Walter Mondale, and former Minnesota Gov. Orville Freeman.
- o The death of Humphrey in 1978 unraveled the party's unity. On Election Day in 1978, both U.S. Senate seats and the governorship, which had been held by the DFL Party, were lost to Republicans.

- o The 1980 Census rankings for Minnesota are as follows:
 - 21st in population (4,075,970);
 - 33rd in Black population (53,344), but 41st in Black percentage (1.3%) of the state's total population;
 - 34th in Hispanic population (32,123) and 41st in Hispanic percentage (0.8%) of the state's total population;
 - 29th in percentage (2.6%) of foreign-born residents;
 - 30th in median age (29.2);
 - 7th in percentage (54.0%) of women in the labor force;
 - 20th in percentage (17.4%) of college graduates;
 - 14th in median household income (\$17,761);
 - 17th in per capita income (\$7,524); and,
 - 15th in housing value (\$57,000).

12-October-1990 sParris

October 26, 1990

TO: SENATOR DOLE
FROM: DAVE SPEARS
SUBJECT: MINNESOTA AGRICULTURE STATISTICS AND CROP REPORT

AGRICULTURE STATISTICS:

IN 1988, MINNESOTA RANKED SEVENTH IN TOTAL CASH RECEIPTS,
WITH A DOLLAR VALUE OF \$6,107,000,000.

THE FIVE LEADING COMMODITIES AND THEIR NATIONAL RANKINGS ARE:

- | | |
|-------------------|----|
| 1. DAIRY PRODUCTS | #5 |
| 2. SOYBEANS | #3 |
| 3. CATTLE | #9 |
| 4. CORN | #5 |
| 5. HOGS | #3 |

CROP REPORT:

HARVEST OF CORN, SOYBEANS, SUGARBEETS, AND SUNFLOWERS IS
AHEAD OF NORMAL PACE. GOOD WEATHER HAS ALLOWED FOR 49% CORN
COMBINED, 95% SOYBEANS COMBINED, 94% SUGARBEETS HARVESTED AND 99%
SUNFLOWERS COMBINED. FALL PLOWING/TILLING HAS BEGUN ON HARVESTED
CORN AND BEAN GROUND.



REPUBLICAN GOVERNORS ASSOCIATION

MEMORANDUM

TO: SENATOR DOLE

FROM: TIM CRAWFORD *T. Crawford*

RE: KANSAS, MINNESOTA AND IOWA TRIPS

DATE: OCTOBER 26, 1990

In preparation for your travel into Kansas, Minnesota and Iowa I have attached the latest poll results that we have been able to obtain. I will also go through each state and give you a brief summary.

KANSAS

Governor Hayden was down almost 20% as recently as four weeks ago. I heard yesterday that there was an internal poll that showed the Governor now 5 points up. Each time Finney opens her mouth she seems to get herself into even more trouble. Governor Hayden's chances for re-election are improving by the minute.

IOWA

There was a time when the Iowa Governors race looked as though it would be a real "nail biter." However, as you can see by the poll results Avenson has not been able to tag Governor Branstad with anything and Governor Branstad enjoys an almost 20% lead going into the final 11 days.

MINNESOTA

Minnesota was, up until a few days ago, one of our top targeted states. In the last several days much has happened to change that. Our candidate Jon Grunseth was accused of swimming nude with three teen-age girls in 1981. Although Grunseth denies that this ever took place he is hemmoring in the polls. Last night, he was supposed to withdraw from the race in favor of some one else but apparently decided that his supporters wanted him to stay in the race to the bitter end. The loser of the Republican primary, Arne Carlson, has entered the race as a write-in candidate. Carlson leads in most of the polls but it is anybody's guess as to what may occur next in Minnesota.

MINNESOTA

Minneapolis Star Tribune/KSTP-TV Poll, October 19-21, 1990

General election trial heats:

<u>Head-to-Heads</u>			
Perpich	46%	Perpich	41%
Grunseth	40%	Carlson	51%

<u>With all three</u>	
Perpich	37%
Grunseth	27%
Carlson	28%
Neither/Other	2%

The Minneapolis Star Tribune/KSTP-TV Poll, conducted October 19-21, 1990, surveyed 601 likely voters. Margin of error $\pm 4\%$.

RHODE ISLAND

WJAR-TV/Channel 10 Poll, October 9-12, 1990

General election trial heat:

<u>Head-to-Head</u>	
Sundlun	61%
DiPrete	24%
Undecided	15%

The WJAR-TV/Channel 10 Poll, conducted October 9-12, 1990 by Alpha Research Associates, surveyed 513 likely voters. Margin of error $\pm 4\%$.

October 31, 1990

MEMORANDUM FOR THE LEADER

FROM: JUDY BIVIANO

SUBJECT: MINNESOTA SENATE RACE

Minnesota Inside Polling

(NRSC overnight tracking from October 30)

Boschwitz 54

Wellstone 42

3-day roll: 49-44

INSIDER'S ASSESSMENT -- Courtesy Rick Shelby
National Republican Senatorial Committee

MINNESOTA
October 27, 1990

As recently as two weeks ago, Senator Boschwitz was seemingly a solid bet for re-election. Current indications, however, are of a rapidly changing situation and the likelihood of a very competitive race.

Unfortunately, Senator Boschwitz has not been able to disassociate himself from the ongoing chaos in the Minnesota Independent Republican Party and more specifically, the Republican candidate for Governor, John Grunseth, who comes from the conservative element of the party, and who was expected to withdraw from the race this past Thursday, after a week of intensely negative stories accusing him of questionable behavior with teenage girls in 1981. However, at the last moment, he had a change of heart and elected to remain in the race. Boschwitz, who had publicly urged Grunseth to withdraw, thus has fallen victim to their ire which has manifest itself in public calls for his defeat by a number of conservative leaders, including Kathy Wharey who was the Robertson State Chairman in 1988.

This groundswell, along with the growing anti-incumbent sentiment in the state has resulted in this unexpected but serious challenge to Boschwitz; serious enough that it led to the Senator's early departure from Washington amidst the budget negotiations to return home to put his campaign into high gear.

Despite these recent serious developments which have clearly weakened Boschwitz' strong hold on the race, he still remains 6 to 9 percentage points ahead of his Democratic opponent, according to our in-house tracking numbers (47-38 - 9/25/90). From a financial standpoint, Senator Boschwitz enjoys a formidable advantage having outspent his opponent by a 2 - 1 margin to date, and now he enters the final 10 days of the campaign with over 1 million cash on hand compared to Wellstone's \$70,000+ cash on hand.

Bottomline. The situation in Minnesota is tenuous and must be taken seriously by all parties who are in a position to have an impact upon this race. Special attention must be focused on the message component of this campaign -- both paid and earned. Additionally, emphasis must be placed on the turnout effort. Anything which can be done through 3rd party entities to energize those voter groups which have a natural affinity for Senator Boschwitz and for the Party should strongly be encouraged.

MINNESOTA

POPULATION: 4,163,000
Voting Age: 3,048,000
Largest City: Minneapolis (356,840)
Second Largest: St. Paul (263,680)
Third Largest: Bloomington (85,740)

GOVERNOR: Rudy Perpich (D)
Challengers: Jon Grunseth (IR)
Arne Carlson (IR) write-in

SENATORS: Durenberger (Minneapolis), Boschwitz
(Plymouth)

CONGRESSIONAL DELEGATION:

3 Republican Representatives
2nd: Vin Weber (No. Mankato)
3rd: Bill Frenzel (Golden Valley)
7th: Arlan Stangeland (Barnesville)

5 Democratic Representatives
1st: Timothy Penny (New Richland)
4th: Bruce Vento (St. Paul)
5th: Martin Sabo (Minneapolis)
6th: Gerry Sikorski (Stillwater)
8th: James Oberstar (Chisholm)

**REDISTRICTING/
CENSUS IMPACT**

Minnesota is not expected to lose any of its eight District seats. Since the Governor has veto power over the redistricting process, it is a shame that the Governor's race is such a mess. The Democrats have majorities in both the House (79-54) with one vacancy, and (44-23) in the Senate.

DEMOGRAPHICS: 97% White, 67% urban and 33% rural, 54% of Minnesota's land is used for farming while 33% is forest land.

MEDIAN FAMILY INCOME: \$21,185 (13th)

VIOLENT CRIME RATE: 285 per 100,000 (35th)

INDEPENDENT - REPUBLICANS OF MINNESOTA

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(612) 854-8488 FAX #

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MINNESOTA STOPS

St. Paul

St. Paul, Minnesota's 2nd largest city is located in the 4th District. The city is Democratic with a German and Irish-Catholic population and a strong labor tradition that grew up in the days when it was a major port and railroad hub. Minnesota 4 is represented by Rep. Bruce Vento (D) and Congressional Quarterly considers his seat safe.

Rochester & Mankato

Minnesota 1 is represented by Rep. Timothy Penny (D). Rochester is the state's 5th largest city, with 58,000 people. It is the home of the Mayo Clinic, and a large IBM facility. Rochester has much more of a white-collar orientation than the rest of the district, and its voters are reliably Republican, although many of the district's disgruntled farmers have strayed from their GOP traditions. Congressional Quarterly considers this seat safe.

Worthington

Minnesota 2 is represented by Rep. Vin Weber (R). Worthington, located in Nobles County, claims to be the "Turkey Capital of the World." The thirty county district includes some of the best farm land in the state. Congressional Quarterly considers Rep. Weber's seat safe.

October 26, 1990

MEMORANDUM FOR THE LEADER

FROM:

JUDY BIVIANO *jab*

SUBJECT:

NRCC ANALYSIS OF COMPETITIVE RACES - MINNESOTA

Charles Leonard, Campaign Director, for the National Republican Congressional Committee offered the following assessment of competitive races in Minnesota:

Minnesota 3: Jim Ramstad (who was helpful to DFP) looks like a clear winner over Louis Demars. Ramstad is presently a State Senator.

Minnesota 7: Congressman Stangeland's negatives are very high, but the race is dead even against Cowen Peterson.

Stangeland's problems are all ethical in nature. His campaign is still nagged by persistent rumors that he called a female lobbyist at government expense. The Congressman has never really put the issue to rest.

Stangeland may hold on, though, due to his consistent strength in his home district.

Stangeland was Honorary Chair of DFP-Minnesota.

Attached is pertinent information on both candidates.

- * Special Note: Arne Carlson (GOP Gubernatorial write-in candidate) was co-chair of elected officials for DFP. He worked closely with Craig Shaver on this effort.

Attachments

JIM RAMSTAD

Born and raised in Jamestown, North Dakota, Senator Jim Ramstad moved to Minnesota in 1965 to fulfill his boyhood dream of attending the University of Minnesota, where he graduated Phi Beta Kappa in 1968.

Ramstad attended the George Washington University Law School and graduated with honors in 1973. From 1969 to 1975, he served in the U.S. Army Reserve, attaining the rank of First Lieutenant.

After his discharge from active duty, Ramstad worked for the Majority Caucus in the Minnesota House and as a special assistant to Congressman Tom Kleppe(R-N.D.).

Following law school, Jim Ramstad worked as a Criminal Justice Act lawyer, an Adjunct Professor of Government at American University and for Congressman Bill Frenzel.

First elected to the Minnesota Senate in 1980 when he upset a popular DFL incumbent, Ramstad was re-elected in 1982 and 1986 by overwhelming majorities. He is a member of the Senate Education, Finance, Judiciary and Employment Committees. In addition, he serves on the Legislative Commission on Public Education, the Interagency Task Force on Criminal Justice and the Commission on the Economic Status of Women. In 1989, Jim Ramstad was named "Legislator of the Year" by the Minnesota North Star Chapter of the National Multiple Sclerosis Society for his "Outstanding legislative leadership on behalf of persons with disabilities."

Senator Ramstad is a member of the board of the Children's Heart Fund, Lake Country Food Bank, Wayzata-Plymouth Area Chemical Health Commission and the University of Minnesota Touchdown Club. He is also a member of the Minnesota Prayer Breakfast Committee, Children's Home Society, the Citizens League, TwinWest and Wayzata Area Chambers of Commerce, Sons of Norway, League of Women Voters, Plymouth Lions Club, Westphal Post 251 American Legion and Plymouth Civic League.

Ramstad also has served as a director of the University of Minnesota Alumni Association, Northwest and Ridgedale YMCA's, TwinWest Chamber of Commerce, Accessible Space, Normandale Community College Foundation, the Northwest Hennepin Branch of the American Red Cross and Big Brothers-Big Sisters of Metro Area.

In addition, Jim Ramstad served under Governor Al Quie as chair of the State Human Rights Advisory Committee, and is a member of the Minnesota State and Hennepin County Bar Associations.

Ramstad is a member of the Wayzata Community Church, where he's served as lay liturgist and as a member of the Church's nominating Committee.

STATE SENATOR JIM RAMSTAD

- Elected to the Minnesota Senate in 1980
- Re-elected in 1982 and 1986
- Member of the Senate Committees on Finance, Education, Judiciary and Employment
- Legislative Commission on Public Education
- Commission on the Economic Status of Women
- Interagency Task Force on Criminal Justice

JIM RAMSTAD'S LEGISLATIVE RECORD

- Chief author of legislation calling for a major overhaul of Minnesota's criminal laws to provide mandatory prison sentences for all convicted drug dealers and violent criminals.
- Co-authored the major DWI reform law imposing tougher sanctions on drunk drivers.
- Chief author of the "Fair Share" property tax reform bill to provide a single, uniform property tax rate on residential homesteads in Minnesota.
- Co-authored the 1987 anti-obscenity law to enable local prosecutors to combat pornography.
- Co-authored the Senate resolution to allow states to prohibit the burning of the American flag.
- Selected "Champion of Small Business" as a member of the Senate Finance Committee for votes on reducing wasteful government spending, supporting tax relief and cutting government red tape.
- As a member of the Senate Employment Committee, Jim Ramstad authored legislation to reform workers' compensation insurance to keep jobs and businesses in Minnesota.
- Chief author of the law expanding the crime of first-degree murder to include a child killed in an act of child abuse by an abuser showing an extreme indifference to human life.
- Co-authored the 1981 welfare reform law removing the presumption of eligibility from general assistance to limit benefits to people truly in need.
- Chief author of prison reform legislation to provide more space in a cost-effective way for convicted drug dealers, violent criminals and repeat offenders. Reforms include double-celling whenever necessary to accommodate prison population and prison boot camps for first-time felony drug offenders.
- Chief author of legislation to amend the Minnesota Constitution to limit state spending to a percentage of state tax revenues.
- Chief author of legislation to provide a check-off on state income tax returns to fund the Drug Abuse Resistance Education (DARE) program.

(over)

JIM RAMSTAD'S LEGISLATIVE RECORD

(Continued from other side)

- Chief author of 1990 law providing the right to legal counsel in guardianship and conservatorship proceedings to protect our most vulnerable seniors.
- Co-authored the law consolidating chemical dependency treatment funds to provide cost-effective treatment for more Minnesotans.
- Chief author of 1989 legislation dealing with babies born to cocaine-addicted mothers.
- Co-authored the Disabled Human Rights Law which prohibits discrimination based on disability.
- Co-authored the Handicapped Parking Law, which ensures disabled persons their parking rights necessary for employment and independent living.
- Named "Legislator of the Year" in 1989 by the Minnesota North Star Chapter of the National Multiple Sclerosis Society.
- Chief author of the 1989 Precinct Caucus Access Law which provides access for persons with disabilities to precinct caucuses and political party conventions. It also calls for interpreters for the hearing impaired and materials for the visually impaired. This new law has enabled more citizens to participate in the electoral process and is a "model law" for the United States, according to the United Handicapped Federation.
- Recipient of "Minnesota Access Achievement Award" in 1989 for "distinguished contribution and achievement toward the independence of persons with disability by Access Minnesota, a project of the Minnesota Multiple Sclerosis Society.
- Authored the provision of the 1985 law to assure funding for Metro Mobility, which provides transportation for persons with disabilities and seniors.
- Received the "Outstanding Advocacy Award" in 1987 from the Metropolitan Center for Independent Living "for his outstanding advocacy efforts in the area of transportation for persons with disabilities."
- Recipient of the "Outstanding Service Award" from Mothers Against Drunk Driving in "recognition of exceptional and devoted service to the issue of drunk driving and concern for the victims of such tragedies."

Prepared and paid for by Ramstad for Congress Committee, Chris Farni, Treasurer

Star Tribune

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30A

Sunday/October 21/1990

Ramstad over DeMars for Third District

Third District voters in Twin Cities suburbs have a pleasant choice of candidates to replace retiring Rep. Bill Frenzel. Two men of strong experience and similar views are vying for the seat. Republican Jim Ramstad has been a state senator since 1981. Democrat Lou DeMars was a leader on the Minneapolis City Council — including six years as president — from 1971 through 1980. Since then he has built a private-sector career in municipal-bond financing. Ramstad strikes us as the better man for Congress.

Energy, intellect and breadth of interest are major Ramstad assets. His conservative fiscal-policy approach stresses positive measures for economic growth, not merely a negative chorus against taxes. He's well versed on complexities and tradeoffs in seeking budget balance. He is likewise at home with difficult specifics in arguing for strong environmental policy.

Family-policy questions are another area where Ramstad's impressive information and interest could make him an effective legislator. Sometimes he's impulsive, with a weakness for gimmicks. But the impulses are positive, and the gimmicks are problem-solving probes.

DeMars has major assets too. His investment expertise and knowledge of public finance show clearly in discussion of the S&L debacle or Third World debt. And DeMars emphasizes a need for reforms in budgeting and campaign finance to make government more competent and the public more confident. He is more reflective, more skeptical, yet more of a technician than Ramstad. Ramstad is more ebullient, more broadly engaged and more optimistic about getting things done.

The contrast makes for a win-win choice. On balance, we find Ramstad better suited than DeMars for the seat they both seek.

BERNARD H. RIDDER, 1883-1975

BERNARD H. RIDDER JR., CHAIRMAN EMERITUS

JOHN T. HENRY, CHAIRMAN

OPINION

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SAINT PAUL
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EDITORIALS

CONGRESSIONAL CANDIDATES

Our recommendations in four House races

Here are our endorsements in Minnesota congressional districts covering the Twin Cities, their suburbs and nearest rural areas. We recommend today in the 3rd, 4th, 5th and 6th districts. Our endorsements in the other four Minnesota districts were published Sunday.

3rd District. By far the most interesting race is in this district. The seat is open because Rep. Bill Frenzel, who has been congressman from the 3rd for 20 years, is retiring. Republican Jim Ramstad; a state senator, is running against Lou DeMars, an investment banker who figured large in Minneapolis Democratic-Farmer-Labor politics until 1980, when he retired from the City Council presidency for private employment.



Ramstad



Vento

Mr. Ramstad first won election to the Minnesota Senate in 1980. He is an accomplished, aggressive politician. He is hard to categorize ideologically. He has been talking a constructive line recently on the environment and paying attention to family issues, a big concern in the 3rd, which has explosive suburban growth. His conduct during legislative crime-bashing frenzies left a lot to be desired, but on federal crime and drug issues, Mr. Ramstad takes balanced views.



Sabo



Sikorski

Mr. DeMars, an Edina businessman, left public service in 1980 when there was no room to rise in Minneapolis politics. He had served on the City Council and as its president. He is an able and articulate man who makes a good case for re-entry into politics after gaining private sector experience.

This is a race of two above-average candidates. But we give the edge to JIM RAMSTAD for contemporary political understanding of fiscal issues.

Paid for by Ramstad for Congress

652 MINNESOTA

Rep. Arlan Stangeland (IR)



Elected 1977; b. Feb. 8, 1930, Fargo, ND; home, Barnesville; Lutheran; married (Virginia).

Career: Farmer; MN House of Reps., 1966-74; Mbr., Barnesville Bd. of Ed., 1976-77.

Offices: 2245 RHOB 20515, 202-225-2165. Also M-F Bldg., 403 Center Ave., Moorhead 56560, 218-233-8631; and Fed. Bldg., 720 Mall Germain, St. Cloud 56301, 612-251-0740.

Committees: *Agriculture* (5th of 18 R). Subcommittees: Cotton, Rice and Sugar (Ranking Member); Livestock, Dairy and Poultry; Wheat, Soybeans and Feed Grains. *Public Works and Transportation* (3d of 20 R). Subcommittees: Aviation; Surface Transportation; Water Resources (Ranking Member).

Group Ratings

	ADA	ACLU	COPE	CFA	LCV	ACU	NTLC	NSI	COC	CEI
1988	5	13	13	27	25	92	64	100	93	54
1987	8	—	11	36	—	83	—	—	93	56

National Journal Ratings

	1988 LIB — 1988 CONS		1987 LIB — 1987 CONS	
Economic	21%	77%	11%	83%
Social	13%	84%	0%	90%
Foreign	26%	73%	0%	80%

Key Votes

1) Homeless S	FOR	5) Ban Drug Test	FOR	9) SDI Research	FOR
2) Gephardt Amdt	AGN	6) Drug Death Pen	FOR	10) Ban Chem Weaps	AGN
3) Deficit Reduc	AGN	7) Handgun Sales	FOR	11) Aid to Contras	FOR
4) Kill Plnt Clsng Notice	FOR	8) Ban D.C. Abort \$	FOR	12) Nuclear Testing	AGN

Election Results

1988 general	Arlan Stangeland (IR)	121,396	(55%)	(\$288,782)
	Marvin Hanson (DFL)	101,011	(45%)	(\$320,437)
1988 primary	Arlan Stangeland (IR), unopposed			
1986 general	Arlan Stangeland (IR)	94,024	(50%)	(\$547,810)
	Collin C. Peterson (DFL)	93,903	(50%)	(\$465,898)

EIGHTH DISTRICT

The Iron Range of northern Minnesota, where the Arctic winds that blow down over the Canadian Shield's thousands of inland lakes often make nearby International Falls the nation's coldest town, is also the northern end of the lifeline of America's heavy industry. It runs south along rail lines to the port of Duluth, nestled beneath bluffs near the always cold and every winter frozen waters of Lake Superior. Since before the turn of the century, millions of tons of ore have been dug out of the Range, shipped into rail cars for the ride down to Duluth, and loaded into Great Lakes freighters for shipment to Cleveland, Gary, Detroit, Chicago, Pittsburgh and Buffalo. Over all that time about 100,000 people have lived on the Iron Range and another 100,000 in Duluth, most of them the products of America's 1880-1924 wave of

immigration—Italians, Poles, Serbs and Croats, Jews, Swedes and Finns. In this punishing environment, they worked to the point of exhaustion, built solid houses with staunch central heating, and bought layers of warm clothing to survive the winter.

These were rough-and-ready communities, with little local elite: the men who owned the mines and the freighters were having lunch in their clubs in Chicago or Detroit while the miners stopped briefly for a bite out of their lunchpails. Life was rough: the work was hard, the hours long, pay low. There was little time and few facilities for recreation back in those days when working people couldn't afford special winter sports clothes or summer gear; the churches, a separate one for each ethnic group, were the main community institution. Living conditions improved vastly in the decades of great economic growth after World War II, but there remains a rough-hewn tone to life here today. And there has also been economic distress. As the iron and steel industry got more efficient, they needed fewer workers; as the American steel industry collapsed after 1979, they needed even fewer, or none at all. Unemployment topped 20% in the early 1980s, and young people have been moving out for years. Now the Iron Range and Duluth seem to be diversifying, hoping that tourism, UDAG grants and an enterprise zone will provide growth and jobs. They are proud of the new chopsticks factory in Hibbing that hopes to produce a billion units for export to Japan.

The Iron Range and Duluth have been voting for the Democratic-Farmer-Labor party since it was created in 1944. The current congressman, James Oberstar, is the product of a Catholic education, and his views seem to reflect the social gospel side of Catholicism. He believes government has an obligation to help the poor and disadvantaged and to stimulate economic growth; he is dubious about American military involvement abroad, especially in Central America; he is also culturally traditional and an opponent of abortion. With high seniority on the Public Works Committee, he has hopped from one subcommittee chairmanship to another. On Economic Development in the early 1980s he defended EDA and other local aid programs from Reagan Administration attacks. In 1985, he switched to Oversight and Investigations and in 1989 to Aviation.

Oberstar's father was a miner and local union official on the Iron Range; the son studied French and other languages abroad and then landed a job with Congressman John Blatnik in Washington. When Blatnik, then chairman of Public Works, retired in 1974, Oberstar ran and won a primary victory over Governor Rudy Perpich's brother Tony; Republicans are not a problem here. Oberstar has had serious primary opposition from Duluth council member Thomas Dougherty in 1980 and 1984; the second race came after Oberstar returned to the House contest after failing to win endorsement for the Senate race at the DFL state convention. But now he looks safely ensconced.

The People: Est. Pop. 1986: 494,600, dn. 2.9% 1980-86; Pop. 1980: 509,506, up 10.7% 1970-80. Households (1980): 74% family, 40% with children, 65% married couples; 22.0% housing units rented; median monthly rent: \$166; median house value: \$38,100. Voting age pop. (1980): 360,529; 1% American Indian.

1988 Presidential Vote:	Dukakis (D)	144,768	(60%)
	Bush (R)	92,948	(39%)

BOSCHWITZ/Party problems pursue senator across Minnesota

▼ CONTINUED FROM 1A

But that poll was taken before Grunseth's decision Sunday night to quit the race. Other polls suggest that the Republican ticket will fare better if state Auditor Arne Carlson wins his crusade to replace Grunseth on the ballot.

However, interviews with Republicans across northern Minnesota suggested Tuesday that the problems are not over for Boschwitz.

"I'm still concerned," said Selden Hanson, 8th District IR chairman.

The 8th is heavily Democratic: Boschwitz managed to win just 38 percent of the vote there in 1984 against Democrat Joan Growe. But Hanson fears Boschwitz will do even worse this time around.

Boschwitz's pressure to get Grunseth off the ticket only made things worse, Hanson said.

The problem is that the few Republicans in the 8th tend to be part of the "right-wing" of the party. It was the strongest bastion of support in the state for the presidential candidacy of evangelist Pat Robertson in 1988. And they don't like the idea of replacing Grunseth, an opponent of abortion, with

Carlson, an abortion-rights backer.

"If Carlson is on the ticket, people say they will not go to the polls," Hanson said. "This may hurt Rudy a great deal. They don't care if he goes down the drain."

And, there is a growing anti-incumbent mood. Hanson called it an "attitude of let's throw the rascals out," even though they don't single out Boschwitz.

"It's stronger this time," Boschwitz said after speaking to about 100 students at the University of Minnesota-Duluth. "And it's hurting Republicans more than Democrats."

Boschwitz also was hampered by the dragged-out budget debate in Washington, which prevented him from returning to Minnesota to campaign in person as he has done so effectively through the years.

He said that also left the field wide open to Wellstone during critical weeks.

"I've been too damned busy in Washington and let him get away with too much," Boschwitz said. "And, frankly, he's run a pretty good campaign. At the moment, it's working. But not well enough for him to win."

Boschwitz still thinks he will win. He has boosted spending on television ads —



Boschwitz



Wellstone

some of which cast him as a critic of the goings-on in Washington — and now says he will spend all of the money left in what was a \$1 million war chest.

The senator also is bringing in some big guns. On Thursday, he will hold a series of news conferences around the state with Senate Minority Leader Bob Dole, R-Kan.

And on Friday, he will stage a noon rally in Rochester featuring an appearance by President Bush. While many candidates around the country are running from Bush, Boschwitz is betting that the president's popularity remains strong

enough in Minnesota to give a him boost. Meanwhile, Boschwitz is attacking Wellstone, citing old arrest records for demonstrations and labeling Wellstone as a dangerous liberal.

"He was chairman of Jesse Jackson's campaign in Minnesota," he told the university audience in Duluth. "That is not the mainstream of Minnesota."

Boschwitz added a new attack Tuesday night, citing passages from a book Wellstone wrote on powerline protests in Minnesota and North Dakota.

"This is a man who relishes protests," Boschwitz told a group of business people at a fund-raiser in St. Cloud. "This is a man who encouraged people to vandalize the power lines... the guy who stole records from the OEO (Office of Economic Opportunity) in Rice County, or at least made light of it."

Mary Ellen Quincer, a former IR chairwoman in the 7th District and a longtime party activist, worries about Stangeland's political problems and the impact they will have on Republican voter turnout in that district.

Still, Quincer thinks Boschwitz will pull out a last-minute victory, thanks in large part to his return to Minnesota. "He needed to get back here," she said.

1990 SENATORIAL RACES
 PUBLIC POLL UPDATES
OCTOBER 31, 1990

(-10) OR WORSE	-5 TO -9	-4 TO +4	+5 TO +9	+10 OR MORE
AL-Cabaniss IL-Martin IA-Tauke MI-Schuette MT-Kolstad NE-Daub NJ-Whitman OK-Jones RI-Schneider GA(*) AR(*)	NC-HELMS	<i>HI-Saiki</i> MA-Rappaport MN-BOSCHWITZ OR-HATFIELD		<i>CO-Brown</i> <i>ID-Craig</i> IN-COATS KS-KASSEBAUM KY-McCONNELL ME-COHN SD-PRESSLER TX-GRAMM <i>NH-Smith</i> SC-THURMOND* VA-WARNER* MS-COCHRAN*

---No public data for AK, DE, NM, TN, WV, and WY.

* Denotes unopposed incumbent.

CURRENT STATUS:	45R	55D	
SEATS UP:	18R	16D	
SEATS AT RISK: (+4 or worse)	3R	2D	-1 Net

LEGEND:

Regular = GOP Challenger
Italic = Open Dem. Seat
Bold Italic = Open Rep. Seat
BOLD CAPS = GOP INCUMBENT

POTENTIAL RESULTS (win all/lose all in -4 to +4 range):

Best Case:	46R	54D	+1 Net
Worst Case:	42R	58D	-3 Net

1990 GUBERNATORIAL RACES
 PUBLIC POLL UPDATES
 OCTOBER 31, 1990

(-10) OR WORSE	-5 TO -9	-4 TO +4	+5 TO +9	+10 OR MORE
AZ-Symington	CT-Rowland	AL-HUNT	VT-Snelling	IA-BRANSTAD
AR-Nelson	<i>NM-Bond</i>	FL-MARTINEZ	<i>OH-Voinovich</i>	NH-GREGG
CO-Andrews	AK-Sturgelewski	NE-ORR	KS-HAYDEN	WI-THOMPSON
WY-Mead	MA-Weld	<i>CA-Wilson</i>		SC-CAMPBELL
CA-Isakson	ME-MCKERNEN	OR-Frohnmayr		SD-MICKELSON
HI-Hemmings		<i>IL-Edgar</i>		
MD-Shepard		<i>TX-Williams</i>		
MI-Engler		MN-Carlson		
NV-Gallaway				
NY-Rinfret				
<i>OK-Price</i>				
PA-Hafer				
RI-DIPRETE				

* No public data for ID and TN.

CURRENT STATUS: 21R 29D
 SEATS UP: 16R 20D
 SEATS AT RISK: 10R 6D -4 NET
 (+4 or worse)

LEGEND:

Regular = GOP Challenger
Italic = Open Dem. Seat
Bold Italic = Open Rep. Seat
BOLD CAPS = GOP INCUMBENT

POTENTIAL RESULTS (win all/lose all in -4 to +4 range):

U.S. Best Case: 21R 27D/2I 0 Net
 U.S. Worst Case: 13R 35D/2I -8 Net
 "Big Nine" Best Case: 5R 4D +1 Net
 "Big Nine" Worst Case: 1R 8D -3 Net

AP 10-30-90

Goin' Home
Outsider or Insider? Incumbent Senators Decide How to Campaign

WASHINGTON (AP) Back home after a turbulent 101st Congress, senators are in a political dilemma over whether to campaign as government outsiders or legislative insiders.

In North Carolina, Republican Sen. Jesse Helms faces a stiff challenge from Democratic rival Harvey Gantt, who is telling voters it's time for a change.

The three-term senator was put on the defensive about his votes in Congress as he kicked off his final week of campaigning on Monday. The senator shoved a protester at a rally in Durham after the man questioned Helms' votes on the savings and loan bailout.

"Go to the Gantt rallies if you want to waste your time, but don't be rude," the senator said, pushing 25-year-old Marty Leary away from a microphone.

Just two days earlier, Helms had been campaigning by speaker-phone from his Washington office and criticizing the legislation approved by Congress in the last-minute rush toward adjournment.

The Clean Air Act is "just not fair to the taxpayers and to the workers of America," Helms said, contending that the benefits could occur at half the bill's \$50 billion price.

Helms' comments came as Gantt complained that Republican administrations have damaged the government's image. "I basically see the government has become a dirty word to so many of us in recent years," Gantt said over the weekend.

In Illinois on Monday, Democratic Sen. Paul Simon and Republican challenger Rep. Lynn Martin boasted about major bills that cleared Congress with benefits for their constituents. The budget rolls back higher U.S. Customs Service fees at airports in Rockford and Waukegan, Ill., Martin said. The transportation bill fully funds Amtrak routes in Illinois, Simon said.

"The transportation pie has been getting relatively smaller, but Illinois once again is a clear winner in the transportation budget," the senator said during a campaign appearance Sunday night.

Simon holds a solid lead over Martin in recent polls. Forced to remain in Washington until just eight days before the election, several candidates sought to create the impression that they were hard at work ensuring that their state or district benefited in Congress' rush to adjourn.

Some lawmakers, however, believe the turmoil that surrounded the drawn-out budget fight hurt their campaigns.

In Minnesota, Republican Sen. Rudy Boschwitz held a substantial lead over Democratic challenger Paul Wellstone during the summer, but a recent poll showed the race as a dead heat.

Boschwitz rushed home in the middle of last week and

acknowledged, "I think the turmoil in Washington is having

an effect on my campaign."

In Indiana, Republican Sen. Dan Coats sought to distance himself from President Bush and the 101st Congress.

"I just think the president made a major mistake by thinking he could play the good guy, play the compromiser and negotiate with the Democrat Congress," Coats said Monday.

Although his campaign filmed Bush's appearance and endorsement earlier this year, it does not plan to use the footage. "It's going to make some good home movies," said Coats, who was appointed to succeed Vice President Dan Quayle in the Senate.

Coats said the deficit-reduction plan changes a government course that led to peace and prosperity in the 1980s and he called the 101st Congress "a major disappointment." Coats maintains a solid lead over Democratic challenger Baron Hill.

In Oregon, where Republican Sen. Mark Hatfield is fighting for his political life, Democratic challenger Harry Lonsdale has accused his opponent of receiving more than \$80,000 from special interest groups in the past two days.

"I think Oregon voters would rather have an independent voice like Harry Lonsdale," said the candidate's spokesman, Dan Walter.

Hatfield, who returned home often during the last month of Congress, focused on such local issues as timber industry jobs while launching a campaign ad that questions his opponent's competency.

The campaign of Massachusetts Sen. John Kerry also has begun airing negative ads that attack Republican James Rappaport's wealthy real estate background.

In an interview with The Associated Press, Kerry sought to portray Rappaport as a candidate of Reaganomics and a product of the last decade of Republican administrations.

REGIONAL ECONOMIC OUTLOOK

Recession Approaches, but Not Everywhere

Even before Iraq invaded Kuwait in early August, the U.S. economy was soft. The spiraling oil prices of the past three months have compounded the difficulties, and today most economists believe a recession is imminent, despite the modest 1.8% in growth in the third quarter. A survey by Wall Street Journal reporters across the country

confirms the view that the economy is weakening in many parts of the nation.

Still, as in the 1980s, the outlook is by no means uniform. Some cities, regions and industries are far stronger than others. Following are six regional reports:

NORTHWEST

Booming but Weak in Spots



The Pacific Northwest should fare better than many other U.S. regions if the nation heads into recession.

This region has been booming in recent years, thanks to trade with Asia, the rise of high-tech-

nology companies and strong business in aerospace. All of this is expected to continue through 1991, although the pace of growth—especially job growth—will slow. And trouble spots are becoming more pronounced. Most noteworthy is a deepening slump in the timber industry.

The crosscurrents are certainly apparent in the state of Washington. Boeing Co., the biggest employer, has heavy backlogs of orders and won't make major jobs cuts. Still, after adding about 10,000 jobs a year over the past several years, Boeing employment will fall by about 5,000 jobs this year. Partially offsetting these losses will be new jobs at Microsoft Inc. in 1991.

Exports and trade will remain strong, especially if the U.S. dollar stays weak. That's because a weaker currency makes U.S. products more competitive overseas. John Cedargreen, owner of Columbia Foods Inc., a food processor in central Washington state, sees increased exports of wheat and apples. But rising fuel prices will drive up the costs of transporting goods to market.

The weakening timber industry will destroy jobs in both Washington and Oregon, resulting from environmental concerns, exceedingly high timber prices, the housing slump and fear of plans to protect national forests.

"The next 18 months are going to be tough, especially this winter," says Duane Grange, personnel director for three logging concerns in Springfield, Ore. One company will close this week; a second company, Rose Logging, laid off 25% of its logging crew recently. "It's really scary right now," says Mr. Grange.

Elsewhere in the region, the outlook is mixed. Alaska is poised for a windfall from higher oil prices. "When there is a recession in the Lower 48, it's booming up here," says Susan Pison, an economist with the city of Anchorage, where "all economic indicators are up," including a doubling of building permits. "There's also a real resurgence in mining in Juneau and Kotzebue," she says.

Alaska's fiscal problems have also been alleviated, at least temporarily, by the Gulf crisis. The state budget seemed to be heading for a substantial deficit. Taxes on oil provide 85% of Alaska's revenue.

In Montana and Wyoming, producers see robust cattle prices but a tentative mining scene. Idaho is a bright spot.

—MARILYN CHASE AND CHIP JOHNSON

1991 OUTLOOK	NORTH-WEST	UNITED STATES
Unemployment Rate	6.1%	6.0%
Manufacturing Wage Increase	4.0%	4.5%
Median Home Price	+6.9%	6.3%

MIDWEST

Strength Lingers—How Long?



The Midwest's economy is still expanding, but the momentum is slowing.

Residential real estate is faltering, after holding up better than in other regions. A contraction in house building finally began this fall. Marsha Elliott, a Chicago-area residential developer, says buyer traffic at her model-home showings didn't pick up as usual around Labor Day.

"I see more people willing to put their dreams on hold," says Mrs. Elliott, who expects a 25% drop in sales, and no recovery for at least a year.

Economists expect the Midwest's slowdown will be less severe than any national downturn. Still, the longer a national slump persists, the more the region's resiliency will be tested, says Robert Schnorbus, senior business economist at the Federal Reserve Bank of Chicago.

Sales of cars, appliances and other big-ticket consumer items have long determined much of the industrial Midwest's economic fortunes, and demand for these items is slowing.

The Detroit-area economy felt it earlier this year, when major auto makers entered 1990 with huge inventories of unsold cars. These stockpiles have been worked down, but problems continue: An index of local business conditions for southeastern Michigan, a forward indicator, fell to 39 in September. (Any number below 50 signifies an economic contraction.)

Analysts wonder if Ohio can sustain its lingering strength. Five of the state's industrial centers—Youngstown, Toledo, Columbus, Cleveland and Dayton—ranked among the nation's 10 fastest-growing metropolitan areas during the second quarter, according to Alphametries Corp. But these areas depend heavily on manufacturing and related industries—likely losers in a U.S. recession.

The Midwest appliance industry is also beginning to falter. After the Iraqi invasion of Kuwait, consumers grew timid about spending. "All of a sudden, you could see traffic slow down," says George Kaiser, an appliance retailer in Skokie, Ill.

Maytag Corp., a Newton, Iowa, appliance maker, last week shut down plants in Illinois and Iowa, idling 4,800 production workers.

The cheap dollar will probably continue to be a prop for export-oriented manufacturers, however. Milwaukee-based Harnischfeger Industries Inc., a manufacturer of paper-making machinery and mining equipment, makes 40% of its products for sale outside the U.S. Domestic orders are off by 20%, but the company expects booming foreign demand.

Another bright spot is the Midwest's farm economy. This year, many analysts expect farm income to climb to a record. Next year will be off by 10% or so, but that is still decent.

—BARBARA MARSH

1991 OUTLOOK	WEST SECTION	EAST SECTION	UNITED STATES
Unemployment Rate	4.8%	6.7%	6.0%
Mfg. Wage Increase	4.3%	4.4%	4.5%
Median Home Price	+6.9%	+5.6%	6.3%

NORTHEAST

No Quick Fix



Few economists expect the Northeast's economy to pick up anytime soon. A resolution of the Mideast crisis, with lower oil prices, would help the region, which is more dependent on heating oil than other parts of the country. But experts say the Northeast was heading into a bad slump even before Iraq invaded Kuwait.

New England's woes are far from over. DRI/McGraw-Hill, an economic-consulting concern, predicts more cutbacks in computer and defense employment in Massachusetts. Things probably won't look a lot brighter for several years, but eventually New England's quality of life and skilled work force will help. Printing, publishing, computers and instrumentation industries will pick up and provide new growth. Unemployment is expected to peak at 7% next spring. Meantime, emigration will depress the housing market even further.

As Massachusetts goes, so goes much of the rest of New England. All of these states are suffering from slumping real-estate turnover and prices, a sputtering service sector and rising unemployment rates. Analysts say New York will experience only slow job growth for the rest of the 1990s. Banks and brokerage houses have cut 75,000 jobs since 1987. Manhattan office vacancies are above 16%. New York City's problems won't go away soon. "I don't see what the growth area is in the future," says Raymond Horton, a professor at Columbia University's Graduate School of Business.

The fiscal mess in New York City will require painful cuts. Mayor David Dinkins faces a \$300 million budget deficit this year, rising to perhaps \$1.4 billion next year. The city's bonds are already on Standard & Poor's Corp.'s CreditWatch.

In upstate New York, the outlook is somewhat better. State officials say the trade agreement with Canada has been a boon to local businesses, and state-government jobs remain relatively stable. Nonetheless, they concede that the strength in the north is not significant enough to make a dent in the state as a whole.

In Pennsylvania, the immediate outlook is cloudy, but Data Resources sees an upturn in 1991 and 1992. New services jobs will help Pennsylvania, but wage gains will trail the national average through the 1990s.

New Jersey may narrowly avoid a recession in 1990. State officials believe unemployment will hold steady at about 5% this year. New Jersey isn't a large defense contractor. Its economy diversified in the 1980s, although the nationwide slowdown is starting to show. Entertainment spending is down, for example. Attendance at Meadowlands race track is off by 13% since Labor Day. Betting is down 11%.

—KATHRYN GRAVEN

1991 OUTLOOK	NEW ENGLAND	MID-ATLANTIC	UNITED STATES
Unemployment Rate	6.6%	6.0%	6.0%
Mfg. Wage Increase	4.1%	4.6%	4.5%
Median Home Price	+3.3%	+5.7%	6.3%

SOUTHWEST

End of the Go-Go Years



The go-go growth of the late 1980s is over in California, and the new word to describe the economic outlook here and in the Southwest is deceleration.

"There will be a significant deceleration, but the important thing is, there will not be an absolute contraction," says Jerry L. Jordan, senior vice president and chief economist at First Interstate Bancorp.

In California, which accounts for nearly three-fourths of the region's jobs, employment growth will probably be 2.3% this year and a paltry 1.5% next year. That's down from a robust 4% rise in 1989.

The slowdown has hit California's real-estate market like a ton of bricks. In Palmdale, Calif., developers are lopping \$25,000 or more off \$250,000 houses just to move the inventory. And even then it is a tough sell, because the area is populated by defense-industry workers.

Defense is a well-publicized victim of the collapse of communism, and U.S. defense-budget cuts, which call for closings of military bases here and elsewhere, have hit the region hard. Defense accounts for about 8% of California's employment.

Defense suppliers are heavily concentrated in Southern California. Jack Kyser, chief economist at the Los Angeles Chamber of Commerce, says the metropolitan area has already lost 17,000 jobs—at McDonnell Douglas Corp., Northrop Corp. and elsewhere. The Middle East crisis could give defense contractors a small shot in the arm, but this would be offset by spiraling oil prices and their impact on tourism.

The bright spots in California are many, however. Entertainment, a major element in California's economy, is considered fairly insulated from recession. Pacific Rim trade is booming; the port of Los Angeles is the busiest in the U.S.

Elsewhere in the region, Nevada is the hottest economy in the U.S., and Las Vegas is the fastest-growing city—for the moment, anyway. The region's boom includes double-digit increases in gambling revenue so far this year, and job growth is zooming along at three times the national average.

Arizona, hurt by a real-estate bust, is beginning to show signs of life. Population is still growing at more than 2% annually, and that rate is expected to continue through 1991. Yet Arizona has traditionally been a highly volatile economy.

Commercial real estate, the big culprit in the recent collapse, is far from recovered.

Utah, Colorado and New Mexico, all hit hard in 1985-87, are coming back. Denver boasts a glittering new shopping center, with Nieman Marcus and Saks Fifth Avenue as major tenants.

—PAULINE YOSHIMASHI

1991 Outlook	SOUTH-WEST	UNITED STATES
Unemployment Rate	5.8%	6.0%
Manufacturing Wage Increase	4.7%	4.5%
Median Home Price	+6.3%	6.3%

All tabular data from DRI, McGraw-Hill

OIL PATCH

Slow Recovery Begins



The Oil Patch late last year started a slow ascent out of the economic devastation brought on by the oil-price crashes of the 1980s. Baker-Hughes Inc., whose rig count is the region's equivalent of

the Dow Jones Industrial Average, predicts a 15% rise domestically in the next year. That recovery has been aided—although not nearly so much as some people might think—by the Persian Gulf turmoil.

These days, cowboy capitalists are eager to offer the Lone Star state as a textbook case of successful survival strategies. "There are a lot of lessons for other parts of the country to learn by what has gone on here," says Harvey Rosenblum, a senior vice president and director of research at the Federal Reserve Bank in Dallas.

The region has turned the corner by dint of draconian staff cuts, productivity gains and newfound fervor for diversifying away from energy. One glimmering hope is increased trade and other economic links with Mexico, whose economy is improving greatly.

But problems linger. The Southwest banking industry still has a way to go before it's healthy, Mr. Rosenblum concedes, and real-estate prices are still nothing to cheer about. In the last few weeks, many banks have begun to go to a second round of write-downs on foreclosed real estate in anticipation of further declines in prices.

The possibility of oil at \$40 a barrel rattles nerves far more than it sets drilling rigs humming and party glasses clinking. Volatile price swings make planning very difficult. Current expectations are that oil prices will stabilize at about \$20 to \$25 a barrel, after the Persian Gulf crisis is resolved. Those price levels will sustain an Oil Patch renaissance, economists, business executives and bankers believe. But leaders in Texas, Oklahoma, Louisiana and Arkansas are bracing themselves for roller-coaster prices until then.

Phillips Petroleum, in Bartlesville, Okla., views the price shock as temporary. "We aren't changing our spending patterns significantly," says Rick Browning, chief economist. He says there will be a few more wells drilled, "but I don't see us hiring more people."

Also, there remains a heavy overhang of commercial real estate from the excessive building boom of the 1980s. The recovery "is so slow it isn't eating into the real-estate problem," says Tom Frost, chairman of San Antonio-based Cullen-Frost Bankers Inc.

Houston's office vacancy rate is 26%, down from 36% three years ago. Dallas is also at 26%. Austin has a 30% vacancy rate, also down sharply from three years ago.

Those vacancy rates may look high, but vacancy rates in the Northeast may soon go even higher, says Bernard Weinstein, an economist at the University of North Texas.

—DIANA SOLIS AND DAVID MEDINA

1991 Outlook	OIL PATCH	UNITED STATES
Unemployment Rate	6.5%	6.0%
Manufacturing Wage Increase	4.5%	4.5%
Median Home Price	+8.8%	6.3%

SOUTHEAST

A Major Slowdown Coming



A recession is coming to the Southeast. In fact, it may have arrived.

For much of the 1980s, the Southeast could do no wrong. Tennessee and Kentucky nabbed major auto plants.

Florida was adding an average of 1,000 residents a day. And the counties north of Atlanta were expected to generate about 124,000 jobs between 1988 and 1998, the biggest small-business boom in the nation.

"We squeezed five years' worth of growth into three in the late 1980s," says Bart Lewis, director of the Atlanta Regional Commission. For some, these heady numbers created the illusion that the region was virtually recession-proof, says Donald Ratajezak, director of the Economic Forecasting Center at Georgia State University in Atlanta, "particularly because we rode through [the 1982 downturn] in fairly fine style."

But the smooth ride is over. Executives, economists and government officials across the Southeast say they expect the region to slip into recession within months—if it hasn't done so already.

Real-estate woes are helping to push the Southeast to the brink. Florida has 40 million square feet of office space for rent. Atlanta is staring at a 19% vacancy rate. Charlotte, N.C., is at 15%. Worse, both cities will see vacancy rates climb next year.

The real-estate problems have translated into headaches for the region's banks. NCR Corp., Charlotte, bristled at suggestions earlier in the year that its traditionally strong earnings might be threatened. Two weeks ago, the bank reported a 60% plunge in third-quarter earnings, primarily because of problem loans with commercial real estate.

Manufacturing is turning soft in the Southeast, too. Manufacturing jobs will fall by 1% in 1990 and again in 1991, says Juan Gonzales, manager of economic forecasting at the Tennessee Valley Authority.

Population growth, the engine that drove the South in the 1980s, is also sputtering. In the peak year of 1985, about 1.5 million people poured into Dixie, an annual increase of about 2.6%. By last year, the growth rate had slowed to 1.4%, an increase of about 900,000. Kentucky and Mississippi recorded no growth. West Virginia actually posted population declines.

Any downturn will be modest, though, some economists say. North Carolina's big textile industry is taking a beating, but the state is shifting to a service economy, and unemployment stands at 3.7%. South Carolina was ravaged by Hurricane Hugo in September 1989, but a small rebuilding boom is under way. Orlando, Fla., has a 19% vacancy rate in its office towers, but it also has Disney World. And Atlanta may face further employment cuts, but the city has won the 1996 Olympic games, which could bring 84,000 jobs.

—GLENN RUFFENACI

1991 Outlook	SOUTH ATLANTIC	SOUTH CENTRAL	UNITED STATES
Unemployment Rate	5.3%	6.5%	6.0%
Mfg. Wage Increase	5.2%	4.9%	4.5%
Median Home Price	+6.8%	+7.6%	6.3%

WASHINGTON TIMES TUES OCTOBER 30

GUBERNATORIAL RACES

State	Candidates	Status
Alabama	Gov. Guy Hunt, Republican Paul Hubbert, Democrat	Dead heat
Alaska	State Sen. Arliss Sturgulewski, GOP Tony Knowles, Dem. Former Gov. Walter Hickel, Ind.	Sturgulewski leading
Arizona	Terry Goddard, Dem. Fife Symington, GOP	Goddard leading
Arkansas	Gov. Bill Clinton, Dem. Sheffield Nelson, GOP	Clinton leading
California	Sen. Pete Wilson, GOP Dianne Feinstein, Dem.	Dead heat
Colorado	Gov. Roy Romer, Dem. John Andrews, GOP	Safe for Romer
Connecticut	Rep. Bruce Morrison, Dem. Rep. John Rowland, GOP Former Sen. Lowell Weicker, Ind.	Weicker leading
Florida	Gov. Bob Martinez, GOP Former Sen. Lawton Chiles, Dem.	Dead heat
Georgia	Lt. Gov. Zell Miller, Dem. House Rep. Leader Johnny Isakson, GOP	Miller leading
Hawaii	Gov. John Waihee, Dem. State Rep. Fred Hemmings, GOP	Waihee leading
Idaho	Gov. Cecil Andrus, Dem. Roger Fairchild, GOP	Andrus leading
Illinois	Secretary of State Jim Edgar, GOP Attorney General Neil Hartigan, Dem.	Dead heat
Iowa	Gov. Terry Branstad, GOP State House Speaker Don Avenson, Dem.	Branstad leading
Kansas	Gov. Mike Hayden, GOP State Treasurer Joan Finney, Dem.	Dead heat
Maine	Gov. John McKernan, GOP Rep. Joe Brennan, Dem.	Dead heat
Maryland	Gov. Donald Schaefer, Dem. William Shepard, GOP	Safe for Schaefer
Massachusetts	John Silber, Dem. William Weld, GOP	Silber leading
Michigan	Gov. James Blanchard, Dem. Senate Rep. Leader John Engler	Blanchard leading
Minnesota	Gov. Rudy Perpich, Dem. State Auditor Arne Carlson, GOP	Perpich leading
Nebraska	Gov. Kay Orr, GOP Ben Nelson, Dem.	Nelson leading
Nevada	Gov. Robert Miller, Dem. Jim Gallaway, GOP	Safe for Miller
New Hampshire	Gov. Judd Gregg, GOP Joe Grandmaison, Dem.	Gregg leading
New Mexico	Former State Rep. Frank Bond, GOP Former Gov. Bruce King, Dem.	King leading
New York	Gov. Mario Cuomo, Dem. Pierre Rinfret, GOP Herbert London, Conservative Party	Safe for Cuomo
Ohio	Cleveland Mayor George Voinovich, GOP Atty. General Anthony Celebrezze Jr., Dem.	Dead heat
Oklahoma	David Walters, Dem. Bill Price, GOP	Walters leading
Oregon	Attorney General Dave Frohnmayer, GOP Secretary of State Barbara Roberts, Dem.	Dead heat
Pennsylvania	Gov. Bob Casey, Dem. State Auditor Barbara Hafer, GOP	Casey leading
Rhode Island	Gov. Edward DiPrete, GOP Bruce Sundlun, Dem.	Sundlun leading
South Carolina	Gov. Carroll Campbell, GOP State Sen. Theo Mitchell, Dem.	Campbell leading
South Dakota	Gov. George Mickelson, GOP Bob Samuelson, Dem.	Mickelson leading
Tennessee	Gov. Ned Ray McWherter, Dem. State Rep. Dwight Henry, GOP	McWherter safe
Texas	State Treasurer Anne Richards, Dem. Clayton Williams, GOP	Williams leading
Vermont	Peter Welch, Dem. Former Gov. Richard Snelling, GOP	Snelling leading
Wisconsin	Gov. Tommy Thompson, GOP State House Speaker Thomas Loftus, Dem.	Thompson leading
Wyoming	Gov. Mike Sullivan, Dem. Mary Mead, GOP	Sullivan leading



CAMPAIGN 1990

Voters and Their Economies:

Pundits once said this election would turn on the abortion issue. But the federal budget fiasco, rising unemployment in the East, and the clash between industry and the environment out West are proving the stuff of stump speeches and voter wrath.

Pacific Northwest

THE Northwest enjoys a relatively strong economy, and that should be good news for incumbents running for reelection.

For some — like Democratic Gov. Cecil Andrus of Idaho — boom times are a major factor in almost certain reelection.

But there are two complicating factors that have made several races here real cliffhangers. First, much of the region's economy is tied to the timber industry, which has an uncertain future. And second, incumbents come equipped with the federal budget deficit fiasco, which some analysts feel has contributed to the national economic slowdown.

Veteran Oregon Sen. Mark Hatfield (R) is in the fight of his political life with Democratic businessman Harry Lonsdale. Mr. Lonsdale stresses environmental protection, a total ban on log exports, and job-retraining for displaced timber workers. Senator Hatfield (who gets many of his campaign contributions from forest-products companies) wants to protect timber supplies to preserve jobs.

Hatfield had a comfortable lead in the polls this past summer, but he's been overtaken by challenger Lonsdale. Even so, given uncertainty about the economy, many pundits now are stressing Hatfield's clout as senior Republican on the Senate Appropriations Committee and the help he can send Oregon's way if a budget crunch hits.

Oregon's gubernatorial race also is likely to see a photo finish. The two major candidates — Secretary of State Barbara Roberts (D) and Attorney General Dave Frohnmayer (R) — are middle-of-the-roaders more alike than different on economic issues. Both emphasize economic diversity, help for small business, and development of Pacific Rim trade. Both say that the state finally needs a sales tax to offset property-tax reform.

Ms. Roberts has just squeaked past Mr. Frohnmayer in the polls. Hurting the Republican is conservative independent candidate Al Mobley, who points out that he's the only candidate opposed to a sales tax and strongly in favor of a Prop. 13-type property tax limitation measure on the ballot.

The Northwest has two of the most hotly fought congressional

races in the country: In Oregon, Republican Denny Smith again faces challenger Mike Kopetski; and in Washington State, freshman Rep. Jolene Unsoeld faces charges from challenger Bob Williams, a Republican state representative, that she is an "extreme" environmentalist. In both races, timber-industry jobs, thousands of which may be lost to protect the northern spotted owl, is a major issue.

To win support from loggers and mill-workers, Ms. Unsoeld last month sponsored a bill to protect the domestic manufacture and sale of assault rifles; the National Rifle Association promptly awarded her a \$4,950 contribution.

— Brad Knickerbocker

Southwest

POCKETBOOK issues, always volatile for voters in the Southwest, are emerging as a central theme in some races but only peripherally in others.

The region is showing variation in fortunes, from Nevada, where blackjack and booming retirement communities are helping turn it into the fastest-growing state in the country, to Arizona, where fallen savings and loans and moribund real estate are dominant images.

In California, fiscal issues are important but haven't proved pivotal; the two gubernatorial candidates, Sen. Pete Wilson (R) and former San Francisco Mayor Dianne Feinstein (D), don't widely differ on them.

Mrs. Feinstein supports "Big Green," a sweeping environmental initiative. Senator Wilson does not, in part because he believes it would yield too much power to an environmental "czar" and in part because of concern about its economic impact.

If new revenues were ever needed, Feinstein has indicated she would close tax loopholes and raise levies only on the rich. Wilson has said he would look at increasing user fees. He has all but ruled out an income tax hike. The race is dead even.

In Arizona, the economy "has exploded as an issue," says Earl de Berge of the Rocky Mountain Poll.

GOP gubernatorial candidate Fife Symington has tried to tag his Democratic opponent, Terry Goddard, as a tax-and-spend liberal. Mr. Goddard, the former mayor of Phoenix, portrays Mr. Symington as an insensitive developer.

One key issue is a ballot measure that would boost state spending for education. Goddard supports it; Symington doesn't. Goddard leads by 8 to 10 points.

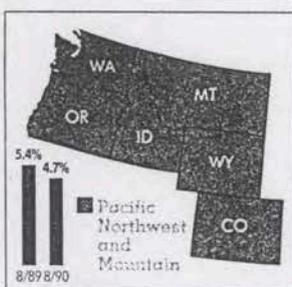
New Mexicans are concerned about the future of the economy in the face of defense cuts. The state harbors two national laboratories and several military bases. Both gubernatorial candidates, Democrat Bruce King and Republican Frank Bond, stress the need to diversify. Mr. King maintains a comfortable lead.

In Nevada, analysts expect acting Gov. Bob Miller (D) to triumph in his bid to keep his job. Mr. Miller has compiled a record as something of an environmentalist. He has strong backing from the gambling industry.

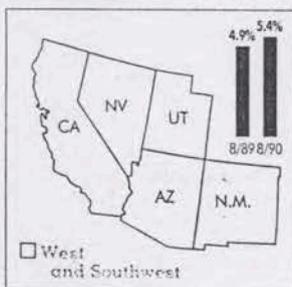
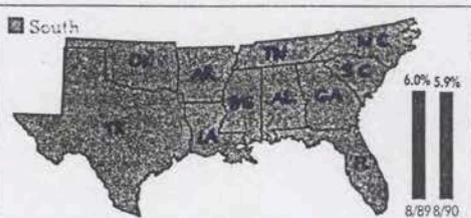
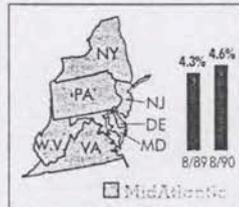
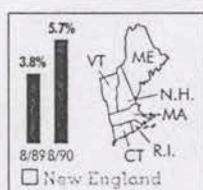
GOP challenger Jim Galloway has criticized Miller for proposing a state payroll-tax plan to help fund education.

JOHN VAN PELT — STAFF

Unemployment Rates In the Continental US By Region*

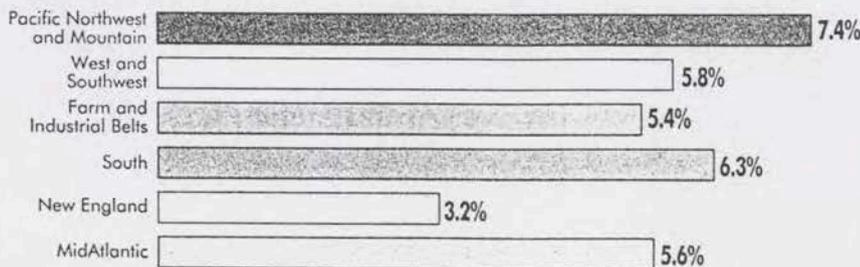


Farm and Industry Belts



Growth in Personal Income by Region

Percent Change, 2nd Quarter 1989-2nd Quarter 1990



*Percent of civilian labor force unemployed, August 1989 and preliminary figures for August 1990.

Sources: Bureau of Labor Statistics, Department of Labor; Bureau of Economic Analysis, Department of Commerce.

The East's Big Issue, Peripheral out West

Interesting to watch: state legislative matchups. Each party now controls one chamber, but, conceivably, they could switch hands. Reason: a deep anti-incumbent mood, spawned by state lawmakers' passage (and later rescission) of a 300 percent increase in their pensions.

- Scott Armstrong

Ag and Industry

THE economy as an election issue doesn't play in Midwestern states, which have yet to feel squeezed by rising fuel prices and falling manufacturing sales.

Jeff Barnes, press secretary for Nebraska Democratic gubernatorial candidate Ben Nelson, dismisses the idea of the economy as a "predominant issue."

Rick Cloyd, GOP chairman for Peoria County, Ill., notes that the city of Peoria has experienced a reverse in its declining population trend. Caterpillar and other local companies have staged a comeback. Last year was the best in 10 years for residential construction.

In Iowa, unemployment is down to 3.9 percent from over 8 percent in 1983. Personal income in the second quarter rose 5 percent from the same period last year. Public school enrollment is up for the second year in a row, pointing to population growth. September nonfarm employment is the highest ever for that month.

"Recession? Yeah," says Dick Vos, a spokesman for Gov. Terry Branstad (R). Iowans are well read about what's going on around the country and concerned about what effect it may have on Iowa."

If a recession comes, however, the state is far better prepared to weather a recession than it was six years ago. All of Iowa's economic indicators still point up, Mr. Vos says, noting that state revenue is 7 percent higher than last year.

Without an economy to save, candidates throughout the region have rallied around tax-and-spend issues, environmental projects, state lotteries, education, abortion, nuclear-waste dumps, and the budget fiasco in Washington.

Democrats like to portray President Bush as seeking to shape the budget compromise to benefit the rich.

It's "a current event issue that's had an effect on the state race" in Ohio, says Mark Caran, executive director of the Democratic Governors' Association.

Competing for the Ohio governorship are Republican George Voinovich and Democrat Anthony Celebrezze. Mr. Voinovich has tried to criticize the state economy "simply because a Democrat is in office," a Celebrezze aide says. But his theme, that "Ohio has not fully shared in the nation's economic growth of the 1980s," seems less than rousing.

In Illinois, Democratic gubernatorial candidate Neil Hartigan has vowed to slash state spending, while GOP candidate Jim Edgar wants to continue a tax surcharge to help fund education.

In Nebraska's Boyd County, where a contractor plans to site a low-level nuclear-waste facility that would serve five states, Republicans angered at Gov. Kay Orr's support for the plan endorsed Mr. Nelson,

her Democratic opponent.

Mr. Barnes also says that under Governor Orr, the state's cash reserves have risen to \$300 million from \$40 million. "That's taxpayer money sitting in state coffers doing nothing."

- Scott Pendleton

The South

IN the South, the regional economy has not been a big campaign issue.

That's partly because of the nature of Southern politics, partly because the region has so far escaped the cold winds of recession. Florida seems almost immune to the prospects of a national slowdown. And for the oil-producers in Texas and Louisiana, the future looks fairly bright.

Thus, in the hottest statewide races in the South, voters are focusing on other issues, particularly on the candidates' campaigning styles and personalities.

Texans, for example, are in the middle of a personality clash between gubernatorial candidates Clayton Williams (R) and Ann Richards (D). Both candidates suffer from very high negative ratings.

"It seems to be image and style rather than economics" driving the race, says Tucker Gibson, a pollster and political science professor at Trinity University in San Antonio.

In the Florida governor's race, economic issues have been overshadowed by the controversy surrounding Democratic nominee Lawton Chiles. The former US senator gave up his seat in 1989 saying he was burned out, but then jumped into the governor's race early this year.

The one economic issue visible throughout the campaign has been taxes, says Thomas R. Dye, a professor of government at Florida State University. GOP Gov. Bob Martinez has campaigned on his opposition to new taxes and has chided Mr. Chiles for not taking a similar stand.

But the governor's credibility continues to be hurt by a flip-flop over a sales tax on services; first he supported it, then he opposed it. Chiles leads slightly in the polls.

The North Carolina Senate race, meanwhile, is a tossup. Three-term Republican Sen. Jesse Helms is campaigning on his opposition to taxes and what he perceives as government funding of pornography.

He faces his toughest race yet against Harvey Gantt, the former mayor of Charlotte, who stresses education and the environment.

In Alabama, Gov. Guy Hunt (R) is locked in a tight race for reelection against Paul Hubbert, a state teachers' union leader. Mr. Hubbert has the advantages of having several labor groups working for him and of being a Democrat in a heavily Democratic state. But Governor Hunt is very popular.

- Laurent Belsie

Mid-Atlantic

THE sparkle is off the normally fast-growing mid-Atlantic region.

"Whether we are technically in a recession or not is almost academic at this

point," argues Charles Emrich, an economist with the Port Authority of New York and New Jersey. "A lot of industries such as financial services, construction, and manufacturing are starting to suffer and unemployment is rising."

And the economic slowdown here is expected to have a "multiplier effect," since so many companies along the Atlantic Seaboard are linked to the New York market, Mr. Emrich says.

Clearly, say experts, if there is any political beneficiary in terms of the economic slowdown, it will be the Democratic Party - which traditionally bills itself as the "party of the people" in this fast-paced, go-go region of smokestack industries, gleaming skyscrapers and jammed subways full of working folks and new immigrants.

That is not to say that an anti-incumbent mood is not evident. It is, from New Yorkers outraged at the high cost of living here, as well as in neighboring New Jersey, where voters are reeling from some \$2.8 billion in new sales and income taxes recently pushed into law by the administration of Democratic Gov. James Florio.

Still, voters are not expected to take their ire out on most incumbents. Most, say analysts, should be reelected.

One close call: Carol Bellamy, a Democrat and former New York City Council president, is mounting a very serious challenge to New York State Comptroller Edward V. Regan, a Republican.

The big question is whether Republicans can hold on to New York's state Senate, which they control by a slim margin. Democrats are expected to retain the lower house.

According to polling by the Marist Institute for Public Opinion, Gov. Mario Cuomo (D) continues to register a substantial lead in New York, despite his controversial budget and tax policies.

If the GOP loses the Senate, Democrats will be able to control redistricting in the early 1990s, since New York State is expected to lose three congressional seats based on US Census returns.

Meanwhile, in New Jersey, popular Democratic Sen. Bill Bradley is expected to retain his seat, defeating Republican challenger Christine Todd Whitman.

Up until the enactment of the Florio-tax package this year, Senator Bradley had been the most popular officeholder in the Garden State. Polls show the former New York Knicks basketball star losing some ground to Ms. Whitman, based on voter outrage over rising taxes. He is, nonetheless, expected to win easily.

- Guy Halverson

New England

WHEN New Englanders enter the voting booth Nov. 6, most will be reacting to the region's sagging economy.

After a decade of unparalleled growth, the area's sudden economic downturn has left voters frustrated over rising unemployment, a collapsing real estate market, and budget deficits in all six states.

"The biggest and obvious factor concerning voters is the major slowdown tak-

ing place," says Peter Kozel, finance professor at Babson College in Wellesley, Mass. "The issue is, how bad is it going to get ... and is the government responsible?"

The feeling of discontent has had a decided impact on the political outlook for election day: All three New England Democratic gubernatorial incumbents have chosen not to run and the three incumbent Republicans are facing attacks on their economic policies.

A Boston Globe poll yesterday showed that 63 percent of New Hampshire believe taxes and the economy are the most important campaign issues.

Frustration in the Bay State is acute, where the "Massachusetts miracle" has gone bust. Voters have blamed the state's deficit crisis on the legislature and the so-called "tax and spend" policies of Gov. Michael Dukakis (D). Anger was evident after last month's primary when the two major party endorsees were rejected in favor of two outsiders.

Bay Staters can also take their frustrations to the ballot box by voting on a controversial tax cutting referendum question. Question 3 would roll back all taxes and fees to 1988 levels. Opponents say it will deal a devastating blow to important state programs. Supporters argue the measure will force needed spending cuts - a task they say the legislature, after months of budgetary bungling, couldn't do.

"That rationale is essentially a vote of no confidence" in the political leadership, says Fred Breimyer, president of New England Economic Project, a regional economic research group.

While economists debate whether the nation is now experiencing a mild recession, New England already has the numbers to prove that it is experiencing hard times. In the first quarter of 1989, the region's unemployment was at 3.3 percent, well below the national average. But in August 1990 it jumped to 5.7 percent, compared with the nation's 5.4 percent.

Economists say a number of factors have contributed to the slowdown. The decrease in the nation's military budget has taken its toll in Massachusetts and Connecticut, where many of the nation's defense firms are based. The slowdown of the financial-services and high-tech industries is likewise effecting the region.

"The nature of the job loss and the economic output loss has been more severe than any other area of the country," says Andrew Sum, director of the Center for Labor Market Studies at Northeastern University.

Voter anxiety over the regional recession isn't limited to states with Democratic governors. Republicans Gov. Judd Gregg of New Hampshire and Gov. Edward DiPrete of Rhode Island are also being criticized for budget deficits and rising unemployment.

As for other economic issues, New Hampshire will get a chance next month to vote on the state's sky-high property-tax rate. Democratic gubernatorial candidate Joseph Grandmaison is campaigning on tax reform by lowering the property tax. While New Hampshire has the highest property tax of any state, it has virtually no sales or income tax.

- Elizabeth Ross



Metro/State news

Star Tribune



Tuesday
October 30/1990
Read then recycle

When philosophies collide

Class warfare, economics will dominate Boschwitz-Wellstone race

by Dane Smith
Staff Writer

The final days of perhaps the closest U.S. Senate race in Minnesota since 1982 will be all about class warfare, economics and the role of the federal government in addressing social problems.

Independent-Republican incumbent Rudy Boschwitz this week is trying to fix an enormous price tag on DFL challenger Paul Wellstone's vision of



a more compassionate and active federal government.

Meanwhile, Wellstone continues to portray Boschwitz as a handmaiden

of the affluent and a relic of the Reaganomic era.

It's a classic battle between a defender of the economic establishment and a liberal social reformer.

Boschwitz, who has been pounding his message across in television ads, brought in a fellow Republican senator to make the case on Monday. Sen. Pete Domenici, R-N.M., ranking minority member of the Senate Budget Committee, released an anal-

ysis that alleged Wellstone's proposed spending initiatives would cost U.S. taxpayers an additional \$700 billion over each of the next five years.

Wellstone, backed up by Minnesota Citizens for Tax Justice, dismissed those estimates as an inaccurate and "absurd" interpretation of his proposals for new or expanded federal programs. Those programs include such things as universal health insurance, universal child care and more

spending on early education for poor families and their children.

Domenici's presence also provoked an anti-incumbent response from Wellstone political adviser Pat Forcica, who criticized Boschwitz for bringing in someone from Washington D.C., to make his case.

"Where do Pete Domenici and Rudy Boschwitz get off, trying to tell Mini

Senate race continued on page 8B

Senate race Continued from page 1B

nesotans how to deal with the federal budget, after having just put together the biggest budget mess this country's ever seen?" Forcica said.

But Domenici insisted that the nation's tax base would have to be doubled to pay for all of Wellstone's programs. "Either he doesn't mean this (agenda), or he is perpetrating a cruel hoax," Domenici said.

Among the programs cited in the analysis, all of which Wellstone has said he would push for, are: universal health care, universal child care, reducing class size to 15 students per teacher, 11 percent increases for teachers' salaries, increased funding for Head Start and Women's, Infant and Children (WIC) program, and doubling the budget of the Environmental Protection Agency.

By far the most expensive program is the health care program, estimated by Domenici to cost \$426.1 billion in 1991. That is the estimated cost of the National Physicians Working Plan, which was outlined in the *New England Journal of Medicine* and which Wellstone has said he favors.

But Ellen Anderson, Wellstone's issues director, said the Republican analysis of the health program as tax cost only is outrageously flawed because it doesn't note that in return for the taxes paid for the program, consumers and employers would be spared the direct and indirect expenses they now incur for private coverage.

Also, adding up all the programs on Wellstone's "wish list" is unfair because Wellstone "doesn't favor making these changes overnight," Anderson said.

While "fiscal conservative" is hardly the first term that leaps to mind in describing Wellstone, Minnesota Citizens for Tax Justice, a coalition of union and church groups that favors progressive tax policy, released an analysis Monday that suggests Wellstone would have been the bigger skinnflint in the 1990 budget negotiations.

That group's study showed that Wellstone's proposals for bigger cuts in the military and increased taxes on the wealthy would have cut almost \$60 billion more from the budget than Boschwitz would have.

But beyond the arguments about the true costs of Wellstone's proposals, Boschwitz has a point.

There is little doubt that Wellstone's long-term vision of the United States leads in the direction of a greater "take" by government of personal income, in return for greater security and better health care of all Americans. More sharing, in other words, with government actively involved in redistribution of wealth through tax and spending policy. Conservatives would say that sharing that is forced is not sharing.

Wellstone speaks frequently about the economics of European coun-

tries, noting how much more those nations spend on "human capital" and basic social goods and services that are available to all citizens. To pay for it, the typical European industrialized government taxes, or takes through other means, 40 to 50 percent of its citizens' income, compared with 30 to 40 percent in the United States by state, local and federal governments combined.

Wellstone would probably move in the European direction, while Boschwitz would favor the status quo. Although the Wellstone philosophy has led Boschwitz or his aides to characterize Wellstone as a "leftist," and likely to be the most liberal member of the U.S. Senate, Wellstone has not backed down or moderated his positions during the campaign.

"No question about it," Wellstone said yesterday. "We will have to do much more to meet our investment deficit in people during the 1990s, starting with children."

Boschwitz basically disagrees: "America is one of the few countries in the world founded on the promise of economic liberty," he says in a position paper on small business. And in a recent interview: "More people are helped under a free, open, unrestrained economy" than by government programs. "I am just a free-enterprise type of guy who looks to people themselves to solve their own problems."

St. Paul Pioneer Press
10-31-90

IR problems follow Boschwitz around state

STEVEN THOMMA WASHINGTON BUREAU

For more than a decade, U.S. Sen. Rudy Boschwitz has been the quintessential party man, the patriarch of his Independent-Republican family.

ST. CLOUD

He has embraced it, guided it, caressed it, even scolded it.

But now, Boschwitz is in trouble, in large measure because of his close ties to that extended Republican family.

He is running for his political life. And, in past days, he has been running away from members of his party — away from the disgraced gubernatorial candidacy of Jon Grunseth, away from the budget morass he blames in part on his own party members in the U.S. House.

"When I wrapped my arms around Grunseth, my poll numbers dropped precipitously."

SEN. RUDY BOSCHWITZ

And, as he campaigned across northern Minnesota on Tuesday, he found two more Republicans to run from.

In the 8th Congressional District in the northeastern corner of the state, his party's House candidate, Jerry Shuster, has admitted using a check scheme to avoid paying unemployment and Social Security taxes for employees at the logging

business he owns.

And in the 7th District, in northwestern Minnesota, Republican incumbent Arlan Stangeland is on the defensive over hundreds of telephone calls he made to a woman friend at taxpayer expense.

"My own political situation has gotten worse because of the governor's race," Boschwitz said in Duluth. "When I wrapped my arms around Grunseth, my poll numbers dropped precipitously."

The most recent statewide poll, by KARE-TV, showed Boschwitz holding a statistically insignificant lead of 44-43 percent over Democratic challenger Paul Wellstone with just a week to go before Election Day.

BOSCHWITZ CONTINUED ON 6A ▶

Large 10000
Tue, Oct. 30

Wellstone blasts recently approved federal farm bill

By Mikkel Pates
STAFF WRITER

It's as though northwest Minnesota has been "singled out" for special pain in the 1990 farm bill and in federal budget cuts, says a Minnesota U.S. Senate candidate.

Paul Wellstone, Democrat challenger of U.S. Sen. Rudy Boschwitz, R-Minn., on Monday criticized federal farm programs from a flatbed trailer at the Kenneth Jones farm north of Moorhead.

Meanwhile, the liberal political science professor had trouble answering basic questions about his own farm policy plans, such as workability, cost and consequences.

He said a new "triple-base formula" in the 1990 farm bill "offers flexibility to be forced off the land," Wellstone said. The provision shrinks a farmer's income safety net in exchange for expanding cropping alternatives.

Analysts say the region's grain farmers will suffer a 15 percent income reduction because of the program.

Wellstone would promise no results but only that he'd "fight so hard" to replace the existing export-aggressive farm policy with a policy that supports farm income.

"We're up against a lot of power," he said.

Following are some of Wellstone's ideas, which roughly follow the Harkin-Gephardt farm bill that was rejected in 1985:

- He would create a higher "fair price in the marketplace" set by the U.S. Department of Agriculture's Commodity Credit Corp.

He said if the USDA sets the price of wheat at \$3 a bushel, for example, Cargill and other grain merchants would have to pay for it at that price.

He couldn't explain who would pay for those bushels when they can't be exported at those prices. In the past, the government has taken over massive piles of grain when government supports were higher than market prices.

- He would impose a "bushel-based" production limitation, to down-size agriculture to a domestic market.

He admitted he has "no specific figures" about how many acres would have to be idled to accomplish his goals, nor the cost consequences. "I haven't costed it out," he said. It is estimated that about 40 percent of Minnesota grain production is exported.

- He proposes that farmers would vote in a referendum to set their own production limits. He assumes those limits would affect the largest farmers the most.

Hypothetically, Wellstone said, a large farmer might cut production 20 percent, while a small farmer might only have to cut production 10 percent.

He didn't know if a small farmer would have an equal vote with a larger farmer in setting those limits.

"I'm not sitting down right now and writing legislation," Wellstone bristled when pressed for specifics. "I'm trying to get there (the Senate)."

Boschwitz, in a Moorhead campaign appearance on Monday



WELLSTONE BOSCHWITZ

night, poked fun at Wellstone and several other Democrats for taking credit for helping to write the Harkin-Gephardt farm bill.

"It makes you wonder what (Iowa Democratic Sen.) Tom Harkin and (Missouri Democrat Rep. Richard) Gephardt were doing," Boschwitz said.

Wellstone blasted Boschwitz for failing to vote on the new five-year farm bill — the Food, Agriculture, Conservation and Trade Act of 1990.

The vote took place late last Thursday when Boschwitz was back in the state trying to get Minnesota gubernatorial candidate Jon Granseth to pull out of the race.

"Was he elected a senator for the Republican Party or a senator for Minnesota?" Wellstone asked.

Boschwitz favored passing the farm bill at every step except the final vote. It passed 60 to 36. Boschwitz said he would have showed up if his vote had been needed.

Boschwitz used a "live-pair" parliamentary procedure to register that he would have voted "yes" on the farm bill.

A spokesman for Sen. James McClure, R-Idaho, said McClure was on the Senate floor last Thursday night and initially had voted "yes" on the farm bill. But then, he said, Boschwitz phoned McClure and asked him to change his vote to "no" in order to complete the "live pair" with Boschwitz.

Under a pair, neither vote counts.

In a campaign appearance in Moorhead on Monday night, Boschwitz said it was his staff that arranged the pairing and he didn't know about it until after the fact. He said he was pleased and surprised that McClure would do this kind thing for him.

McClure is retiring from the Senate after 24 years in Congress, according to an Idaho political news reporter. McClure routinely votes in favor of farm bills in a state where agriculture is No. 1. "It appears to be a personal favor to Boschwitz, who faces a tough reelection campaign," the reporter said.

In related matters, Wellstone said the budget deficit should be dealt with by cutting defense programs and by raising taxes for millionaires.

He would join 37 senators who would take the General Agreement on Tariffs and Trade off the fast-track legislation track. He criticized Boschwitz for not supporting the effort, but admitted he doesn't know Boschwitz' stand on the issue.

Mark Seetin, a Boschwitz agriculture aide, said Boschwitz likely would oppose it as a "back-door way for derailing GATT."

Boschwitz calls Wellstone 'radical side of his party'

By John Sundvor
MINNESOTA EDITOR

If Paul Wellstone is elected to the Senate, he will be its most liberal member — and that is saying something, U.S. Sen. Rudy Boschwitz, R-Minn., said in Moorhead Monday.

Boschwitz appeared at an Independent-Republican rally with House candidates Kevin Goodno, Moorhead, Les Randall, Hawley, and Minnesota Senate candidate Robert Westfall, Rothsay. An estimated 75 local Independent-Republicans met with him in the Moorhead Center Mall before he attend-

ed a fund-raiser at the Days Inn.

"I'm telling you he really is from the radical side of his party," Boschwitz said of his DFL opponent.

Wellstone managed the Rev. Jesse Jackson's presidential campaign in Minnesota, Boschwitz said. He carried the banner for the most radical parts of his party.

Boschwitz said.

"I don't think that is what Minnesota wants," he said. "I don't think that is good for our country."

Boschwitz said Wellstone is a man who wants to tax and spend. The programs that he wants add up to 50 percent of the federal budget, he said.

Instead of doubling the deficit, he said, Wellstone would quadruple the deficit. If he wanted to avoid doing that, he would have to more than double the income tax, Boschwitz said.

"I don't think that is what our

It is a cruel hoax to promise people these kind of things that cannot be delivered.

Sen. Rudy Boschwitz

people want," the senator said.

Boschwitz said Wellstone wants day care to be entirely federalized. The Congressional Budget Office says the program will cost \$118 billion, Boschwitz said.

He wants to nationalize all medical care, Boschwitz said, which would cost \$426 billion. All the doctors and hospital workers would work for the federal government, he said, and the entire health insurance industry would be shut down.

"I mean these are big things that he wants," Boschwitz said. "It is a cruel hoax to promise people these

kind of things that cannot be delivered."

Boschwitz said it is time to expose Wellstone for what he is. He is a man who wants to take the United States back to the 1970s, Boschwitz said.

As countries around the world are moving toward free enterprise, he said, Wellstone wants to take the United States the other way.

The best social program, the best thing government can do is create a climate of economic growth, Boschwitz said. With that kind of program all people are lifted up, he said.

Fargo Forum
Tue., Oct. 30

Rick Scott says politics is the best example of a self-fulfilling prophecy he knows — and currently more than a few Democrats seem to be hastening the Wellstone disaster they fear.

Because of the 1990 census, the next Minnesota Legislature will draw new district boundaries — and each of the last two times Rudy Boschwitz has headed the ticket, IRs have swept to victory in St. Paul. Top fund-raisers for the DFL's legislative majority are reportedly so distressed to have Wellstone at the top of the ticket that they're planning to raise money for their own candidates rather than contribute to a common fund the party uses to support its entire ticket.

Meanwhile, Nichols, badly beaten in the endorsing contest, lurks as a cash-draining, attention-diverting opponent for Wellstone in the September 11 primary. According to one DFLer, Rudy Perpich should have "gotten Nichols into a room and beat him with a rubber truncheon not to enter that race."

On the surface, Perpich supports Wellstone — both are endorsed DFLers, after all. But that support so far has taken on curious forms. The traditional fly-around tour of the state the day after the convention never came off because Perpich went to Chicago. Wellstone campaign staffers diplomatically say they understood the governor's conflict. Nevertheless, their man was denied valuable outstate media coverage.

At the same time, insiders says Perpich is secretly encouraging Nichols, a fellow prolifer, to run and help turn out the anti-abortion vote for the governor's own primary battle with Mike Hatch. If true, the scenario is pure Perpich: In order to get a slight margin for a likely primary victory, he's willing to see two underfunded Senate candidates pitted against each other. Then he'll be noan carrying the bruised winner into a tough race against the Republicans.

"At their worst," Scott says, "parties are basically country clubs who believe if the wrong people take over they'll ruin things. Paul's got to be realistic — he needs to find his own enthusiastic supporters, his own fund-raisers, and go on to win. I'd strongly advise [him] not to get lost in the party process and just forge ahead. So far he's done just fine doing that."

Wellstone, the man who stood in the bank lobby, insists that's exactly his strategy. "I'm going to win by connecting this campaign to people's lives," he says. ■

900 LINCOLN

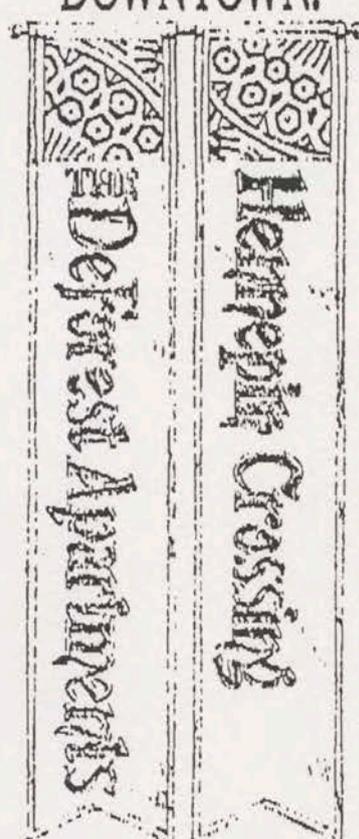


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(continued from previous page)

in order to benefit oligopolistic grain traders such as Minnesota-based Cargill. "Fence-row-to-fence-row planting is an ecological disaster, stressing the land, leading to high erosion and chemical pollution," says Wellstone.

His program is almost the opposite of Boschwitz's. Wellstone advocates strict production limits, taking much land (often highly erodible) out of production. With less supply flooding the market, farmers should get a higher price. His goal simply is to "give the farmer a fair price, at least the cost of production."

Wellstone says that prices will not rise to consumers. "The amount a farmer contributes to the final cost of a packaged product is minimal," he says. "These days, it bears little relation to the final price."

He adds that consumers already pay a hidden cost when their tax dollars are used for price supports.

As for export markets lost to higher priced goods, Wellstone is happy to see them go. "All we're doing is flooding the world with our goods and driving local farmers out of business. There are countless countries that have become self-sufficient in the last 20 years — India and China, for example. It's all done to give Cargill something to ship. Meanwhile, the [Minnesota] small towns die because their backbone, the farmer, is being driven out of business."

Wellstone adds that the preservation of the mid-size family farm is essential because such people are stewards of the land, using less pesticide and fertilizer per acre.

The strength of Wellstone's platform was visible at the DFL convention, where he ran neck-and-neck with Nichols, a southern Minnesota farmer, in many agricultural areas. But what a wider array of rural Minnesotans might think is debatable. As Evansville farmer Kakec notes of production limits, "It's a touchy issue with farmers. They like to pretend they're all independent, but when it comes down to it, they're already very interdependent with the government and each other. The government is already involved, representing Cargill, and Paul has to convince them that government can represent them."

Even if farmers like Wellstone's plan, plenty of them are gone, and many of the people left in the countryside make their living from high production — elevator owners, for example, or implement dealers.

FOR A MAN OF THE PEOPLE, WELLSTONE SOMETIMES forgets that he must convince voters he is "people" too. In an era of campaigning noticeably short on ideas, it is laudable that a candidate would concentrate on issues over appearance — but sometimes Wellstone takes it to ridiculous extremes.

For example, even though Wellstone has been a party activist for years, many party regulars didn't realize he was married until wife Sheila gave his seconding speech at last month's DFL convention.

That wasn't the least of Wellstone's image problems. One Nichols campaign official at the convention said privately that Wellstone would be a bad choice because he "was too un-Minnesotan." Pressed on precisely what that means, she explained it was because he talked fast. Left hanging was the implication that he was too Jewish.

Ugly as the implications are, it points up a festering image problem the Wellstone campaign can't ignore. Their guy is a short, Jewish academic who talks fast and wasn't born in Minnesota.

Then again, the guy Wellstone's running against is a lanky Jewish businessman who talks funny and wasn't born in the country — and somehow, the Republicans elected him 12 years ago. Nobody expects Wellstone to start selling root beer milk, but as a candidate with — at the very least — an unconventional style, he has to do a better job of reminding people that he's a regular guy too. Married 23 years, Wellstone's the father of three kids, the oldest of whom is a farmer — a more genuine Minnesota link than a plaid shirt.

Wellstone acknowledges that while he's tried to shield his family from his political life, he will have to involve them more in the public side of his campaign. But his biggest problem will be getting any message across to the voters, especially in the 30-second spots that have become the staple of the American last-food political diet.

While Boschwitz will bombard the airwaves with at least \$6 million in ads, Wellstone campaign officials admit privately that they'll raise no more than \$2 million. Skeptics within the party say the number will be closer to half that, making Wellstone the most poorly funded Minnesota Senate candidate in memory.



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Says Scott, "The party's always had this division between the centrists and the progressive, grass-roots element. It goes all the way back to the Democratic union with the Farmer-Labor party in the '40s. Usually the party votes 60-40 for the moderates. The surprising thing here is that the progressive candidate broke through and got party-wide endorsement."

In a year in which no big-name DFLers wanted to play sacrificial lamb to Boschwitz, Wellstone is eager to taste the mint jelly. Although turnout for the DFL caucuses this spring was light, Wellstone used his grass-roots organizing experience to turn out hundreds of committed delegates who stayed with him through the five ballots it took to defeat attorney Tom Heeg and state agriculture commissioner Jim Nichols. (Nichols has decided to challenge Wellstone in the September 11 primary.)

As the endorsed candidate, Wellstone stands in contrast to the three establishment DFLers who have challenged Republican senators in the '80s. In 1982, the party tried blue blood with Mark Dayton, who made Dave Durenberger look like a sell-out man and lost by 6 percentage points. In 1984, it gave the nomination to a loyal, patient party stalwart: underfunded, unimpressive Secretary of State Joan Growe, whom Boschwitz swamped 58 percent to 42 percent. Finally, in 1988, the DFL played its last and best trump card. But the famous name of Attorney General Skip Humphrey attracted an even lower percentage than Growe.

In the end, DFLers who think Wellstone is a longshot have to ask themselves: compared to what? Rick Scott admits Wellstone's chances are uphill — as they would be against any well-funded incumbent untainted by scandal. But he adds that Wellstone is the sort of candidate the party should be running. "DFLers should learn what it takes to win from the Republicans," says Scott. "You can't capture the White House or anything else on the national level with a bunch of candidates, delivering the same programs with a different spin. You'll lose every time. Only when a man with a different vision — the capstone of this was Ronald Reagan — comes along, can you capture the imagination of the voters and change things."

IT'S NOT SURPRISING THAT A GUY WHO WAS ARRESTED for protesting farm foreclosures is regarded as a radical. But get Wellstone talking about the issues, and it's hard to come up with much evidence of extremism.

"Not many people know this," says Scott, "but the words 'radical' and 'radish' come from the same root word in Latin — it means closer to the ground. Paul goes to the grass roots and tries to find his solutions there."

Indeed, Wellstone often argues his case in people terms, targeting the pitch to the audience. "You know, I ask a lot of these small-town newspaper guys interviewing me if they have a decent health-insurance plan," he says, gazing intently at his interrogator. "Most of them don't. You know what that says to me? Health care will be a major issue in the '90s, and I'm a strong proponent of universal health care coverage."

He laughs. "That's so radical the *New England Journal of Medicine* came out in January 1989 with a plea for it."

Wellstone is also eager to exploit the public's willingness for defense cuts. He supports the \$40 billion worth of "Gorbachev-driven" savings recommended by former defense secretaries James Schlesinger and Robert McNamara. The cuts are 10 times what President Bush has proposed, but still only a modest 13 percent reduction in the \$300 billion military budget. Hardly radical.

The environment is a natural issue for a grass-roots Democrat, and here, too, Wellstone seems to be on the crest of the tide. Already, the Boschwitz campaign has betrayed a bit of nervousness on this issue. Expected to coast on a cushion of warm-fuzzy, plaid-shirted commercials, Boschwitz's campaign — in an otherwise benign, nonspecific TV ad — touted the senator (somewhat redundantly) as "a world champion on the global environment."

At the very least, the claim was an exaggeration, and the one campaign promptly pounced on it. For the second time in the campaign, Jenny Yungling of the Sierra Club marched to Wellstone headquarters for a press conference attacking Boschwitz's votes to weaken the Clean Air Act. While the story was buried in the Twin Cities daily newspapers, it was picked up by Channels 4 and 5, Minnesota Public Radio, and WCCO-AM. Considering that the election is still four months away, the Wellstone attack received good play.



(On the other hand, it was one day's news, while Boschwitz's ads go on and on.)

Boschwitz campaign manager Tom Mason, maintaining his side's above-the-fray posture, refused to comment for this article except to say that Wellstone's record "speaks for itself."

"People believe that the number one threat to our national security isn't war, but global warming," says Wellstone. "That's why I support emissions reductions, aggressive alternative energy research, and strong conservation incentives."

Every bit the equal of Jesse Jackson in quips (although without the rhymes), Wellstone labels Boschwitz as "the senator from Exxon," a jab at the incumbent's campaign contributions from oil, gas, and energy political action committees (PACs). "Here's a guy who gives out blue stickers to \$1,000 campaign contributors so their mail gets answered first," he says, "and you're going to tell me he's listening to the people on cutting energy use?"

Even on some of the incendiary single issues of the last decade, the electorate is moving closer to Wellstone, according to Bill Morris, president of Decision Resources Ltd., a Twin Cities polling firm.

Morris is hardly Paul Wellstone's political soul mate — he left the IR party years ago because it wasn't conservative enough. But Decision Resources abandoned its political clients years ago to gain contracts with a wide array of Minnesota local governments, so Morris — like Wellstone, a political science professor — can't resist a little dispassionate analysis: "Putting my Poli Sci hat on, I'd have to say his radicalness is in the eye of the beholder."

Morris points out, for example, that the pro-choice Wellstone is clearly among the minority of Minnesotans on the abortion issue. "The last survey was pro-choice 54 percent to 37 percent," says Morris. "1978, the year Boschwitz [a pro-lifer] was first elected, the percentages were almost reversed."

Wellstone, unlike Boschwitz, supports gun control, which Morris says could be trouble in rural areas, but here too the tide is in the DFLer's favor. "The state splits about 50-50, but it's less of a single issue than ever. Interestingly, support [for gun control] has grown as crime has risen in some rural towns."

Morris says a whopping 72 percent of Minnesotans support national health insurance — although not on the British model, which Minnesotans perceive as bureaucratically inefficient. The Canadian system, with national standards administered privately, racks up the big approval numbers — and it's almost precisely the plan Wellstone advocates. (Boschwitz opposes nationalized health care.)

Crime and drugs are often an Achilles' heel for Democrats, but Wellstone may take some of the air out of those issues. Somewhat unexpectedly, he supports putting more cops on the streets.

It's not surprising that Wellstone supports increased social spending — for educating the work force, housing, nutrition programs, and drug treatment, to name just a few. But it may be surprising that here, too, Wellstone is in step with the times. "It depends on specifics," says Morris, "but philosophically, people feel the Reagan revolution did go too far, especially in terms of [cutting spending for] the needy."

Of course, any Democrat — especially a left-of-center one — has to face the most explosive issue of all: taxes, as in "no new." Here, Wellstone's appeal gets very populist and extremely interesting.

"Soak the rich" is how some might describe Wellstone's plan. But he claims it's a matter of fairness. "If Democrats don't believe in progressive taxation, they've sold their birthright."

Wellstone's ire is directed at what economists call the tax "bubble" written into the 1986 Tax Reform Act. Tax rates are set at rates up to 33 percent on incomes below \$100,000. But at incomes over that level, the rate drops back to 28 percent — the bubble, Wellstone can barely hide his disgust for such a regressive concept.

"After the environment, people say the number two threat to our national security is that we don't have our economic house in order," Wellstone says. "Do we really think that the highest tax rate the richest people in our country should pay is 28 percent? And that it should be lower than what people with less money pay?"

Wellstone's plan would raise the top tax rate from 28 percent to 38 percent, and leave the rest of the brackets the same.

He even has a tax break planned for the middle class. Well-

Wellstone in mid-fervor: "How does change take place in our country? When citizens speak for themselves, feel empowerment. . . . Getting people to speak for themselves, fighting for change — it's an absolutely essential element."

Below, on the opposite page, Wellstone mugs with Earl Robinson, officer of the machinists union.

stone supports New York Sen. Daniel Patrick Moynihan's plan to stop using the Social Security Trust Fund for deficit reduction, so the employee tax rate can be cut.

"For three out of four Americans, the Social Security tax is the steepest tax they pay," Wellstone says. Currently, employees pay about 7 percent on all income up to \$51,000. Wellstone would cut that rate by 1 percentage point — a \$100 break to a person with a \$10,000 income.

What's more, Wellstone would recoup the lost revenue by making all income, even that over the \$51,000 mark, subject to the Social Security tax. Put it together, and the fat cats would see their taxes increase by almost 50 percent when Wellstone's income and Social Security tax increases are combined. (Wellstone notes somewhat wryly that this is still less than the wealthy's tax burden when Ronald Reagan took office). Meanwhile, middle- and lower-income wage earners get a 1 percent break.

Wellstone admits he "hasn't quite costed everything out yet" on his tax plan. Still, he estimates that \$40 billion in defense cuts plus the tax increases would yield about \$120 billion in new revenues. Half, he says, would be used for deficit reduction, with about \$60 billion left over for new social programs. That's not small change — consider that the entire budget for the Environmental Protection Agency currently stands at \$8 billion.

But if it sounds too good to be true, it is. The Congressional Budget Office (CBO), widely respected as the most credible number cruncher on Capitol Hill, estimates that Wellstone's tax plan would generate about \$20 billion a year instead of the \$80 billion to \$100 billion he projects. Also, since Wellstone would no longer use the Social Security Trust Fund for deficit reduction, he'd need virtually all of his weak-the-rich tax revenues to fill the gap — leaving nothing for additional deficit trimming, not to mention social spending.

Presented with the CBO's estimates, Wellstone replies that he would merely jack the upper-income tax rates still higher. He insists he'll spare the middle class under any circumstances: "You have to be careful not to take out of the hides of people not making a tremendous amount. Everything has to be done on the principle of progressivity."

Right now, though, if the only difference between Wellstone and George Bush is that the DFLer limits "no new taxes" to the non-rich, he'd have trouble paying for his ambitious social agenda.

If there's an area where Wellstone's platform could rightly be considered radical, it is — not surprisingly — on the farm. Rudy Boschwitz is a traditional free-market disciple, advocating fence-row-to-fence-row planting. Higher production, he feels, leads to lower prices, stimulating the export market. It also leads to higher price supports as the government compensates farmers who can't make back their costs.

Wellstone sees this as a giant slum to fleece the taxpayers
(continued on next page)

"Paul's passionately interested in justice for people — it's really his whole being."



WHAT'S SO RADICAL ABOUT PAUL WELLSTONE?

He's proud to be a liberal, and he thinks a grass-roots campaign can beat Rudy Boschwitz.

1990

BY
DAVID
BRAUER

THE FORMER DFL OFFICER HOLDS OVER his coffee and scrunches up his nose at the question. "Paul Wellstone?" he moans. "You want to know what I think of Paul Wellstone? A nice guy, but . . ."

An uncomfortable pause. At the moment, Wellstone has just become the DFL's endorsed candidate for the U.S. Senate; the speaker, a loyal party liberal, isn't anxious to dump on a fellow Democrat. Especially when that Democrat is up against the party's conservative, cash-flush nemesis — Rudy Boschwitz.

"OK," he says, gathering his thoughts. "Here's a story that might show you what I mean. It's the early '80s, the farm crisis is in full swing, and we're trying to negotiate a voluntary farm foreclosure moratorium with the banks."

"We're in the midst of these very sensitive, very quiet negotiations, and I get a call. It's this banker in small-town Minnesota. Seems he's got a lobby full of angry farmers. He tells me there's this guy up there speaking to them, whipping them into a frenzy. He says he's afraid there's going to be a riot."

The DFLer shakes his head. "You've got a bunch of farmers, very proud people, in a tough situation. They're angry, they're scared, there's been a lot of boozing, a lot of suicides, and a guy coming in to give one of his stentwinder speeches."

"He didn't need to do that — he was just fanning hate. We were trying to do something, and guys are getting hauled off to jail."

"So I say, 'I'm not a cop. What do you want me to do about it?'"

"And the banker shouts, 'He's Paul Wellstone! He's one of your guys! He's in your goddamn party!'"

A small laugh. "I told him, look — he's not in my party!"

HEARING THE STORY, PAUL WELLSTONE smiles — lightly. "Is that what this person thinks? Wow." He gathers up all 5 feet, 7 inches, and 126 pounds of his frame and launches forward in a rapid fire response. "The organizing I did with farmers was to say that they had every right to stand up for

their farms and their children. I have to tell you, I was very proud to be there. There was enormous pain, but people should be fighting for debt restructuring. We can do it for S&Ls, why not for farmers?"

The rejoinder is typical Wellstone — combative, committed, unbowed. Although his resume says he's a 44-year-old college professor from Tony Carleton College, Wellstone is hardly a leather-elkwood academic. Since coming to Minnesota in 1969, he's thrown himself into politics at the grass-roots level — notably as a community organizer and as manager of Jesse Jackson's surprisingly strong Minnesota Rainbow Coalition effort in the 1988 presidential campaign. His forceful, emotional speaking style has earned him a reputation as the state's best orator since Hubert Humphrey.

Patty Kukac, an Evansville, Minnesota, farmer, met Wellstone while he was researching a book on Minnesota's mid-'70s power line protests. Her evaluation of the would-be senator: "I would say Paul's passionately interested in justice for people — it's really his whole being. I've been with him a lot in personal circumstances, and it's always, always there — a real continuous fervor to bring justice to all the people who are disenfranchised."

Wellstone in mid-fervor: "Here's the question — how does change take place in our country? When citizens speak for themselves, feel empowerment. It's like the civil rights movement in the '60s. Nobody was going to do it until the people did it themselves. The farm crisis was the civil rights movement of the '80s. Getting people to speak for themselves and fighting for change — it's an absolutely essential element."

It is this aggressive, take-it-to-the-streets philosophy more than any single issue that has earned Wellstone the label of "ultraliberal" or "radical." In 1990 America — where conservatives such as George Bush and Rudy Boschwitz have 70 percent approval ratings — such tags are usually the kiss of death.

Even DFL party push-backs are nervous because Wellstone, who's never held elective office, has a habit of "going under their heads" and getting people's attention. If DFLers think of Wellstone as unnervingly unorthodox, says former party chair Rick Scott, it's because Paul Wellstone is the first grass-roots progressive to win statewide endorsement since . . . well, since Paul Wellstone, who captured the 1982 nomination for state auditor before losing by 10 percentage points to incumbent Arne Carlson.



AP 10-31-90

MN--Bush Visit Friday

Bush to Return to Minnesota to Stump for IRs

MINNEAPOLIS (AP) President Bush will stump Friday for U.S. Sen. Rudy Boschwitz and other Independent-Republican candidates in Rochester during his second visit to Minnesota this year, Boschwitz's campaign manager said.

Tentative plans called for Bush to arrive at the Rochester airport at 11:30 a.m., then speak at Rochester John Marshall High School, a White House advance man said Tuesday night. The spokesman, who asked that his name not be used, said Bush would leave Rochester around 3:30 p.m.

"Bush is coming to do an event on Friday in Rochester for the Minnesota Republican Party," Boschwitz campaign manager Tom Mason said Tuesday. "It is a political event. If there is a fund-raising event attached, it will be only to defray the costs of the political event."

Bush addressed an Independent-Republican fund-raiser in the Twin Cities on Sept. 27, an appearance primarily intended to boost the campaigns of Boschwitz and then-gubernatorial candidate Jon Grunseth. Grunseth dropped out of the race Sunday amid allegations of sexual improprieties.

Since Bush's first visit, the federal budget crisis has caused his national approval rating to drop dramatically.

Some Republicans around the country have indicated that they are hesitant to campaign with Bush under those circumstances. But Mason said Boschwitz doesn't feel that way.

"I think that it will be a tremendous event for us down there in terms of galvanizing Republican supporters," Mason said.

Rochester is considered a key Republican area of the state, Mason said, and the Bush visit could boost turnout for the IRs there.

Vice President Dan Quayle visited the Twin Cities on Aug. 15 and Rochester on Oct. 9 to support Minnesota's GOP candidates.

Bush's September visit was his first trip to Minnesota since May 1987.

AP 10-31-90

MN--Senate Race

Wellstone Accuses Boschwitz of Distortions

ST. PAUL, Minn. (AP) DFL U.S. Senate candidate Paul Wellstone accused incumbent Rudy Boschwitz of flooding the airwaves with distortions and half-truths about the cost of Wellstone's budget proposals.

Such claims, Wellstone said, show the Republican has resorted to desperate tactics after polls have indicated a virtually dead-even race. Boschwitz's campaign manager called those comments ``political rubbish.''

``Polls tell him that his lead is eroding,''

Wellstone told about 200 supporters at the Capitol rotunda Tuesday.

``Rudy has lost his cool. Desperation has struck. He's decided to go negative.''

Boschwitz's campaign ads ignore the fact that Boschwitz's term has coincided with growth of the national debt to \$3 trillion, Wellstone said.

OCTOBER 27, 1990

The Washington Post

page 48

Minnesotan Is Quitting Race As New Allegations Arise

Associated Press

AFTON, Minn., Oct. 28—Republican Jon Grunseth said today he will drop out of the Minnesota governor's race after a woman claimed she had an affair with him while he was married and reports he swam nude with teenage girls.

"There are three things that are extremely important to me—my wife, my family, first and foremost; the Republican Party, the people of Minnesota," Grunseth said from his home 20 miles east of Minneapolis.

"And the events of the last three weeks have put enormous pressure on the family and I think on the political process and on the people of Minnesota," he said. "I therefore decided to withdraw as the Republican candidate for governor."

Grunseth's campaign was thrown into chaos Oct. 15 by allegations from two women that he swam nude with them while they were teenagers nine years ago. He nearly withdrew from the race Thursday but changed his mind several hours later.

On Saturday, Grunseth acknowledged to the Star Tribune newspa-

per that he had a "romantic" relationship with 32-year-old Tamara Taylor of Minnetonka, but said it ended "a long time ago—in the early '80s."

Grunseth, 44, divorced Katharine Winston in 1983 and married his second wife, Vicki, in 1984.

Taylor claimed she had an intermittent sexual relationship with Grunseth from 1980 to 1989 while he was married to his first and second wives.

Grunseth said his affair with the woman ended before he remarried in 1984 and has denied the nude-swimming allegations.

Grunseth said his withdrawal from the Nov. 6 election, in which he hoped to unseat Gov. Rudy Perpich (D), will be effective as soon as the necessary paperwork is processed. The state GOP executive committee can name a replacement for Grunseth on the ballot.

Perpich is seeking a fourth term and state Auditor Arne Carlson, the runner-up in the Sept. 11 GOP primary, reentered the race as a write-in candidate last week.

UPce 10/28 1118 Major papers split on governor endorsements

ST. PAUL, Minn. (UPI) -- Minnesota's two major newspapers are split in their endorsements for governor.

The St. Paul Pioneer Press endorsed Independent-Republican write-in candidate Arne Carlson. The Minneapolis-based Star Tribune favored DFL incumbent Rudy Perpich. The endorsements were in the papers' Sunday editions.

In backing Carlson, the Pioneer Press said, "Our support for Mr. Carlson is rooted not only in confidence in his ability, but also in a belief that it is time to move beyond the Perpich years. Minnesota needs renewal in its executive branch."

The newspaper commended Carlson for his priorities of improving the status of young people and making the state more competitive economically, as well as his proposals on the environment and education.

The St. Paul newspaper said Perpich had been in office long enough and that he "would find it difficult to provide that renewal."

Jon Grunseth, the I-R endorsed candidate, "seems the least equipped now to govern effectively" because of the swirl of allegations of sexual misconduct surrounding his campaign.

In endorsing Perpich for another term, the Star Tribune said, "In the

Press <CR> for more !/s

essential areas of government such as education, environment and tax policy, Perpich is good. He should remain as Minnesota's governor."

The newspaper said Perpich has been a positive force for Minnesota. With the help of others, he has made the state a better place to be educated, to work and to own a business, the publication said.

Noting that the campaign "has disgusted Minnesota voters," the newspaper said most of the blame belongs to Grunseth. Perpich deserves a smaller amount for his effort to raise issues with Grunseth's tax and divorce records.

The newspaper said Carlson is a good man with generally reasonable ideas.

The St. Paul Pioneer Press also endorsed DFL-er Paul Wellstone in his challenge to unseat IR incumbent Rudy Boschwitz in the U.S. Senate. The newspaper said it believed Wellstone "would bring sorely needed courage and vigor to the U.S. Senate. ... Mr. Wellstone comes honestly to the problems facing American and has the energy and integrity to provide quality representation."

Boschwitz has a record "long on nitty-gritty constituent service and fund-raising prowess but short on legislative achievement," the paper said.

In light of all the problems facing Congress, "Mr. Boschwitz seems content with more of the same. That isn't good for Minnesota or the nation in these troubled times," the paper said.

UPce 10/27 1418 Candidates held their own, party leaders say

ST. PAUL, Minn. (UPI) -- The three major candidates for governor held their own during the first, and probably only, debate on the issues, leaders of both political parties said Saturday.

"I thought the tone of the discussions generally was more civil and positive than I had originally feared," said Todd Otis, state DFL party chairman. "The format was frustrating, however, because the candidates weren't allowed equal time to respond."

Otis said DFL incumbent candidate Rudy Perpich showed his true nature. "He came through as a positive person, not negative, mean-spirited," Otis said.

Bob Weinholzer, state Independent-Republican co-chairman, said he, too, was pleased with the tone of the discussions.

"It was fairly civilized and cordial without any name-calling," Weinholzer said. "I thought Jon Grunseth did well."

Perpich, IR-endorsed Grunseth, and IR write-in hopeful Arne Carlson discussed issues during Friday's 90-minute debate. The candidates aired their views on the budget, education and intangibles such as leadership qualities.

While questioning whether Carlson should have been included in the debate at all, Weinholzer did give the write-in challenger good marks.

The IR co-chair said, however, that the candidates did not discuss other important issues such as health care, agriculture and child care, and barely touched on environmental matters.

The voters, he said, "don't know how the three gentlemen stand on a number of issues and how they will take the state out of the mess it's in."

Debate questioners also quizzed candidates on the so-called "character" issues that have dominated the campaign during the past few weeks. Grunseth vehemently denied he swam nude with teenaged girls nine years ago, saying that his accusers were lying. He also blamed Perpich loyalists for instigating the accusations, although the IR candidate admitted he did not have the "smoking gun" to link Perpich to the allegations.

Perpich also was asked about including in the campaign court orders regarding Grunseth's divorce from his first wife. He said those were matters of public record and reflected on Grunseth's character. Grunseth had withheld a portion of his child support payment and had to be ordered by the court to pay it.

The two party chairmen disagreed, however, on that segment of the debate.

"I think it was important to see how each responded to that issue, and the spirit in which they responded," Otis said in favor of devoting 30 minutes of the discussions to those matters.

Weinholzer said the allegations and the divorce matter had been written about and discussed extensively and should not have been included.

"Those (issues) had no place in the debate," he said. "Those had nothing to do with education or the environment or the deficit. For one hour they discussed the issues. Then for a half hour there was character assassination, sleaze, mud and slime."

What that means, he said, "is that the Minnesota electorate will have to pick a candidate based on 15-second sound bites (on television and radio) and a one-hour debate. Let's face it, the average voter doesn't read a candidate's

white paper or background information on issues. Some do, but they're few and far between."

UPce 10/26 1653 I-R efforts continue to jettison Grunseth

ST. PAUL, Minn. (UPI) -- Several top Independent-Republican leaders Friday resumed their efforts to get Jon Grunseth out of the race for governor of Minnesota.

Sen. Rudy Boschwitz told reporters in Willmar that he was going to talk to Grunseth again "when the dust settles and tempers cool." Boschwitz said it does not make sense for there to be two Republicans running for governor against DFL incumbent Rudy Boschwitz.

Grunseth won the I-R primary but his campaign has been rocked to its foundation by allegations that he encouraged teenage girls to swim nude with him at a party nine years ago. That prompted fellow I-R candidate Arne Carlson to jump back into the race as a write-in candidate.

Grunseth almost quit the race Thursday night but changed his mind and vowed to finish what he started.

Boschwitz said he does not think 1986 candidate Cal Ludeman, whom Grunseth apparently wanted to replace him, should be in the picture. Boschwitz said he had no particular candidate in mind to replace Grunseth. However, he said he would be "comfortable" with Carlson as the candidate.

Boschwitz was not the only top-ranking GOP leader to want Grunseth to drop out. Senate Minority Leader Duane Benson and House Minority Leader Bill Schreiber both said they want Grunseth out.

"I'm publicly asking today for Jon Grunseth and his campaign to step aside," Benson said. He said it is his job to get more Republicans elected to the Senate and that the turmoil in the governor's race was hurting those efforts.

"The people of Minnesota do not have the trust in either Jon Grunseth or Rudy Perpich and it's time for somebody else," Schreiber said.

APn 10/26 2242 ELN--Minnesota Governor

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By MARY R. SANDOK
Associated Press Writer

ST. PAUL, Minn. (AP) -- Three prominent Republicans demanded Friday that GOP gubernatorial candidate Jon Grunseth withdraw before he drags the party's other candidates to defeat because of allegations that he swam with nude girls.

The three included U.S. Sen. Rudy Boschwitz, who suddenly finds himself in a close race with Democratic challenger Paul Wellstone.

In the only debate before the Nov. 6 election, Grunseth blamed incumbent Gov. Rudy Perpich's campaign for spreading the skinny-dipping story and called the young women involved liars for saying it's true.

"I can't find the smoking gun," Grunseth said of Perpich. "but the circumstantial evidence that this was linked to his campaign I think is pretty clear."

Perpich denied that his campaign was behind the allegations.

"People who know me know that I wouldn't even think of this," Perpich said.

Grunseth called a news conference Thursday to announce he was quitting, but then changed his mind and wound up reaffirming his candidacy.

The allegations about Grunseth have hurt all Republicans campaigns, including his, Boschwitz said at a campaign stop Friday.

"It has an impact on dozens of people who are running for the state Legislature who are out there knocking on doors and working their hearts out, and I really don't want to see those people hurt, nor myself," he said.

The two top Republicans in the Legislature also called for Grunseth to step aside, and one of them endorsed state Auditor Arne Carlson, who placed second to Grunseth in the Republican primary and on Monday launched a write-in campaign for governor.

Grunseth was thought to have a chance of unseating Perpich until the nude-swimming allegations were leveled against him nearly two weeks ago.

During the debate, the candidates briefly turned to their differences on education, abortion, finances and other issues that have been shoved far into the background during the past two weeks.

In sworn statements, two young women said he encouraged them and two other teen-age girls to join him for a nude swim at a 1981 pool party. The women said he tried to pull down the swim suit of one of the girls and tried to touch her breast. Grunseth has denied the allegations.

Perpich, who is seeking a fourth term, maintained his silence on the Republicans' problems. His campaign manager said the governor was preparing for the race's only debate, scheduled for Friday night.

Elam Baer, executive director of the Grunseth campaign, said Friday there were no circumstances under which Grunseth would withdraw.

"Last night, we slammed the door shut, nailed a couple of spikes in it and locked the deadbolts and he is in this race until November 6," Baer said.

Grunseth said an "incredible outpouring of love and affection and support and prayer" contributed to his decision to stay in the race.

Boschwitz had hastily returned to Minnesota from Washington this week because

of the turmoil in his party. The latest twists in the race left Minnesota Republicans in a heightened state of disarray.

"The Republican party right at this moment does not have its act together," state GOP Party Chairman Bob Weinholzer said shortly before Grunseth announced he would stay in the race.

At a news conference Friday, state Senate Minority Leader Duane Benson called for Grunseth to drop out of the race, saying he was "hurting the entire ticket."

Benson was joined by Rep. Bill Schreiber, the minority leader in the Minnesota House, who went a step further and endorsed Carlson.

"There is no question that the governor's race is bringing down politics in Minnesota to a level never before experienced," Schreiber said.

Secretary of State Joan Grove said ballots have already been printed with Grunseth's name, but that she could print supplementary ballots with Carlson's name if he quits the race.

UPce 10/26 2350 Perpich, Grunseth and Carlson go toe to toe to toe ...

Perpich, Grunseth and Carlson go toe to toe to toe on issues

ST. PAUL, Minn. (UPI) - Embattled Independent-Republican candidate Jon Grunseth Friday night sought to separate himself from the other candidates for governor, painting incumbent DFLer Rudy Perpich as a spendthrift who will raise taxes soon after the election and I-R write-in hopeful Arne Carlson as out of touch with Minnesota values on issues such as abortion.

In what likely will be the only debate between the three major candidates for governor, the liveliest portion occurred during discussion of Grunseth's character and allegations of mud-slinging and negative campaign tactics by his opponents.

Grunseth said the sexual misconduct allegations against him were fabricated by D-F-L'ers loyal to Perpich. "I can't find any smoking gun in his hand, but there is a lot circumstantial evidence," he said.

The I-R candidate snuck to his denials that he swam nude with teenaged girls and attempted to physically remove one of the girls' swimming suit during a 1981 party at his home in Hastings.

Grunseth flatly stated the two young women who originally made the charges were lying.

Perpich denied the counter-charge he was behind the allegations as an "outrage." He said, however, that other aspects of the so-called "dirty campaign," such as bringing up Grunseth's divorce and failure to pay portions of his child-support payments were legitimate issues.

"Whatever is public record is fair game, everything that I've dealt with is part of public record, I have not dealt with rumor," the governor said.

Perpich also decried the effects the Grunseth allegations has had on all candidates this year: "This bomb went off... and innocent people got hurt in the explosion, including me.

For the most part, Carlson stayed out of the melee over negative campaigning and character issues. At one point when asked if he would have used Grunseth's divorce papers as part of his campaign tactics, Carlson replied, "The only papers I want released is the revenue forecast."

But Carlson said there has been a "feeding frenzy" in recent weeks of the campaign. "I think in six months or so, there's going to be a lot of people who will wish they hadn't opened some doors."

There were few new proposals by the candidates, each instead protecting their respective turfs. Carlson did call for a \$150-200 million increase in primary and secondary school funding, while Grunseth advocated converting the Greater Minnesota Corp. into an applied research facility connected through the University of Minnesota and the state university system.

Both Grunseth and Carlson hammered at Perpich on tax and spending issues from the start of the 90-minute debate. Grunseth said Perpich would likely raise taxes to meet a state budget shortfall over the next two years that some have predicted will range from \$500 million to over \$1 billion.

"We are in a solid financial position," Perpich countered, disputing the predictions of his own revenue commissioner. "We are well prepared to handle whatever happens in the next biennium."

He said there will be plenty of time for the Legislature to act should the

economy take a turn for the worse.

Carlson called on Perpich to release the state's revenue forecast before the Nov. 6 election, instead of Nov. 15 as planned. He said Minnesota currently has a "paper balance" of about \$500 million, but only will continue to break even if state spending is frozen, there is no economic downturn and no continued increase in oil prices.

Those hopes, Carlson said, "are fallacious."

Perpich responded by repeatedly asking his opponents to name the states that are in better financial shape than Minnesota and referred to magazines that have lauded the state's performance.

On education, Perpich said Minnesota is recognized for its innovative programs, adding more leeway be given to involve parent and teachers in the operation of individual schools.

Grunseth called on testing of teachers and giving high-achieving secondary students "a free ride" to the University of Minnesota or one of the seven state university system campuses.

The debate was played out with a backdrop of prominent state Republicans again calling for Grunseth to get out of the race. U.S. Sen. Rudy Boschwitz, R-Minn., speaking in St. Cloud, repeated his plea that Grunseth step aside for the good of the party.

The two state Senate and House minority leaders also broke with Grunseth, saying his candidacy will harm I-R legislative candidates. "I don't believe we can salvage the Grunseth campaign any more," said state Sen. Duane Benson.

Perpich made no public appearances prior to the debate. Carlson, meanwhile, opened his campaign offices to the press while he and staff members ran through probable questions and responses.

Carlson was told by aides to be forceful in pressing his issues, but also to use humor and satire when directly challenging an opponents' views. They tried several different tacks in articulating his pro-choice abortion stand. Both Grunseth and Perpich oppose legalized abortion.

Grunseth prepared for the debate Friday sequestered in the same hotel room in Bloomington where he wrestled with his decision to drop out of the governor's race Thursday night.

Grunseth decided late Thursday morning to conditionally withdraw, his decision hinging on 1986 I-R gubernatorial candidate Cal Ludeman taking his place on ticket. Grunseth later jumped back in the race, he said, due to "the tremendous outpouring of support" he received after word of his decision leaked out.

Advisers to the I-R candidate said they do not expect adverse voter reaction to the on-again, off-again, on-again candidacy by Grunseth. "Not are we going to stay in, we think we still have a chance to win," said Grunseth advisor Elam Baer.

Ludeman arrived in Bloomington early Thursday evening, preparing for Grunseth's expected withdrawal. When Grunseth reversed himself for the final time, Ludeman reportedly became irate and was later flown back to farm home near Tracy.

UPce 10/26 0154 Republicans spinning with Grunseth campaign turmoil

BLOOMINGTON, Minn. (UPI) -- Campaign manager Leon Oistad said Jon Grunseth's decision to finish his run for governor was one of most agonizing in the history of Minnesota politics.

"The pressure has been building for a couple of weeks on Jon," Oistad said. "He agonized over this on a daily basis. I told some of you we were assessing it on a daily basis. That's in fact what was happening. I was convinced two days ago that we were in it for the go. I'm convinced now we're in it for the rest of the way."

Oistad said Cal Ludeman, a conservative former state lawmaker-farmer from Tracy who lost to DFL Gov. Rudy Perpich in 1986, was asked to come to the Twin Cities Thursday because he felt the party would "show a great deal of support for Cal, and I think they would have if Jon decided to get out of the race."

Oistad said Grunseth's campaign finance committee nixed the idea of Ludeman because they thought he couldn't beat Perpich.

"They said, 'Jon, you're the reason we made the contributions.' It wasn't at all derogatory about any other candidate," Oistad said. "If they would have come with any candidate to that finance committee meeting they would have met with the same reaction."

Grunseth would have felt he was "abandoning the people who brought him this far," Oistad said.

Campaign spokesman Dave Hoium said Grunseth had decided about 10 a.m. Thursday to pull out contingent on party leaders accepting Ludeman as the party's candidate with Sharon Clark as his running mate. The new ticket would have assumed between \$75,000 and \$100,000 of the current campaign's debt.

"The deal fell through when his supporters were vehemently" against the idea, Hoium said. Finance committee members said that they could raise "nearly \$200,000 on the spot."

Hoium said campaign officials considered pulling television ads a cost-saving move. Instead, they shot replacement Ludeman-Clark ads to run in their place and sent them to local TV stations.

Oistad said that when people get a chance to look at Grunseth discuss the issues they'll realize he's the best candidate.

"I think when people take a look at the pressure that's been put on and that he's stood up under that pressure, the most difficult week for any candidate in the history of Minnesota ... he's been knocked on his back," Oistad said. The question is will history record him as a guy who doesn't have the courage to get up? Or will history record him as a guy who had the courage to get up and fight back?"

State I-R Chairman Bob Weinholzer said Grunseth's family, including his daughter Nina and wife Vickie, were "all in favor" of Grunseth's staying in the race.

Weinholzer said now that Grunseth has made his decision, the ticket has a tough battle ahead of it.

"Obviously, we're starting behind," he said. "The last poll said Jon was tied with Carlson and about 10 percentage points behind Perpich. So you're starting behind and there isn't a whole lot time left until the election."

Asked how people must view the party now, Weinholzer answered: "That the

Republican Party doesn't have it's act together ... and we don't."

"If the two (Republicans) stay in the race, it would be difficult to win. If it goes down to one, there's no question we'd sweep."

I-R Chairwoman Barb Sykora said Grunseth's supporters pushed him very hard to stay in the race.

"I think he can still win the race," she said. "I hope we will overcome Rudy Perpich. I think he's beatable.

"We'll recover from this."

If Sen. Rudy Boschwitz' purpose in coming to Minnesota Thursday was to settle the intra-party dispute, he didn't succeed. But Sykora denied Boschwitz came to Minnesota to try to pressure Grunseth out of the race.

"I'm not sure he made the trip from Washington (to do that)," Sykora said.

"He just wanted to get out of that budget debate for awhile and do some campaigning. I don't think he came in here to try and settle this dispute."

Grunseth, Carlson and Perpich are to participate in a televised debate tonight.

APn 10/26 0623 ELN--Minnesota Governor

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By GENE LAHAMMER
Associated Press Writer

BLOOMINGTON, Minn. (AP) -- Gubernatorial candidate Jon Grunseth, his campaign hurt by allegations he swam nude with teen-age girls, called a news conference to drop out of the race, then decided at the last minute to stay in.

Grunseth, 44, who held up his news conference for more than three hours while he reconsidered late Thursday, said he had definitely decided to quit the race earlier in the day.

"But there has been just an incredible outpouring of love and affection and support and prayer," he said. "We spent hours agonizing over this decision, and we decided about a half-hour ago that we were going to press forward no matter what."

The decision leaves next month's gubernatorial election a three-way race between the Republican Grunseth, Democratic incumbent Rudy Perpich and write-in candidate Arne Carlson, also a Republican.

Carlson, the state auditor, lost to Grunseth in the Republican primary. He mounted his write-in effort after fellow Republicans began to urge Grunseth to quit the race.

Grunseth's campaign was thrown into turmoil Oct. 15 when it was reported that two women said in sworn statements that he tried to get them to swim nude with him during a 1981 pool party at his home.

The women, who were then 13 and 14, said they refused but that Grunseth, his teen-age daughter and a 16-year-old girl took off their bathing suits. One of the women also said Grunseth tried to pull down her bathing suit top and touch her breast.

Grunseth has denied the allegations.

Some Republicans complained Thursday that his decision not to quit could give the Nov. 6 election to Perpich, who seeks an unprecedented fourth term.

"If he can't have it his way he'll take the whole business down to catastrophe," said former Gov. Elmer L. Andersen, a Carlson supporter.

Sen. Rudy Boschwitz, R-Minn., indicated earlier in the day that the Republican party couldn't unseat Perpich with two candidates.

"Our base simply is not big enough to cut it in half," he said. "So that we're going to have to some way repair that situation."

Perpich could not immediately be reached for comment late Thursday, said his spokesman, Ray Bohn.

A member of Grunseth's finance committee said after Grunseth told 15 to 20 committee members he was dropping out they tried to get him to change his mind. "Jon told us he definitely was not going to stay in," said Rod Hendrickson. "But after some very persuasive conversations by certain members, we felt he was going to reconsider."

APn 10/23.0225 ELN--Minn Governor

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By MARY R. SANDOK
Associated Press Writer

ST. PAUL, Minn. (AP) -- Minnesota's Republican auditor has jumped into the governor's race, taking advantage of allegations the regular GOP nominee invited teen-age girls to take a nude dip with him nine years ago.

Auditor Arne Carlson announced a write-in campaign Monday against Democratic Gov. Rudy Perpich and Perpich's embattled Republican challenger, business executive John Grunseth.

Two women have charged in sworn statements that Grunseth encouraged them to join him in a nude swim in 1981, when they were 13 and 14. Grunseth, 44, denied the allegation but has been under increasing pressure from his party to quit the race.

An internal GOP poll last week indicated that five Republicans, including Carlson, could beat Perpich in the Nov. 6 election but that Grunseth could not. Carlson, auditor since 1979, finished second to Grunseth in last month's GOP primary.

Grunseth welcomed Carlson's decision to get back in the race, saying Carlson is "liberal enough" to pull Democratic votes from Perpich.

Grunseth also said he would stay in the race. "The road to victory over Rudy Perpich has been paved with my reputation and the tears of my family, and I've got a right to drive down that road," he said.

Perpich, seeking a fourth term, said of the development, "This has to be solved by the Republicans themselves."

Carlson acknowledged that a run-in campaign "has a very slim chance of success."

But he told supporters, "I'm convinced that regardless of how difficult the mechanical barriers of a write-in campaign may be, I think with your help all throughout the state of Minnesota, we can do something that is unprecedented. We can win."

According to the sworn statements by the two women, Grunseth urged them, his 13-year-old daughter and a 16-year-old girl to swim naked with him at a 1981 party at his house. The women said they refused but that Grunseth, his daughter, Nina, and the 16-year-old took off their clothes.

One of the women said Grunseth also tried to pull down the strap of her bathing suit and touch her breast.

Grunseth's daughter denied the allegations, and Grunseth said that if any skinny-dipping occurred, it was after he went to bed. "Have I ever been skinny-dipping in my life?" he said Sunday. "Yeah. So what?"

Carlson's action "kind of took the wind out" of a move by some lawmakers to pressure Grunseth to resign, Senate GOP Minority Leader Duane Benson said.

"A lot of people are kind of comfortable with two (Republican) people in it," Benson said. "But it would have really boiled had Arne waited another day."

House Republican Leader Bill Schreiber said the Carlson candidacy could boost GOP turnout and help the party capture more seats in the Legislature. Democrats control both houses, but all 201 seats are up for re-election.

John Stanoch, Perpich's campaign chairman, said Grunseth's popularity and support have been declining over the past week. "I would suppose the majority of that support is going to go to Arne Carlson," he said.

UPce 10/23 0957 Perpich leads in latest poll

MINNERAPOLIS (UPI) -- Gov. Rudy Perpich retains the lead in the governor's race in the latest Minnesota Poll which was published Tuesday.

But the poll, conducted by the Star Tribune and KSTP-TV, shows that Jon Grunseth, the Republican candidate, has not been hurt seriously by the recent charges about a nude swimming incident.

Also, the poll suggests that Arne Carlson, who returned to the race Monday, could have a substantial impact on the election.

In a head to head match with Perpich, Carlson leads 51 percent to 41 percent but in a three-way race, Perpich leads with 37 percent while Grunseth and Carlson each has 28 percent.

With just Perpich and Grunseth on the ballot, the governor leads 46- 40. In a mid-October poll, Perpich had a lead of 51-42.

So despite the adverse publicity about Grunseth in the past week, Perpich lost more support than the Republican candidate in the poll of 601 voters.

Both candidates received highly unfavorable ratings in the latest poll. At least half the voters questioned said that they were unfavorably impressed with both candidates, an increase of 10 percent for Perpich and 14 for Grunseth.

UPce 10/19 1411 Grunseth says test clears him

ST. PAUL, Minn. (UPI) -- Jon Grunseth said Friday a polygraph test administered this week completely clears him of sexual misconduct allegations and called on the public to now examine the role Gov. Rudy Perpich may have had in disseminating the accusations.

"The test exonerates me on every level of every charge leveled at me," the Independent-Republican candidate for governor said at state Capitol news conference. "I have now taken a lie detector test, I have turned over all my evidence."

He also restated his vow not to drop out of the race citing internal polling showing him within 11 percentage points of Perpich with 19 days remaining in the governor's race.

"I'm in this until Nov. 6," Grunseth said. "Three weeks before the primary polls showed that I was down by roughly 20 points. We wound up winning it by 17 or 18 points. We had nearly a 40-point turnaround. Is this race still winnable? You betcha."

The test was conducted about 5 p.m. Wednesday by Darrell Shaw, a St. Louis Park polygraphist. Grunseth said he decided to take the polygraph test on the urging of campaign advisors and due to the "bizarre" nature of the allegations.

Two women, then in their teens, alleged in sworn affidavits released Monday that Grunseth encouraged them, a 16-year-old girl and his daughter Nina to join him in a midnight swim in the nude at a July 1981 party.

One of the women, Elizabeth Mulay, stated Grunseth attempted to touch her breast while they were in the pool and also provided beer to minors during the party at his Hasting home. The allegations were corroborated by two other women as well as two band members who played at the party.

Grunseth has denied the accusations and instead has accused Perpich of an active role in spreading the allegations. "Now is the time to ask questions of Rudy Perpich, George Perpich, Rudy Perpich Jr., Len Anderson, Rudy Perpich's campaign staff, (Robert) Tennessen and others who may be involved in this assault on me," he said Friday.

He said that Perpich campaign manager and Tennessen, a Minneapolis attorney and former DFL state senator, who is representing two of the women alleging Grunseth's misconduct, should volunteer to also take polygraph tests.

Shaw, who heads Applied Confidential Services Inc., said he questioned Grunseth for over two hours about the party.

Shaw bristled at contentions the test was "user friendly" and said they were 85 to 95 percent accurate. He admitted, however, that the test is not "absolute proof" of Grunseth was telling the truth.

Leon Oistad, Grunseth campaign manager, said Shaw frequently conducts polygraph tests for the Minnesota Bureau of Criminal Apprehension. Shaw has no political affiliations, he said.

Many states restrict or ban use of polygraph tests in criminal proceedings. Also, many behavioral and psychological experts consider the tests unreliable or of limited validity, in determining the accuracy of a person's statements.

Grunseth earlier this year refused to take a polygraph test during a dispute with Doug Kelly, who Grunseth beat last month in the I-R primary. He dismissed Kelly's urgings, replying: "I think it's absurd. It sounds like something

Perpich would dream up."

But Friday Grunseth said there was no contradiction in now claiming the test he took clears him of the allegations: "In the absence of a court of law, I had no other choice."

Also Friday, the Citizens Jury announced it will conduct three days of hearings next week to rate Perpich and Grunseth on their views on taxes, state spending, and educational and environmental issues.

Grunseth has accepted an invitation to be interviewed by the 18 jurors on the panel on Wednesday. Perpich has declined to appear, but has provided answers to a written questionnaire the jury provide to the candidates. DFL and IR lawmakers will also testify on behalf of the candidates.

The Citizens Jury, co-sponsored by the Minneapolis-based Jefferson Center and the League of Women Voters of Minnesota, also interviewed gubernatorial candidates prior to the September party primaries.

APn 10/18 0738 ELN--Political Briefs

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ST. PAUL, Minn. (AP) -- Gubernatorial candidate Jon Grunseth has released affidavits from 16 people who attended a 1981 party to counter allegations that he swam nude with four teen-age girls.

"To the best of my recollection, the allegations of improprieties involving Jon Grunseth simply did not occur," Richard Chant said, a senior vice president of People Management, in an affidavit.

Liane Nelson, 23, of Boston, and her cousin, Elizabeth Dwyer Mulay, 22, of San Jose, Calif., have alleged in sworn statements that Grunseth encouraged them, his daughter Nina, now 23, and Lisa Hare, now 25, to join him for a nude swim. Nelson was 14 at the time; Mulay was 13.

Hare has confirmed most of the allegations raised by Nelson and Mulay, while Nina Grunseth has signed an affidavit denying them.

According to all the affidavits prepared on Grunseth's behalf, the party was a wholesome, family event, with the focal point being the swimming pool. They said they observed none of the activities alleged by the women, although about half of them said they left the party by midnight.

William and Ingrid Emstad said they stayed overnight at the Grunseth home in a room overlooking the pool.

"From approximately midnight until the morning, I did not observe or hear anyone in the pool," Emstad said.

Grunseth and his campaign officials consistently have blamed Gov. Rudy Perpich for the accusations, saying they are part of a "win-at-any-costs" strategy.

Nelson and Mulay have denied any contact with the Perpich campaign, and Perpich and his campaign officials have denied any connection to the matter.

UPce 10/17 1011 Jon Grunseth fights to control damage

ST. PAUL, Minn. (UPI) -- Jon Grunseth was fighting for his political life Wednesday, seeking to control the damage of recent charges by airing new television commercials.

In the ads the Independent Republican candidate for governor denies claims that he encouraged four teenage girls to join him for a nude swim.

But some Republicans, including former Gov. Elmer L. Andersen, were urging Grunseth to withdraw -- as were two daily newspapers.

The candidate, who beat State Auditor Arne Carlson in a bitter Republican primary, insisted he would fight on.

"The allegations against me are false and motivated by politics," he says in the new ads. "Only the desperate Perpich machine would attempt such extortion." Grunseth says one of the women who alleged he swam nude in a pool with teenaged girls is attempting extortion, adding that he will turn evidence of that over to the U.S. Attorney.

Andersen, who supported Carlson earlier, said Jon Grunseth should drop out of the race if he can't immediately disprove the charges.

"I think he (Grunseth) would make a mistake if he pursues this to the bitter end," Andersen said, adding that the candidate should withdraw "for the good of the party."

Carlson supporters were urging party leaders to press Grunseth to withdraw and Carlson said he would be willing to step in if asked to do so. The party's State Central Committee would have to make the decision.

The Star Tribune, of Minneapolis, said in an editorial that Grunseth should put the state's interests first and withdraw.

"We believe... that someone else should carry the IR baton in the final lap of the race for governor," the paper said. It said the questions about Grunseth's character "are unlikely to be resolved by Nov. 6."

The Winona Daily News urged Grunseth to step aside, saying the party is "crippled" with him at the head of the ticket. The Minnesota Daily, student newspaper at the University of Minnesota, also called on Grunseth to withdraw.

Meanwhile, another woman came forward to say she saw nude swimming at Grunseth's house in 1981.

Cybele Hare, now 21, joined three others who said people were skinny-dipping during a Fourth of July celebration at Grunseth's Hastings home. She said she and her sister Lisa Hare were at the party when she saw Grunseth's daughter Nina dive naked into the pool among a group of adult men. Hare was 13 at the time, Nina Grunseth was also 13.

Cybele Hare also said she was served beer at the party. Her sister Lisa earlier admitted to swimming naked that night and said that Grunseth was among the skinny-dippers.

Cybele Hare said she couldn't tell from her vantage point if Jon Grunseth was among several adult men in the pool or if they were wearing swimsuits. Two members of a band that played at the party also allege to have seen nude swimming.

Naked truth on hopeful's pool party?

MINNEAPOLIS (AP) — Republican gubernatorial candidate Jon Grunseth is accused in sworn affidavits of encouraging four girls aged 13 to 16 to join him for a nude swim at a 1981 pool party, according to a newspaper report yesterday.

The statements were made by Liane Nelson, now 23 and a social worker dealing with sexual abuse cases in the Boston area, and her cousin Elizabeth Mulay, 22, of San Jose, Calif., the Star Tribune reported yesterday.

The two women said Mr. Grunseth also encouraged his daughter, Nina, to swim in the nude at the Fourth of July party at his home.

Nina Grunseth denied the charges in her own affidavit, and her father said supporters of Democratic Gov. Rudy Perpich were trying to "blackmail" him into dropping his campaign.

"I regard this as an absolute outrage," Mr. Grunseth told the Star Tribune. "But what is going on here, I'm convinced beyond any doubt, is a creation of the Perpich camp. We're three weeks before the election and all of a sudden out of the clear blue there are charges that are being dropped on us about something that happened nine or 10 years ago that no one has ever heard of."

Miss Nelson, 14 at the time of the party, said she decided to speak out nine years later because she believes there was sexual impropriety at the party.

"I think that is extremely inappropriate behavior for someone who wants to be governor," she told the Star Tribune.

According to the affidavits from Miss Nelson and Miss Mulay, two other teen-age girls in the pool, including Nina Grunseth, removed their swimsuits at Mr. Grunseth's urging. Mr. Grunseth and one or more of his adult male friends also took off their suits, Miss Nelson and Miss Mulay said.

"He suggested we all take our swimsuits off," Miss Mulay said. "My cousin and I were adamant about not taking them off. . . . At one point, [Mr. Grunseth] cornered me in the pool. I tried to swim by, but he blocked me in."

Nina Grunseth, in an affidavit prepared Friday, said: "I believe the allegation against my father is totally untrue. I know my father, and I do not believe under any circumstances he committed the act of which he is accused or any similar act."

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35 LINES

Poll: Grunseth Support had Slipped Before Allegations

MINNEAPOLIS (AP) Even before allegations of sexual improprieties by Jon Grunseth surfaced, his support among Minnesota voters had slipped while Gov. Rudy Perpich's had improved, according to a new poll.

The Star Tribune-KSTP Minnesota Poll published in today's Star Tribune showed 42 percent of the likely voters interviewed between Oct. 8 and this past Sunday said they would vote for Grunseth, while 51 percent said they would vote for the incumbent DFL governor.

The previous Minnesota Poll, conducted just after the Sept. 11 primary election, had Grunseth with 46 percent of the support and Perpich with 43 percent.

Since then, the campaign has become increasingly nasty, with Perpich or other DFLers attacking Grunseth over disputes he had with his ex-wife. The new poll indicates that Perpich's negative campaigning hasn't hurt his bid for re-election, and may have even helped.

But it's now impossible to say where support for the candidates stands, in following allegations that Grunseth went skinny-dipping with teen-age girls during a party at his home in 1981. Grunseth has denied the allegations and Perpich has tried to distance himself from the allegations.

Results of the poll are based on a telephone survey of 1,003 randomly selected adults in Minnesota Oct. 8-14. Project Research of Minneapolis conducted the interviewing.

For results based on samples of this size, one can be 95 percent confident that sampling and other random error will be no more than plus or minus 3.1 percentage points. Other forms of error or bias may be introduced by question wording and the practical difficulties of conducting any poll.

POLITICS

PAC Money Prompts Anti-Japan Remarks

AutoPAC, the political action committee of import car dealers that made \$1.4 million in independent expenditures in 1988 Senate races, has dumped \$341,200 into the New Hampshire Senate race for television ads on behalf of the front-runner, Rep. Robert C. Smith (R).

The expenditures triggered an immediate attack by Democratic opponent John Durkin, who told a news conference yesterday the ads were an effort "to buy [Smith's] vote so the Japanese could put you out of work. These are the same Japs that staged the sneak attack on Dec. 7 [Pearl Harbor] and are now trying to stage a sneak attack on our election process in New Hampshire on Nov. 6."

Durkin later told the Associated Press he did not consider his remarks racist. But he added, "I don't want my kids sweeping up around Japanese VCRs."

Frank Glacken, AutoPAC executive director, said his membership includes dealers who sell European and domestic models as well as Japanese cars. He called Durkin's remarks "an indication of his isolationist and xenophobic perspective." Import car dealers employ more than 1,700 people in New Hampshire, he noted.

The AutoPAC ads, which were due to begin airing yesterday, focus on what Glacken called flip-flops in Durkin's voting record in the Senate in the 1970s.

Minnesota's 3-Way Split

■ Only hours after Minnesota Republican gubernatorial nominee Jon Grunseth changed his mind and decided not to drop out of the governor's race Thursday night, two top state GOP leaders urged him to change his mind again.

Grunseth, whose campaign has been crippled by allegations that he swam nude with three teenage girls at a 1981 party, called a news conference Thursday to announce he was quitting but switched at the last minute.

State Senate Minority Leader Duane Benson and House Minority Leader Bill Schreiber yester-

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Grunseth, who was assured by his finance committee that it would raise \$200,000 if he remained in the race, promised to stand by his decision, leaving the governor's election a three-way race among himself, Carlson and Gov. Rudy Perpich (D). An independent poll showed Perpich, whose reelection to a fourth term was in jeopardy, winning in a three-way race.

Fazio Likely DCCC Head

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Meanwhile, two freshman Democratic senators, Charles S. Robb (Va.) and Richard H. Bryan (Nev.), are considering a bid to become the next chairman of the Democratic Senatorial Campaign Committee. Senate Majority Leader George J. Mitchell (Maine) will meet with the Democratic Caucus in mid-November to choose a successor for Sen. John B. Breaux (La.).

—Maralee Schwartz
and Charles R. Babcock

POLITICS

PAC Money Prompts Anti-Japan Remarks

AutoPAC, the political action committee of import car dealers that made \$1.4 million in independent expenditures in 1988 Senate races, has dumped \$341,200 into the New Hampshire Senate race for television ads on behalf of the front-runner, Rep. Robert C. Smith (R).

The expenditures triggered an immediate attack by Democratic opponent John Durkin, who told a news conference yesterday the ads were an effort "to buy [Smith's] vote so the Japanese could put you out of work. These are the same Japs that staged the sneak attack on Dec. 7 [Pearl Harbor] and are now trying to stage a sneak attack on our election process in New Hampshire on Nov. 6."

Durkin later told the Associated Press he did not consider his remarks racist. But he added, "I don't want my kids sweeping up around Japanese VCRs."

Frank Glacken, AutoPAC executive director, said his membership includes dealers who sell European and domestic models as well as Japanese cars. He called Durkin's remarks "an indication of his isolationist and xenophobic perspective." Import car dealers employ more than 1,700 people in New Hampshire, he noted.

The AutoPAC ads, which were due to begin airing yesterday, focus on what Glacken called flip-flops in Durkin's voting record in the Senate in the 1970s.

Minnesota's 3-Way Split

■ Only hours after Minnesota Republican gubernatorial nominee Jon Grunseth changed his mind and decided not to drop out of the governor's race Thursday night, two top state GOP leaders urged him to change his mind again.

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WASHINGTON POST

Saturday
October 27, 1990

Senate race tightens

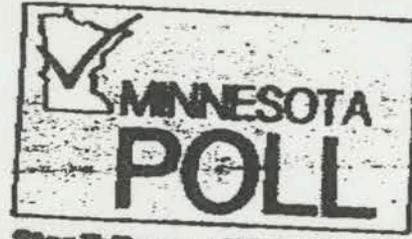
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Wellstone surge creates a virtual draw; Boschwitz slips the most in metro area

Copyright 1998 Star Tribune
 By Robert Wherant and Dana Smith
 Staff Writers

U.S. Senate challenger Paul Wellstone has made a dramatic surge in his race against incumbent Rudy Boschwitz, closing to within three percentage points of the Independent-Republican, according to the latest Star Tribune/KSTP-TV Minnesota Poll.

The poll, taken last Friday, Saturday and Sunday, shows DFLer Wellstone favored by 45 percent of likely voters and Boschwitz by 48 percent. That difference might not be statistically significant, meaning the race could



Star Tribune / KSTP TV

Wellstone accuses Boschwitz of trying to gut clean-air bill. Page 1B.

15 percentage points since the Minnesota Poll last measured the two candidates less than two weeks ago. In an Oct. 8-14 poll, Boschwitz was the choice of likely voters by a margin of 56 to 38 percent.

be virtually even. The survey has a margin of error of plus or minus four percentage points.

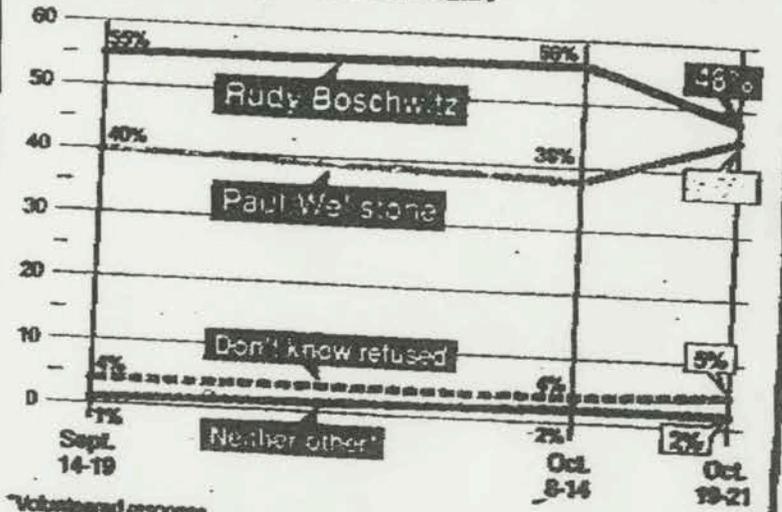
Wellstone, a political science professor at Carleton College in Northfield, Minn., has narrowed the margin by

The latest figures indicate for the first time that an astounding upset may be within Wellstone's grasp, adding another surprise to what has been a phenomenally unpredictable political

Poll continued on page 10A

The Senate race

"If the election for U.S. Senate were held today, would you vote for Paul Wellstone, the DFL candidate, or for Rudy Boschwitz, the Independent-Republican candidate?"



*Volunteered responses
 Source: Minnesota Polls. Margin of error for the most recent poll, of 801 adults statewide Friday through Sunday, is 4 percentage points, plus or minus.
 Star Tribune graphic

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Poll

Continued from page 1A

year in Minnesota and the rest of the nation.

Boschwitz, seeking a third term, has been considered among the safest senators facing reelection this year and his job approval ratings have been consistently high. But a national anti-incumbent fever seems to be building; the New York Times reported this week that even popular incumbents such as Republican Mark Hatfield of Oregon are behind in polls.

No incumbent senator from Minnesota has been turned out of office since 1978, when voters denied Sen. Wendell Anderson, a DFLer, a full term. Anderson had arranged his own appointment to fill a Senate vacancy.

"We've climbed on top of Gollath's \$7 million and we're looking him straight in the eye," said Pat Forcica, an adviser to the Wellstone campaign. Wellstone has made an issue out of being outspent by Boschwitz in this campaign by at least 7-to-1.

Tom Mason, Boschwitz's campaign manager, said he thought the poll's results are "just wrong." Boschwitz's own poll and an IR Victory 90 poll during the same period showed Boschwitz holding double-digit leads, Mason said.

However, he acknowledged that "since the Perpich-Grunseth bomb hit, we know intuitively and empirically that there is a lot of volatility. We will put a lot of emphasis on (a voter) turnout operation ... and I hope every Republican voter in Minnesota reads this story."

The poll indicated that Boschwitz's support has eroded the most in the seven-county metropolitan area, where he slipped 13 percentage points, from 57 to 44 percent, since the Oct. 8-14 poll.

He also slipped eight points, from 61 to 53 percent, in the southern part of the state, an area where he normally is strong and IR candidates fare well.

The poll found that the decline in Boschwitz's support may have come from those who were less committed to him earlier. An earlier Minnesota Poll found that only 49 percent of Boschwitz's supporters could be considered committed, compared with 60 percent of Wellstone's supporters. With the gains for Wellstone, about six in 10 of each candidate's supporters now can be considered committed.

The loss in support for Boschwitz is not confined to geography. The poll also found a defection of Boschwitz supporters among all factions on the abortion issue. Boschwitz opposes abortion, while Wellstone supports abortion rights. Boschwitz's slide in the polls may be at least partly attributable to the budget gridlock in Washington, D.C., as Congress tries to reach agreement on a deficit reduction plan that is expected to include a tax hike, said Forcica.

Boschwitz and 16 other senators asked President Bush this month to not approve a plan that would have raised the top income tax rate on the wealthiest Americans.

"That was a crazy move," said Forcica. "It's been a very powerful issue with us."

And some of Boschwitz's decline in the latest poll may be related to his 12-year incumbency in a campaign in which restive voters seem to be warming to "time for a change" appeals.

"I have voted for Boschwitz in the past, but I think he's been there long enough," said Carol Zirbes, a daycare provider from St. Cloud who responded to the poll.

"These guys are making a career out of something that really wasn't supposed to be a career," said Zirbes. "If Wellstone did get in, I'm not saying he'd be that good at it, but it would be someone who wouldn't be a career politician — for a while, anyway."

Iva Lutz, a retired homemaker in Becker County who tends to vote for DFLers, said she plans to vote for Wellstone. "I honestly think we need some new blood in there. He's been in there awhile," she said, referring to Boschwitz.

Those are the sentiments of most likely voters. The poll asked, "Overall, do you think Rudy Boschwitz deserves to be reelected as senator or do you think someone new deserves

a chance?" Fifty-one percent wanted someone new, while about 40 percent said Boschwitz deserves reelection.

The results are certain to stir interest and increase campaign contributions in the Senate contest, a race that has been overshadowed for 10 days by allegations of sexual misconduct against IR challenger Jon Grunseth in his race against DFL Gov. Rudy Perpich.

Wellstone will use the poll numbers as leverage for contributions. The Democratic Senatorial Campaign Committee in Washington alone is likely to come across with tens of thousands of dollars and indirect help as a result of the evidence of a close race. John Blackshaw, Wellstone's campaign manager, said that at least \$100,000 will be needed for television advertising in the final week of the campaign leading to the Nov. 6 election.

The tight poll numbers also may persuade Boschwitz to abandon his nice-guy tactics and attack Wellstone for the first time. The campaign already has been testing themes, such as Wellstone's participation in protest movements and his reputation as a radical organizer since the 1960s.

Mason refused to comment on whether Boschwitz will attack the challenger, but he said that Wellstone "has not been defined very well by the media," implying that Wellstone has unexplored liabilities that Boschwitz will exploit.

Facts about the poll

Results are based on a Star Tribune/KSTP-TV Minnesota Poll conducted by telephone with 601 randomly selected adults in Minnesota Oct. 19-21.

10/10 Star Trib.

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Senate race/Demographics of support

	48%	45%	2%	5%
Total				
Male	50	45	2	3
Female	48	46	2	6
Age 18-34	57	40	1	2
Age 35-54	44	47	3	6
Age 55 and older	46	48	2	4
Less than high school	56	38	1	5
High school graduate	43	49	4	4
Some college	55	41	1	3
College graduate	45	48	*	7
Independent-Republican	84	12	1	3
Lean toward IR	77	20	*	3
Independent	47	25	11	17
Lean toward DFL	31	64	2	3
DFL	17	82	*	1
Protestant	53	43	*	4
Catholic	45	46	6	3
Born-again Christians	57	38	*	7
Seven-county metro area	44	50	1	5
Northern Minnesota	49	44	2	5
Southern Minnesota	53	39	4	4
Abortion opponents	56	39	4	7
Middle-grounders	45	49	2	4
Abortion rights advocates	42	53	1	4

*Less than one-half of 1 percent.

Source: Minnesota Poll of 801 likely voters statewide Friday through Sunday. Sampling error: 4 percentage points, plus or minus.

The sample is adjusted for household size and weighted to reflect demographic estimates of the adult population. The poll asked a series of questions about voter registration, voting history, interest in the election and likelihood of voting in November to measure each respondent's probability of voting. The sample is weighted to reflect opinions of adults likely to vote in November, assuming approximately a 51 percent turnout.

For results based on samples of this size, one can be 95 percent confident that sampling and other random error will be

no more than plus or minus four percentage points. Other forms of error or bias may be introduced by question wording and the practical difficulties of conducting any poll.

Project Research of Minneapolis conducted the interviewing for the Star Tribune. The Minnesota Poll is directed by assistant managing editor Rob Daves. The poll's findings are available for inspection by appointment at Star Tribune offices, 425 Portland Av. S., Minneapolis.

*MP to Star Trib.
Oct 24*

AP 10-30-90

MN--Senate Race

Domenici Calls Wellstone's Proposals ``Radical''

ST. PAUL (AP) A colleague of Republican U.S. Sen. Rudy Boschwitz says Democrat Paul Wellstone is a big-spending radical who would have Congress double the current tax base to pay for programs Wellstone has proposed.

I have never seen a more radical social proposal than this,'' U.S. Sen. Pete Domenici, R-N.M., told a state Capitol press conference Monday after presenting Boschwitz's version of Wellstone's proposals.

According to the figures provided by the Boschwitz campaign, Wellstone in 1991 alone wants to spend \$602 billion on child care, environmental protection, universal health care, nutrition, lowering class sizes and increased teacher salaries.

Domenici said Wellstone is perpetrating a ``cruel hoax'' on Minnesota voters by pretending that full funding of all those programs is possible.

I submit you'll have to double the tax base of the United States,'' he said.

Wellstone, who is running against Boschwitz, said his opponent's figures are badly distorted and that he has no illusions about getting 100 percent funding for his social agenda.

He said the Boschwitz people included class sizes and teachers salaries in their figures, even though they aren't federal responsibilities.

They lumped everything together,'' Wellstone said. ``It's Washington politics at its worst.''

Wellstone added that he has been careful to note that change will have to come slowly because Congress first has to wipe out the federal deficit.

These guys are '80s people,'' Wellstone said. ``They put us in this mess.''

Boschwitz campaign manager Tom Mason said Boschwitz will spend the last week of the campaign working hard to define'' Wellstone.

Wellstone's programs ``would put him on a spectrum of the far left of the U.S. Senate,'' Mason said. ``We want to talk about this.''

USA TODAY OCT 31ST

Minnesota's race for governor reads like trashy novel

By J. Jennings Moss
THE WASHINGTON TIMES

ST. PAUL, Minn. — A political blizzard moved into Minnesota this week even though Indian summer has the state firmly in its grasp.

The first blast came Sunday when the Republican nominee for governor stepped down amid a sex scandal. Winds picked up when his apparent replacement was accused of being too liberal. And it got icy yesterday when two Republican candidates for lieutenant governor took their case to court.

With that much turmoil in the Independent Republican Party, the state's GOP, another victory for Gov. Rudy Perpich might seem probable. But Mr. Perpich, who has been in office for 12 of the last 14 years, has the lowest approval rating of his career.

"Things are still very fluid here," said D.J. Leary, co-editor of the newsletter Politics in Minnesota. "I keep telling people I wouldn't be surprised if Mother Teresa were nominated."

Yet with all the uncertainty of the past two weeks, campaign tradition prevailed yesterday.

The two men officially left in the governor's race, Mr. Perpich and state auditor Arne Carlson, held press conferences, pressed the flesh and asked for cash. But their task is formidable: They have one week to define the campaign — something most candidates have at least three months to do.

"The 'A' word was going to be the big factor," Mr. Leary said. "Well, when we got to September, the 'A' word of abortion wasn't there but the 'A' word of apathy was there. That 'A' word has given way to another 'A' word and that's anger."

Both candidates are trying to ease those feelings of voters, some of which were caused by the scandals that brought down the original GOP nominee, Jon Grunseth.

The first blow came more than two weeks ago when two young women publicly claimed that in 1981, when they were in their early teens, Mr. Grunseth asked them to swim nude with him in his backyard pool.

Mr. Grunseth denied the allegations. But party leaders tried to get him to withdraw, and Mr. Carlson, who came in second in the Republican primary, started a write-in campaign.

Then on Sunday the Minneapolis Star Tribune told the story of Tamara Taylor, 32, of Minnetonka, who said she had an intermittent



AP
Jon Grunseth dropped out of the Minnesota gubernatorial race after reports of an affair and that he swam nude with teen-age girls.

affair with Mr. Grunseth during both his marriages. He admitted a relationship and dropped out of the race.

One local reporter said Mrs. Taylor has become Minneapolis' Donna Rice, referring to the woman who ended Gary Hart's bid for the presidency in 1988. Rather than hide, Mrs. Taylor is telling her story and is scheduled to be the guest for a local call-in radio show Saturday.

Mr. Carlson seized the opportunity and said he should be the official GOP candidate and on the ballot.

Some conservatives balked, citing his pro-choice stand on abortion. But last night the state's Republican executive committee lined up behind Mr. Carlson's candidacy.

One problem remained, though. Sharon Clark, Mr. Grunseth's firmly pro-life running mate, contends that even though he pulled himself off the ballot, she is still the official GOP candidate for lieutenant governor.

But Mr. Carlson said he'll stick with his write-in running mate, Joanel Dyrstad. Mrs. Clark will take it to the state Supreme Court today.

Meanwhile, the two gubernatorial candidates moved right along with their campaign rhetoric.

Said Mr. Perpich: "I believe — and Wednesday morning I may end up talking to myself — I feel it's almost like a tidal wave coming."

Said Mr. Carlson: "I think he's looking backward. You don't drive a car through the rear-view window, you look through the front window and drive on. . . . He's always looking backwards."

ELECTION '90: THE ANGRY ELECTORATE

Voters see politics as 'master instead of servant'

By Judy Keen
USA TODAY

Wendell Gilbert is so fed up with politicians, he nailed a sheet of plywood on a couple fence posts, printed "Bye Bye Incumbents" on it with red barn paint, and stuck it in his yard in Cannon Falls, Minn., yard.

"On the ballot there should be a place for 'none of the above,'" he says. "We've got to lump incumbents."

But Gilbert, a teacher, says he'll make an exception and vote for his congressman, Democrat Timothy Penny, because "he's pretty good."

That helps explain why threats of a voter revolt, triggered by Congress' seemingly endless budget battle, will likely fizzle Nov. 6.

More than 70% of voters in an NBC/Wall Street Journal poll rate this year's Congress as average or below average, but 57% approve of the job their own representative is doing.

"I'm mad at the entire Congress," says Jeanne Childress, who runs a New Orleans engraving firm. "Once they get in there, they get so much power, they don't listen to the little people anymore. The whole bunch of 'em, get rid of them."

But the deck may be stacked against electoral mutiny:

► "The system is so resistant to change, I don't think we're going to see any heavy duty

sweep," says Republican consultant Eddie Mahe Jr.

► About 375 House members, 16 senators and 90% of state lawmakers are unopposed this year or facing foes with so little cash they're not considered serious threats.

► Districts are drawn so supporters of one party dominate; political parties have a tough time recruiting viable challengers; incumbents benefit from government-paid staff and mailing privileges.

► Public ire hasn't translated into a rush to vote. Curtis Gans, director of the Committee for the Study of the American Electorate, predicts turnout at 1986 levels — 36.4% of eligible voters, which was the lowest since 1942.

That's far below participation in other countries, especially those new to democracy.

Gans says there may be heavier turnout in states with hot races, but "nationally, I don't see a major surge."

► In 400 House primaries this year, just one incumbent — Rep. Donald Lukens, R-Ohio, who'd been convicted of having sex with a minor — lost.

Voters may not succeed in overhauling Congress, but the faltering economy and savings and loan debacle do have people plenty steamed.

"I'm mad as hell," says Lori Holden, a Denver publishing firm employee who will vote



By John Weiss, Rochester (Minn.) Post-Bulletin

PLAIN TALK: Wendell Gilbert poses with the sign he erected on his lawn. But the Cannon Falls, Minn., teacher says he'll vote for his district's incumbent congressman.

against Rep. Patricia Schroeder, D-Colo. "I think we've got a political machine that's our master instead of our servant."

Don Frankenfeld, a longshot GOP South Dakota congressional candidate, is trying to tap into anti-incumbent fervor.

In exchange for a \$1 dona-

tion, he gives voters a contract pledging not to run for re-election in 1998. If he reneges, he'll pay them each \$10,000.

He came up with the scheme after a campaign aide warned him he'd never want to leave office after sampling the trappings of power. "I wanted to de-

velop a mechanism to hold me accountable," he says.

Other politicians are trying to exploit voter disgust:

► In the New Hampshire Senate race, Democrat John Durkin — who was elected to the Senate in 1974 and defeated in 1980 — labels GOP Rep.



PENNY: Democrat from Minnesota's 1st District

Robert Smith as the only candidate who's "spent the last six years in Washington."

► In Massachusetts, where a popular bumper sticker reads, "This fall, fire them all, re-elect nobody," the message was loud and clear in September's gubernatorial primary: Two men who've never held office — Democrat John Silber and Republican William Weld — won.

Incumbents "don't have to answer to anybody," says Andrew Wilson, a Beverly, Mass., accountant and independent voter. "The only way to do anything is to get them out, a complete change of scenery."

► In September, Oklahoma voters imposed 12-year limits

on state legislators; California and Colorado voters may follow suit next week.

► Six weeks ago, a group called Citizens Against Government Waste started advertising a toll-free phone number — 1-800-BE-ANGRY. More than 27,000 calls poured in, so the group organized "clean sweep" rallies in 60 cities Saturday that drew at least 10,000 people — many of them toting brooms.

"People want to become involved, want to become activists, which is new," says the group's Tom Schatz. "Congress will really feel the effects of this in 1992."

There may be no Election Day bloodbath, but there could be surprises. "There are people still today (who) we don't think of losing, who are going to lose," says Democratic pollster Geoffrey Garin.

Other analysts expect political veterans accustomed to large victories to see margins sliced considerably — which could encourage better challengers in 1992.

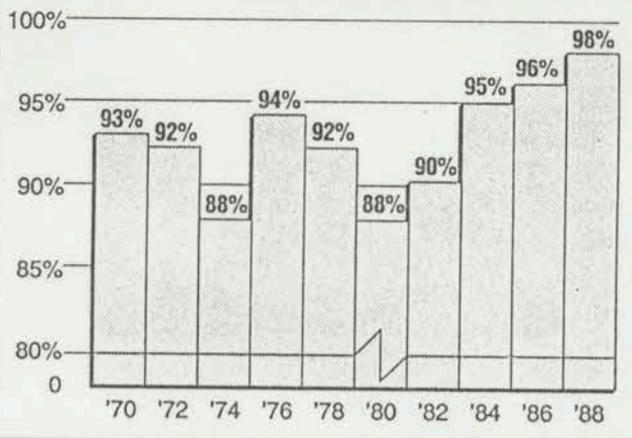
And unlike other "15-second, microwave issues" like the S&L crisis, says GOP consultant Jim Innocenzi, voter disgust won't dissipate after the election: "It's a long slow oven, and it's been cooking for a while."

Contributing: Tom Squitieri and Chuck Raasch

► Voice your opinion, 11A

Incumbents have edge

The percentage of House and Senate incumbents winning re-election has been rising in the last decade:



Source: Vital Statistics on Congress

By Marty Baumann, USA TODAY

USA TODAY
OCT. 31ST

Candidates' tactic: Capitalize on voter ire

Candidates on both ends of the political spectrum are trying to tap voter anger against incumbents. Here are some of the races to watch next week for signs whether that tactic worked:



HICKEL

ALASKA: Former governor Wally Hickel hopes to capture a populist protest vote in his independent run for governor. Hickel stole GOP nominee Arliss Sturgulewski's running mate, Jack Coghill, in a Republican revolution just hours before the filing deadline. He's also the only candidate to oppose abortion rights. And his Alaska Independent Party still has secession from the lower 48 states as part of its platform. A new poll shows Hickel, a former Interior secretary in the Nixon administration, with 35% of the votes, ahead of state Sen. Sturgulewski (30%) and Democrat Tony Knowles, former Anchorage mayor (24%).

FLORIDA: Two years ago, Republican Craig James ran as a political outsider. He bashed Congress and attacked Democratic Rep. Bill Chappell for taking campaign contributions from special-interest political action committees. James won and was one of only six challengers to defeat House incumbents. Now he's on the defensive for taking such campaign contributions himself. Democratic challenger Reid Hughes' TV ads link James to special interests. "You lie down with dogs, you get up with fleas," an ad says as it shows a dog scratching itself in front of a picture of the congressman.

MASSACHUSETTS: Voters, angry over tax hikes, rebelled against Democratic incumbents in last month's primary. A poll now shows GOP developer Jim Rappaport, a political newcomer, within striking distance of Democratic Sen. John Kerry. Rappaport's ads remind voters that Kerry once served as lieutenant governor under Gov. Michael Dukakis, who's retiring with record-low approval ratings in state polls.

MINNESOTA: The Senate race tests the adage that money does most of the talking in politics. GOP Sen. Rudy Boschwitz, who was expected to coast to a third term, has raised \$7 million. Democrat Paul Wellstone, a college professor who ran Jesse Jackson's presidential campaign in Minnesota, has only \$600,000. But the latest poll shows a virtual tie. Wellstone, playing up the politics of rich vs. poor, is trying to stir resentment toward Boschwitz's personal wealth. Boschwitz says "the professor's... socialistic" policies would force large tax hikes.



WELLSTONE

OREGON: Republican Sen. Mark Hatfield, who's never lost an election in 40 years in politics, is suddenly trailing in polls against businessman Harry Lonsdale, a Democrat who's never run for office before. Lonsdale, spending \$1 million of his own money, is trying to paint Hatfield as "an elitist Washington insider who has lost touch with the people." After 24 years in the Senate, Hatfield is now rated the most vulnerable incumbent senator by this week's *Roll Call*, a Capitol Hill newspaper.

VERMONT: Freshman GOP Rep. Peter Smith faces an aggressive challenge from former Burlington mayor Bernie Sanders, a rabble-rousing, self-avowed socialist, who's running as an independent. When President Bush came to Vermont to offer campaign help last week, Smith took pains to publicly point out his differences with the president. Sanders says mainstream Democrats and Republicans are too beholden to business interests to solve the nation's problems.

Vice Lords out DFL literature

By Mark Brubawick
Staff Writer

Mark Anderson said he would not discourage the Vice Lords' participation.

Members of a street gang are expected to pass out campaign literature for Gov. Rudy Perpich and U.S. Senate candidate Paul Wellstone this weekend, an alliance that came as a surprise to both campaigns Tuesday.

"One of the key problems here is voter turnout," Anderson said. "We are not going to discourage anybody from getting people to the polls."

About 40 members of the Vice Lords have signed up to participate in Minneapolis and St. Paul. The effort is one of several recent events in which factions of the gang have attempted to put a more positive face on a group associated with drugs and violence.

The effort will focus on the North Side and Central neighborhoods in Minneapolis and the Frogtown and Selby-Dale areas of St. Paul. It is to begin at 9 a.m. Saturday at Zion Baptist Church, 621 Elwood Av. N., Minneapolis.

The Perpich and Wellstone camps were unaware of the Vice Lords' plans until the Minneapolis Urban League issued a press release yesterday morning for the Minnesota African American Political Caucus, which is sponsoring the distribution of material.

Gleason Glover, president of the Urban League, said the effort will target 2,000 to 3,000 unregistered voters with literature and door-to-door canvassing. The campaign is important now because of recent votes affecting minorities and the disadvantaged, including recent civil rights legislation in Congress, Glover said.

Urban League Vice President Gary Sudduth said the effort is a move by some "to fold back into the community, showing they are willing to do positive things."

"Black people, people of color, poor people — their votes can make a difference if it's done right," Glover said.

If the effort works in parts of the black community, where the group will encourage higher voter turnout, it could leave campaign strategists facing questions about their alliance with crime figures.

Sudduth said the Vice Lords will be part of several groups participating and should be effective in influencing ages 18 to 25, a large but traditionally nonvoting block.

Perpich campaign director John Stanoch said that several weeks ago, DFL state treasurer Bill Davis and State Rep. Richard Jefferson, DFL-Minneapolis, asked him for Perpich literature. Stanoch said the Perpich people were unaware of who was coordinating the event or who might be participating in it.

"I can tell you that on Saturday when we begin, you won't know a Vice Lord from Pope Paul," Sudduth said. "As citizens of this state they are endowed with the right to vote, to campaign, to protest. Because of that right they can volunteer their services for any candidate or any issue of their choice."

"Other than supplying some literature, we had no real involvement in it," Stanoch said yesterday.

The Vice Lord participation comes at a time when some members of the group appear to be trying to distance themselves from traditional gang activities. The Vice Lords have become factionalized since the imprisonment of several Minneapolis leaders and since the rise of other drug-selling gangs.

While saying he knew nothing of their role and little of the gang, Wellstone campaign spokesman

*10-31
Mpls Start
SB*

Bush to visit Rochester Friday in second trip to state this year

Associated Press

President Bush will make his second campaign appearance in Minnesota this year with a stop in Rochester on Friday, U.S. Sen. Rudy Boschwitz's campaign manager says.

the Twin Cities on Aug. 15 and Rochester on Oct. 9 to support Minnesota's GOP candidates. Bush's September visit was his first trip to Minnesota since May 1987.

"Bush is coming to do an event on Friday in Rochester for the Minnesota Republican Party," Tom Mason said Tuesday. "It is a political event. If there is a fund-raising event attached, it will be only to defray the costs of the political event."

Bush addressed an Independent-Republican fund-raiser in the Twin Cities on Sept. 27, an appearance primarily intended to boost the campaigns of Boschwitz and Jon Grunsett, then the gubernatorial candidate.

Vice President Dan Quayle visited