SENATOR DOLE SCHEDULE -- MARCH 4-5, 1994 -- GEORGIA AND MISSISSIPPI

Friday, March 4

DUD POLL

2:00 PM PRESS CONFERENCE - Annapolis

2:30 PM Lv. Calvert House

58 State Circle Annapolis, MD 410/263-2641

410/268-3613 (FAX)

DRIVE TIME: 20-25 mins

CAR MANIFEST: Senator Dole

Senator Paul Coverdell Congressman Newt Gingrich

2:55 PM Ar. Baltimore-Washington International Airport

Signature Flight Support

410/859-8393

3:00 PM Lv. Washington

AIRCRAFT: Falcon 50

OWNER: AFLAC

TAIL NO.: N 500 AF

SEATS: 9

PILOT: John Greiner

Pager: 1-800-443-7243

PIN 042814

CO-PILOT: Ed Garvin

MANIFEST: Senator Dole

Senator Paul Coverdell Congressman Newt Gingrich

David Pringle (AFLAC)

FLIGHT TIME: 1 hr 45 mins

CONTACT: David Pringle

202/628-6074 (O) 202/628-6076 (FAX)

Pager: 1-800-999-6710, PIN 78757

Holly Pendleton, Aviation Dept.

706/324-0586 (O) 706/327-1516 (FAX) 706/561-5029 (Home)

706/596-3939 (AFLAC Security)

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PAGE TWO

Friday, March 4 (continued):

4:45 PM Ar. Atlanta, Georgia

Hartsfield International Airport

United Beechcraft

404/765-1300

MET BY: Congressman Mac Collins

4:50 PM Lv. United Beechcraft

DRIVE TIME: 10 mins

5:00 PM Ar. Airport Hilton Hotel

404/767-9000

PROCEED TO HARDING ROOM

ATTEND PRIVATE PHOTO-OP WITH MEMBERS OF 5:00 PM-5:30 PM

CONGRESSMAN MAC COLLINS' CONGRESSIONAL COUNCIL

(SEN. DOLE, CONG. GINGRICH, CONG. COLLINS)

CONTACT: Jay Morgan

202/225-5901

404/603-3395 (District Ofc.)

Wanda Tschudy Campaign Ofc. 404/471-0048

CROWD SIZE: 50 annual donors of \$500 each

FORMAT: Mix and Mingle

NO REMARKS

VIP'S IN ATTENDANCE:

Mrs. Julie Collins (Mac's wife) GOP gubernatorial candidate Paul Heard

State Rep. Lynn Westmoreland

State Rep. John Yates State Rep. Donna Brooks

Bob Glover, Collins Campaign Chairman Randy Hough, Collins Finance Chairman

5:30 PM PROCEED TO GRAND SALON BUD DULL ID.ZOZ 40

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PAGE THREE

Friday, March 4 (continued):

5:30 PM-6:45 PM ATTEND/SPEAK - GENERAL FUNDRAISING RECEPTION

FOR CONGRESSMAN MAC COLLINS (Event runs 5:00-7:00 PM)

CROWD SIZE: 300+ at \$50 per person

PRESS:

OPEN _

FACILITY: PODIUM WITH MIC

PROGRAM:

Mac Collins introduces Newt Gingrich Remarks (10 mins) - Newt Congrich Mac Collins introduces Senator Dole

REMARKS (15-20 mins) - SENATOR DOLE (Re Health Care, Crime, Foreign Affairs)

Concluding remarks - Mac Collins

6:45 PM

Lv. Atlanta Hilton

6:55 PM

Ar. United Beechcraft

404/765-1300

7:00 PM

Lv. Atlanta

AIRCRAFT: AFLAC Falcon 50

TAIL NO.: N 500 AF

FLIGHT TIME: 1 hr 20 mins

MANIFEST: Senator Dole

8:20 PM

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Ar. Ft. Lauderdale, Florida

Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview

305/866-4441

PAGE FOUR

Saturday, March 5

3:00 PM Lv. The Scaview

3:30 PM Ar. Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

3:35 PM Lv. Ft. Lauderdale

AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS: 9

MANIFEST: Senator Dole

FLIGHT TIME: 1 hr 40 mins

TIME CHANGE: -1 hour

CONTACT: Holly Pendleton, Aviation Dept.

706/324-0586 (O) 706/561-5029 (Home)

706/596-3939 (AFLAC Security)

4:15 PM Ar. Biloxi, Mississippi

Biloxi-Gulfport Regional Airport

US Aviation 601/863-2570

MET BY: Governor and Mrs. Kirk Fordice

(Teen-Age Republicans will greet on arrival, with small rally on your behalf)

PROCEED TO HOLDING ROOM

4:20 PM- PRIVATE MEETING WITH GOVERNOR FORDICE

4:28 PM

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4:30 PM AIRPORT PRESS AVAILABILITY WITH GOVERNOR FORDICE

5:00 PM Lv. Gulfport Regional Airport

DRIVE TIME: 25 minutes

Ground transportation arranged for by Andy Landgraf

5:25 PM Ar. Treasure Bay Hotel

(Formerly Royal d'Iberville)

Biloxi, Mississippi

601/388-6610

PAGE FIVE

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Saturday, March 5 (continued):

5:27 PM PROCEED TO MAGNOLIA ROOM (2ND FLOOR)

5:30 PM- ATTEND/SPEAK - FUNDRAISING RECEPTION FOR 6:45 PM GOVERNOR KIRK FORDICE

(Event runs 5:30-7:30)

CONTACTS: Martha O'Neal

Governor's scheduler

601/359-2217

601/359-3741 (FAX)

Trudy Nichol

On-site event coordinator 601/388-6610, Room 803 or 807

Shannon Warnock Campaign Director 601/355-5475

PROGRAM:

5:30 PM- ATTEND PRIVATE RECEPTION AND PHOTO OP 6:00 PM with \$1,000 contributors

BRIEF REMARKS - SENATOR DOLE

6:00 PM PROCEED TO CRYSTAL ROOM (9TH FLOOR)

6:03 PM- Mingle and work way toward podium

6:10 PM

6:10 PM Intro Senator Dole - Governor Fordice

6:20 PM- REMARKS - SENATOR DOLE

6:40 PM

6:45 PM Lv. Treasure Bay Hotel

Andy Landgraf to provide ground transportation

7:10 PM Ar. Biloxi-Gulfport Regional Airport

US Aviation 601/863-2570

DUD DULL

PAGE SIX

Saturday, March 5 (continued):

7:20 PM

Lv. Biloxi

ID. TOT HOO DITT

AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

MANIFEST: Senator Dole

Dole staff (???)

FLIGHT TIME: 1 hr 30 mins

TIME CHANGE: +1 hour

9:50 PM

Ar. Ft. Lauderdale, Florida

International Airport Ft. Lauderdale Jet Center 305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview

305/866-4441

TEAM GOP

A PRO-ACTIVE PLAN FOR HEALTH CARE REFORM

It is anticipated that the U.S. House of Representatives could begin debate on the Clinton health care plan as early as May. May 1, 1994 is approximately 70 days away. Senator Mitchell has marked the month of June for debate in the Senate on the Clinton health care plan. June 1, 1994 is less than 100 days away. We must capitalize on each day to spread our message against the Clinton plan and any government-run alternative proposed in Congress.

MISSION:

To protect 15% of our national economy from a government take-over;

To promote market-oriented solutions for health care reform;
To defeat any government-run health care proposal.

OBJECTIVE:

Maximize media coverage and general visibility on the egregious aspects of the Clinton and government-run plans in each state represented by a GOP Senator, thereby reaching more than 2/3 of the country, 32 states and 3/4 of the U.S. population.

The White House may have the pulpit, but we have the people.

ACTION PLAN:

These 70 days must be viewed as a campaign -- Bill Clinton and the White House will certainly view it as one.

The battle over health care reform must not be decided inside the beltway. We must take the battle over this issue to the people -- in communities throughout the country. If the people decide, we win. If the beltway decides, Clinton wins.

Health care reform involves many issues; however, at its core is one simple decision -- does the government control the choices involved in our health care system or do our families, businesses and communities control health care? Is it government over people, or government for the people?

This is the fundamental decision we must take to the people. More government, more taxes, less choice, less quality -- no prescription for reform.

The discussion is no longer whether the health care delivery system is in crisis or not. Although debatable about the crisis status, we lose in this argument. We must discuss the results of

the Clinton plan. The real crisis will be the results of a government-run system on our economy and nation if enacted.

This is where team GOP can make a difference. United, we can defeat any government-run plan. We can preserve 15% of our economy. And, we can promote a market-based reform approach that strengthens the health care delivery system in this country.

RESOURCES:

The Steering Committee
The Policy Committee
The Republican Conference
Conference Secretary

Command Center
Ideas Center
Broadcast Center
Polling Data

In addition we have access to the Republican National Committee, the National Republican Senatorial Committee and House Leadership Support Offices.

I. COORDINATE GOP LEADERSHIP IN THE CAMPAIGN

Speaking with a unified voice will require the support of the Republican leadership. We must move Senate leadership in the direction of market-based reforms.

II. BEGIN DAILY ASSAULTS ON PROBLEMS WITH GOVERNMENT-RUN PLAN

On a daily basis, the White House faxes to certain Hill members a one-page sheet entitled "Health Care Reform Today". Its purpose is to promote the Clinton plan by providing quick "facts" to members. We must respond. Why allow them this sole outlet?

We should begin a daily assault on these fax sheets discrediting the Clinton plan.

We can utilize the Republican Policy Committee and other research-oriented outlets to prepare quick responses to their "facts."

III. BEGIN REGIONAL TOWN HALL SERIES WITH SENATORS

Coordinate a campaign of regional town hall meetings to discuss health care reform. Hold a midwest town hall meeting bringing together Wisconsin Governor Thompson, Illinois Governor Edgar, Senators Grassley, Lugar and Coats. In the South, bring together South Carolina Governor Campbell, Senators Thurmond, Coverdell, Mack, Cochran, Lott, and/or former Governor Alexander. In geographic regions where there are strong numbers of GOP officials, the region could be subdivided for increased coverage.

IV. FOCUS ATTENTIONS ON REGIONAL MEDIA OUTLETS

Utilize resources of the Republican Conference to reach regional "friendly" media outlets.

RADIO

Talk Radio. Schedule regular participation on Conservative radio talk shows -- i.e. Bob Grant in New York City, Sean Hannity in Atlanta, Bob Lee in Salt Lake City, Jim French in Seattle, KFYI in Phoenix, or KTSA in San Antonio.

Schedule weekly, bi-weekly radio news conference calls with selected radio news reporters in each state.

Utilize the Senate Republican Conference (SRC) audio mailbox services to tape a message allowing access to all radio stations in the state and nationwide. Messages can be updated on an "asneeded" basis.

Prepare audio actualities on key egregious aspects of the Clinton plan for dissemination to news stations.

Schedule live or taped radio interviews at each stop during travel in the state.

TELEVISION

Organize weekly, bi-weekly satellite feeds for live or taped news interviews.

Prepare short, 60 to 90 second taped messages on health care issues for transmittal to state television stations on a daily or weekly basis.

Notify C-SPAN of health care forums in the region or state for possible coverage.

Develop an individual cable access show around health care issues.

Develop video news clips from health care forums for distribution statewide.

Participate in local TV public affairs shows.

Notify the RNC and the SRC of key events for additional coverage and assistance in dissemination of materials. Submit material for SRC and RNC Video News Releases.

PRINT

Prepare a core health care reform op-ed for dissemination to state daily and weekly newspapers and national outlets. This core op-ed can be updated to focus on key egregious aspects of the Clinton or alternative government-run plans.

Prepare a weekly mailing of statements and press releases to all state newspapers.

Prepare a joint op-ed or statement with Caucus members to maximize potential placement in national media and to broaden regional coverage.

Coordinate regional editorial board meetings with "friendly" newspaper outlets to disseminate information.

V. ACCESS ALTERNATIVE MEDIA OUTLETS

Computer On-Line Services

With each day, more Americans are gaining access to information through computer on-line services such as Internet and Prodigy. Senators can provide these services with news releases and opinion articles so that users can access our views on health care.

Newsletters

Senators can reach members of organizations and businesses by submitting materials to company newsletters. Industry associations representing clusters of small businesses would be a natural ally in disseminating our materials. The Associated Builders and Contractors (ABC) or the Food Marketing Institute (FMI), for example, represent key groups that are opposed to the Clinton plan. Articles in their publications can help energize their constituencies against the Clinton or government-run alternatives.

Expanded Satellite Coverage

Although touched upon under television media opportunities, Senators can reach a core audience through satellite television coverage of Town Hall meetings, cable-access coverage of forums in the state, and prepared, taped interviews sent to cable access stations for broadcast.

A second option is to expand our coverage on corporate or association cable shows. Many corporations and associations produce local cable shows for their employees or constituencies. As with industry-specific newsletter coverage mentioned above, Senators should seek access to these cable show opportunities.

Corporate Audio Mail Messages

In addition to computer on-line services, corporations and business entities are communicating through national audio mailbox services. Employees of Amway, for example, can leave messages for employees throughout the country by accessing the Amway audio mailbox system. Senators can leave messages on this mailbox system reaching tens of thousands of employees.

VI. COORDINATE CONSERVATIVE COLUMNISTS AGAINST THE GOVERNMENT-RUN PLAN.

Steering Committee members shall begin regular meetings and coffee-sessions with favorable columnists to solicit articles to get the message out.

VII. COORDINATE SYNDICATED CABLE TV ASSAULTS.

Utilize the resources of favorable cable television outlets such as:

RESN NET GOPTV RTV CBN

THE RESERVE OF THE PARTY OF THE

VIII. ALLY WITH NATIONAL BUSINESS ORGANIZATIONS (BUILDING COALITIONS)

The chorus of organizations in opposition to the Clinton plan is growing louder. It is time to unite with these organizations to keep them moving away from what they see as "alternatives" to the Clinton plan that are in reality "Clinton-lite" models.

Steering Committee members shall meet with leadership of organizations such as the Chamber of Commerce, the National Federation of Independent Business, American Business Conference, or The Business Roundtable. Utilize their resources to keep the momentum moving away from Clinton and government-run plans.

Members shall begin outreach efforts to additional groups, who have been our natural allies -- i.e. the Hispanic Chamber of Commerce, the Christian Coalition.

Activities to consider:

Joint press conferences Series of roundtable discussions Op-eds, co-authored Joint national and regional health care tours

IX. CO-OPT NATURAL GOP ALLIES

Utilize the media resources of natural GOP allies such as the Christian Coalition, families associations, and anti-tax organizations. Much of these activities can be coordinated through the RNC similar to coalition building in an election.

X. COORDINATE A NATIONAL SERIES OF SMALL BUSINESS COMMITTEE FIELD HEARINGS.

An untapped and natural ally we have in this fight is the small business community. We must develop a massive small business frontal assault on the egregious parts of the Clinton health care plan.

Establish a series of small business committee hearings throughout the country on egregious aspects of the Clinton plan.

XI. COORDINATE FLOOR ACTIVITIES

Organize weekly strikes on the floor to raise issues in the Clinton and government-run health care plans.

XII. USE AMENDMENT STRIKES TO RAISE ISSUES IN A CLINTON OR GOVERNMENT-RUN PLAN.

This application was effective in raising the awareness of the "off-budget" implications of the Clinton plan. The same tactics can be used to take issue with selective egregious parts of the Clinton plan or the alternative government-run plans.

XIII. REVIVE HEALTH CARE TASK FORCE UNDER STEERING COMMITTEE.

Coordinate GOP press secretary task force on health care and a legislative staff task force to keep the focus unified among offices.

XIV. COORDINATE ACTIVITIES WITH STATE GOP OFFICES, GOP GOVERNORS AND THE RGA.

Highlight the egregious points of the Clinton plan on state's rights and the state's ability to develop a plan tailored to their state's needs. The "One size fits all model" greatly hinders our states.

REPUBLICAN FUTURE

Board of Directors
William Kristol, Chairman
Virginia Gilder
Michael S. Joyce
Thomas L. Rhodes

March 2, 1994

MEMORANDUM TO REPUBLICAN LEADERS

FROM:

WILLIAMKRISTOL

SUBJECT:

HEALTH CARE: THE PRINCIPLES OF CONSERVATIVE REFORM

Tomorrow in Annapolis, Senator Chafee will convene a retreat designed to bring clarity and unity to the Republican position on health care reform. We wish him well. But before his conferees get too absorbed in the details of compromise among provisions of competing larger "plans," we think they should keep in mind two overarching substantive and political truths.

First, notwithstanding the inevitable insider's fixation on the shifting fortunes of Clinton-Cooper-Chafee-Michel-Nickles-Gramm-and-so-on, there are now -- and always have been -- only two meaningful positions on health care. One holds that the American health care system is fundamentally crippled and defective, and must be replaced by something newly designed and administered in Washington. The other holds that problems in the health care system can be solved directly, without undoing American medicine's basic delivery structures, and without threatening the incalculable benefits those structures now provide. Radical overhaul on the one hand, or conservative reform (in the best and broadest sense of that phrase) on the other. The choice is that simple and that stark. And the proper and principled Republican option is obvious.

How the Tide is Turning. The second truth about health care is this: public opinion and the momentum of the current political situation increasingly favor conservative reform. Popular support for the Clinton health care scheme is evaporating; everyone knows that. Last week's CBS News poll showed a 46-39 percent plurality of respondents disapproving of the president's handling of health care; a similar plurality said the Clinton plan is "not fair" to "people like me." Indeed, most strikingly, the CBS poll now ranks health care as the president's worst issue. In short, health care, a centerpiece of the Administration's political strategy, is fast becoming an albatross for the president -- and an opportunity for Republicans.

It's important that Republicans understand why this is so. The answer is not that the Clinton plan's legislative details have alarmed certain business and interest groups, or that the plan's

2

budget numbers don't add up. The answer is that the American people are not persuaded -- and, indeed, are increasingly doubtful -- that any radical overhaul of the health care system is either safe or necessary. A Time/CNN/Yankelovich poll of two weeks ago asked whether the state of our health care system was a "crisis," or a "problem, but not a crisis." By a clear majority, 51 to 43 percent, their choice was "problem." (And 5 percent said there was "not a health care problem" at all!) Even universal coverage, the question that has made some Republicans particularly nervous, turns out to be something less than an unambigous popular favorite. True, 49 percent of Time respondents say government should guarantee it. But a full 41 percent already say only access should be guaranteed -- which insurance reform and a low-income voucher would go far to provide -- and this result comes before Americans have been offered any clear explanation of the federal regulation, monitoring, and administration that mandated universal coverage would require.

Radicalism in Retreat. Read carefully, the health care news out of Washington these days is a picture of radical overhaul in retreat. A long series of Democrats told the Washington Post last week that their constituents were nervous to the point of opposition about sweeping government redirection of health care. Freshman Rep. Tom Barlow of Kentucky told the Post that his voters "know we've got to do something, but they don't want to take a giant leap into a national program." Senator David Boren reported much the same thing from Oklahoma: "They're not saying it's not a problem. They're not saying: Don't do anything. But they're saying: Be cautious. Be real cautious." Rep. Jim Slattery of Kansas told Congress Daily this week that "there isn't overwhelming political support for Clinton" -- or for Cooper. And Dan Rostenkowski, acknowledging that he is viewed by some Democrats as "the skunk at the party" for his realism, told USA Today last week that he would advise the President to sign a package of meaningful conservative reforms this year -- and declare victory.

Clinton-Cooper Planstalwarts hate such talk. But there is now more and more of it, and it means that there is an opportunity to advance a serious legislative alternative to a radical, government-planned overhaul of health care. Now is the time to lay out a set of bipartisan, consensus poposals to address the real problems of health insurance and financing. Republicans have nothing to gain from any further delay in developing the basis for a principled bipartisan compramise.

If it is hope for winning with a purely "Republican" health care bill that's holding things up, it is time that hope yielded to reality. As long as Democrats control Congress, no strictly Republican bill will pass, and Republicans should not begrudge the president his signing ceremony -- so long as the legislation he signs is not pernicious. If it is fear of public reaction against conservative reform that gives Hill Republicans pause, that fear is misguided and unnecessary; the public supports such reform and opposes the radical alternative, as many (if not most) Congressional Democrats have already concluded in private. And if some Republicans (in Annapolis or elsewhere) are inclined to pursue bipartisan compromise along radical rather than conservative lines, they should be strongly discouraged. Health care is not an issue on which Republicans should snatch defeat from the jaws of victory.

For the use of Senator Chafee's Annapolis conferees, we provide an outline below of bipartisan legislation to achieve principled conservative health care reform.

ESSENTIAL COMPONENTS OF SENSIBLE HEALTH REFORM

HEALTH INSURANCE SHOULD BE RENEWABLE AND PORTABLE

·Individual and group health plans should be made renewable without premium increases due to pre-existing conditions of those already covered by a policy.

·Individuals who already have health insurance should, if they change jobs or move, be permit ted to enroll in similar plans without facing premium increases due to health status.

·Individuals who work at small companies should be allowed to continue their insurance cover age for a transitional period after they leave their job; existing COBRA legislation should be extended to cover businesses with fewer than 50 employees.

HEALTH INSURANCE SHOULD BE MORE AFFORDABLE AND ACCESSIBLE

·Individuals and the self-employed should be able to deduct the full cost of their health insurance from their personal income tax -- the same tax advantage enjoyed by those who now get health coverage from their employer.

·Employers should be able to offer medical savings accounts -- essentially tax-free medical IRAs

-- in conjunction with a catastrophic health care plan.

·Small businesses should be allowed to pool together to buy group insurance for their employees without facing cumbersome federal and state regulations and mandates.

·Individuals should be able to obtain health insurance through nonbusiness organizations such as churches, unions, or fraternal organizations.

LOW-INCOME FAMILIES SHOULD RECEIVE ASSISTANCE TO PURCHASE HEALTH CARE INSURANCE

·Working heads of households who do not earn enough to afford a family insurance plan should receive a government voucher to help defray the costs. The voucher could be made available on a sliding scale up to a family of four earning, say, \$23,000 a year -- approximately 160 percent of the poverty line. Similar results could be obtained by designing a tax-credit for this group of Americans. Funding for this proposal could be found in currently proposed Medicare cuts and by redirecting federal payments already made to states for hospitals treating low-income individuals.

THE HEALTH CARE SYSTEM SHOULD BE SIMPLER AND LESS LITIGIOUS

·Federal and state health care programs should standardize their forms and set a timetable for reducing the amount of paperwork they generate.

•The first steps of medical malpractice reform should be instituted: for example, effectively eliminating pain and suffering awards if an early offer is made to have the defendant assume the full economic cost of malpractice claims. The bipartisan Gephardt-Moore bill of the 1980s proposed a similar reform.

STATES SHOULD BE ABLE TO REFORM THEIR MEDICAID PROGRAMS

The federal government should create a fast-track regulation waiver process for states that wish to administer their Medicaid programs in different ways. Priority should be given to states that intend to use voucher systems to give Medicaid patients greater access to prevate health care or create cost-saving managed care systems such as those in Massachusetts or Wisconsin.

CONSERVATIVE REFORM VS. RADICAL REORGANIZATION

Republicans must be aware that the sensible and eminently achievable reforms described above are always at risk of being hijacked and transformed into intrusive government plans to control the nation's health care. That result must be avoided. The merit of these ideas is that they respond, in a measured way, to genuine concerns about the current system. But equally important, they attempt to make our health care system simpler, giving Americans more control over their insurance and greater flexibility over the treatment decisions they make about their own health care.

Of course, even President Clinton has tried to disguise his plan as a set of six simple principles, rarely acknowledging the vast and intricate regulatory regime it would establish. That's why we believe that any serious attempt at basic health care reform should meet two straightforward tests:

First, no reform should undo our present system or force Americans to abandon the way they now purchase health insurance and receive medical services.

Second, whatever changes are introduced, they should not establish any new government function or use government authority to limit the amount of medical care available to individuals.

If Republicans hew to these two principles while pursuing straightforward, targeted health care reform, they will quickly see how many of the most important current Congressional enthusiams lead in the wrong direction.

Employer mandates and price controls -- the pillars of the Clinton plan -- would establish an assortment of new governmental powers to control the most basic features of our health care system. Mandatory health alliances, central to both the Clinton and Cooper plans, would prevent small employers from making their own insurance arrangements and would install a centralized, monopolistic, and bureaucratic regime to allocate health care. A standard benefits package, common to Clinton, Cooper, and some Republican plans, would give political appointees (and the interest groups that lobby them) control over what kind of health care benefits Americans are entitled to receive. The individual mandate to purchase health care, found in both the Nickles and Chafee bills, is an expansion of federal authority over private decisionme king. The community rating system proposed in several plans, which prevents insurers from discriminating among clients on the basis of their medical history, would destroy the essential character of insurance and prevent a company from offering price incentives to policy holders who take positive steps to maintain their health. Federal government control over the number of medical students trained in various specialties, central to the Clinton and Cooper visions, would involve an unacceptable level of government management in our health care system.

Such proposals have no place in sensible health care legislation.

A WORD ABOUT TAX CAPS AND TAX EXCLUSIONS

There also exist other proposals that, while appealing in principle, raise questions of politics and prudence. Limiting tax-exempt health benefits is the most prominent example. Proposals to end the tax-exempt status of employer-provided health benefits or cap the amount employers can deduct from their taxes have been around for decades. Such measures would sensitize consumers to the true cost of their health care, creating more efficiency and generating cost-savings in the system.

5

But the practical consequences of such policies cannot be ignored. Both the Cooper and Chafee plans would ultimately force employers to seek the lowest cost health plan in a region in an effort to avoid the tax penalty or, in the case of Senator Chafee's plan, would impose a significant tax increase on large numbers of Americans who decided to stick with the insurance plans they now rely on. Whatever public policy rationale could be offered for such measures, it is beyond dispute that they would have a tumultuous effect on the health insurance arrangements Americans have made for themselves. We believe that advocates of changing the tax exclusion rules governing health care benefits might instead consider proposing a tax cap on only the most extravagant employer health plans -- perhaps those costing 150 percent of the national average health package. This step, though small, would nevertheless introduce a degree of price sensitivitation the system and, at one end of the spectrum, encourage some employers and their employees to make health insurance decisions based on real costs.

THE TRUE NATIONAL CONSENSUS

Despite all the editorials, speechmaking, and political posturing, the current debate is not about "universal coverage," "cost containment," "managed competition," or "the third-party payer system." Health care reform, to most Americans, means adding security, flexibility, and affordability to an insurance system that is now too often a source of anxiety. The best way to address that anxiety is through insurance portability, pre-existing conditions, tax equity, small business pooling, medical savings accounts, paperwork reduction, medical malpractice reform, and assistance for low-income families. The consensus on these issues is so broad that it defies reason that Congress has not yet agreed on a basic package of reforms.

The greatest current obstacle to passage of such a package is the Administration's insistence on establishing a national health care entitlement, replete with government regulations, controls, and penalties. Republicans should recognize the leadership opportunity that exists for those willing to challenge the premise of the White House's proposal with an alternative vision of procipled reform. Such measured steps will be criticized by more liberal Democrats as inadequate, of course. So what? The vast majority of Americans (and, we suspect, most Congressional Democrats) would enthusiastically welcome such reform. All that remains now is far Republicans to embrace and make the case for it.

THE HEALTHCARE LETTER

1925 K STREET NW

STEPHEN I. BARSKY R.PH., D.D.S.

202-223-6630

A BREAK THROUGH IN WEIGHT CONTROL, HEART HEALTH, ENERGY MAXIMIZATION AND *LONGEVITY*

e all know that there are three things we can do to live a healthier, longer more active life: stop smoking, excercise regularly and eat a high -fiber low fat diet. What most of us do not realize is that we can take three things which will improve our quality of life, make us feel great and look younger. Let's consider these as the ABC's or building blocks of health for the 90's.

ntioxidants such as beta carotene, vitamin E (alpha tocopherol) vitamin C, selenium and glutithione are well known to fight oxygen free radicals. Vast research shows that these free radicals are a major cause of numerous cancers, heart disease and the ravages of aging. Think of a molecule as our Sun. Each has planets, or in this case, electons spinning around it. These electrons are in pairs. Free radicals are molecules which are missing an electron. These molecules are scavengers which steal electrons from "healthy" molecules, causing death or possibly worse, mutation of that molecule. This becomes a chain reaction damaging healthy tissue. Free radicals are a normal part of our metabolism. However, we are exposed to numerous environmental pollutants, such as tobacco, airpollution and even strenuous excercise which bombard our bodies with millions of free radicals daily. Antioxidants are substances which give up an electron to stabilize free radicals and effectively neutralize them. We all need to take antioxidants.

iologically acitve **CHROMIUM** is vitally important to our health, yet is dangerously rare in modern diets. Studies performed by the U.S. Department of Agriculture show that 9 out of 10 Americans do not get an adequate amount of chromium in their diets. The National Adademy of Sciences recommends a daily chromium intake of 50 to 200 micrograms. There is a special reason why people today feel tired and put on excess weight. It's the same reason why too many people develop heart disease and diabetes, chromium deficiency. Many nutritional forms of chromium used in our diets are not highly absorbed. There has been a great deal of research done in the last four years with a new form of biologically active chromium called chromium picolinate. Laboratory studies with cells, clinical trials at hospitals and universities, and carefully controlled research with animals indicate that chromium

picolinate may help you: lose excess fat, build lean muscle, lower cholesterol, prevent and control diabetes and hypoglycemia, strenghten your immune system and increase lifespan. The reason is that biologically active chromium is an essential cofactor of insulin. The hormone insulin helps control hunger and regulates energy production, fat burning, muscle building and cholesterol utilization. Many know that severe insulin malfunction can produce diabetes, but few realize that even mild insulin dysfunction results in low energy levels, fat production, craving for sweets, and high cholesterol levels.

Not all chromium compounds are absorbed well or are readily converted to biologically active chromium. Chromium picolinate is not a drug. It is the biologically active form of an essential nutrient like iron or vitamin C.

helated minerals are the "c" of the abc's. Every enzymatic process in our body requires minerals to make the chemical reactions work. There are, for example, hundreds of thousands of enzymatic processes which take place in the heart muscle each day and minerals play an essential role. We cannot get our minerals from our diet. The soil has been severely depleted of these vital micronutrients. And shipping, storage, freezing and cooking destroy the little that is left.

Minerals are exactly what the name implies, small particles of various metals. So how do we absorb them into our bodies so they may be used? Well, in most cases they are never absorbed. Mineral salts or so called ionic bound minerals cannot be absorbed fully from the intestinal tract. We need to fool the body into thinking that we are absorbing amino acids. Albion Laboratories, in Connecticut has developed a multimillion dollar process whereby branch chain amino acids are wrapped around the mineral molecules and attach through a process called covalent bonding. This will increase mineral absorption up to 500 times that of other products.

For more information about these nutrients feel free to call our office. For information regarding specific supplements containing these ingredients speak with Sandra to request an audio or video tape (202-223-6630).

THE HAIRY BAG OF WATER

THE HEALTHCARE LETTER

ven your bones are a 1/4 water. The muscles that drive your performance are 3/4 water. The brain that steers your limbs is 76% water. The blood that carries your nutrients is 90% water. These basic facts of biochemistry emphasize the first nutrient in your quest for optimum health and peformance, water.

The most important nutrient in your body is plain water. The quality of your tissues, their performance and their resistance to injury, is absolutely dependent on the quality and quantity of water you drink. And you have to drink it constantly. You can replace your body water with

any beverage. water, including coffee, tea, even even whole fruits They are all mainly milk, fruit juices, the thickest soup, and vegetables.

But, you have water. Clean

to drink CLEAN water is a rare

commodity. Most faucet water in America is badly polluted. Yet many people who are very careful about what food they put into their bodies, are careless about water. They will drink from public water fountains, from faucets at home and the gym or from gym coolers filtered ony through a cheap carbon filter to make the water taste better. A prime example is a recent test of the faucet It registered 562 ppm of water in San Diego. contaminants. That's about average. Some cities are a bit cleaner, some a lot dirtier. Where do you think Washington is? Environmental Protection Agency figures show that about 85% of faucet water in America is contaminated. This contamination is beyond help. More than 55000 of the regulated chemical dumps across the nation are leaking into the ground water. You can't incinerate it or dump it at sea--too visible. You can't fire it into space--too expensive. Most of it is dumped illegally in pits, holes and hollows where it leaks deep into the aquifers to pollute the gound water for hundreds of miles around. Don't believe that water treatment authorities can protect you. The office of Technology Assesment reports a test of the water supplies of 954 cities, showing that almost 30% of them are "seriously contaminated." So our tap water is treated only to minimum standards by sedimentation, filtration, chemical conditioning and disinfection with chlorine. The toxic metals, pesticides, industrial chemicals, are all still in there.

Buying clean water is difficult. Bottled water is booming. With American companies producing 425 brands. Imports add another 35 brands. Most people believe the Food and Drug Administration carefully regulates this industry. WRONG. Beyond simple hygiene, the bottled water industry is almost entirely self-regulated. Why? Because most bottled water is simply tap water put through minimal conditioning filters to make it taste better. That's why it's so profitable. Brands called "Mineral Waters" may have a small amount of minerals

added(most of which are not absorbed). Brands labelled "Spring Water" legally have to be from a spring, unless the words are a brand name or part of a brand name. Then they are just tap water. There is nothing intrinsically wonderful about springs anyway. They are never pure water. Springs contain all kinds of organic matter and often some are very toxic minerals. Remember the Perrier fiasco? Perrier voluntarily withdrew its whole American stock of 72 million bottles, because traces of benzene got into one batch from a faulty filter. The company acted very responsibly, but the public was appalled.

Bottled distilled waters are the only clean bottled source. Virtually everything is removed from the water by steam distillation. Seven brands tested by the Colgan Sports institute ran from 2-12 ppm contaminants. That's about as clean as you can get. Typcial faucet water is at 350-1000 ppm contaminants.

Can you clean your own water? Most systems sold in this lucrative market by supermarkets, mail order or marketing companies are pretty well useless. Most tested remove only some of the larger particles above 5 microns in diameter(1/5000th of an inch). The molecules of many pesticides, and toxic metals are much smaller than that A big advance is the new four-step reverse osmosis They can remove up to 97% of contaminants. It has introduced an undersink system, linked to you water line. that feeds up to 25 gallons of purified water per day to a custom faucet. It sells for about \$600. Reverse osmosis is not the best method. Far and away the cleanest water is produced by the new home distillers. They are built to last about 10 years. One of the best we've heard of is the Pure Water A-12 system produced by Pure Water Of Lincoln, Nebraska. (402) 467-9300.

FLASH!! JANUARY 1994 UNIVERSITY OF

A direct quote from the first paragraph: "The editorial board of the Wellness Letter, headed by Dr. Sheldon Margen, has been reluctant to recommend supplementary vitamins on a broad scale for healthy people eating healthy diets. But the accumulation of research in recent years has caused us to change our minds." With respect to E, C and Beta Carotene, "These antioxidants inactivate a class of particles known as free radicals." These can damage basic genetic material, cell walls, and other cell structures, and in the long run this damage can become irreparable and lead to disease."

We would like to take the opportunity to welcome two new members of our staff. Ms. Sholeh Farjad and Ms. Cynthia Vagnetti. Both Sholeh and Cynthia are highly experienced Dental hygienists. From all of our staff, we want to wish you a very Happy and HEALTHY 1994.

FINAL 3/4/94

BENATOR DOLE SCHEDULE -- MARCH 6, 1994

2:00 PM Lv. Seaview

2:25 PM Ar. Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

2:30 PM Lv. Ft. Lauderdale

AIRCRAFT: Citation OWNER: Coastal Corp.

TAIL NO.: N 566 CC

PILOT: (To be determined)
CO-PILOT: (To be determined)

FLIGHT TIME: 2 hrs 20 mins

CONTACT: Lucy Harris

713/877-6760 or 1-800-788-2500 713/877-1400 (Coastal operator)

713/877-7260 (FAX) 713/280-8489 (Home)

4:50 PM Arrive Salisbury, North Carolina

Rowan County Airport

Hess Aviation 704/636-6649

PICK UP MRS. DOLE

REFUEL

5:15 PM Leave Salisbury

FLIGHT TIME: 1 hour

6:15 PM Arrive Washington, D.C.

National Airport

Signature Flight Support

703/419-8440

MET BY: WILBERT

BUB DULE

10.202-408-5117

MHK 04 94 13.30 NU.004 T.02

This document is from the collections at the Dole Archives, University of Kansas http://dolearchives.ku.edu

> FINAL 3/4/94

SENATOR DOLE SCHEDULE -- MARCH 6, 1994

2:00 PM Lv. Seaview

2:25 PM Ar. Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

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The state of the s

FLIGHT TIME: 1 hour

6:15 PM Arrive Washington, D.C.

National Airport

Signature Flight Support

703/419-8440

MET BY: WILBERT

FINAL 3/3/94

SENATOR DOLE SCHEDULE -- MARCH 4-5, 1994 -- GEORGIA AND MISSISSIPPI

Friday, March 4

2:00 PM

PRESS CONFERENCE - Annapolis

2:30 PM

Lv. Calvert House 58 State Circle Annapolis, MD 410/263-2641 410/268-3613 (FAX)

DRIVE TIME: 20-25 mins

CAR MANIFEST: Senator Dole

Senator Paul Coverdell Congressman Newt Gingrich

2:55 PM

Ar. Baltimore-Washington International Airport Signature Flight Support

410/859-8393

3:00 PM

Lv. Washington

AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

PILOT: John Greiner

Pager: 1-800-443-7243

PIN 042814

CO-PILOT: Ed Garvin

MANIFEST: Senator Dole

Senator Paul Coverdell Congressman Newt Gingrich David Pringle (AFLAC)

FLIGHT TIME: 1 hr 45 mins

CONTACT:

David Pringle 202/628-6074 (0) 202/628-6076 (FAX)

Pager: 1-800-999-6710, PIN 78757

Holly Pendleton, Aviation Dept.

706/324-0586 (0) 706/327-1516 (FAX) 706/561-5029 (Home)

706/596-3939 (AFLAC Security)

PAGE TWO

Friday, March 4 (continued):

4:45 PM Ar. Atlanta, Georgia

Hartsfield International Airport

United Beechcraft

404/765-1300

MET BY: Congressman Mac Collins

4:50 PM Lv. United Beechcraft

DRIVE TIME: 10 mins

5:00 PM Ar. Airport Hilton Hotel

404/767~9000

PROCEED TO HARDING ROOM

5:00 PM-ATTEND PRIVATE PHOTO-OP WITH MEMBERS OF 5:30 PM

CONGRESSMAN MAC COLLINS! CONGRESSIONAL COUNCIL

(SEN. DOLE, CONG. GINGRICH, CONG. COLLINS)

CONTACT: Jay Morgan

202/225-5901

404/603-3395 (District Ofc.)

Wanda Tschudy Campaign Ofc. 404/471-0048

CROWD SIZE: 50 annual donors of \$500 each

FORMAT: Mix and Mingle

NO REMARKS

VIP'S IN ATTENDANCE:

Mrs. Julie Collins (Mac's wife) GOP gubernatorial candidate Paul Heard

State Rep. Lynn Westmoreland

State Rep. John Yates State Rep. Donna Brooks

Bob Glover, Collins Campaign Chairman Randy Hough, Collins Finance Chairman

5:30 PM PROCEED TO GRAND SALON

PAGE THREE

Friday, March 4 (continued):

5:30 PM-6:45 PM ATTEND/SPEAK - GENERAL FUNDRAISING RECEPTION

FOR CONGRESSMAN MAC COLLINS (Event runs 5:00-7:00 PM)

CROWD SIZE: 300+ at \$50 per person

PRESS:

OPEN

FACILITY: PODIUM WITH MIC

PROGRAM:

Mac Collins introduces Newt Gingrich Remarks (10 mins) - Newt Congrich Mac Collins introduces Senator Dole

REMARKS (15-20 mins) - SENATOR DOLE (Re Health Care, Crime, Foreign Affairs)

Concluding remarks - Mac Collins

6:45 PM

Lv. Atlanta Hilton

6:55 PM

Ar. United Beechcraft

404/765-1300

7:00 PM

Lv. Atlanta

AIRCRAFT: AFLAC Falcon 50 TAIL NO.: N 500 AF

FLIGHT TIME: 1 hr 20 mins

MANIFEST: Senator Dole

8:20 PM

Ar. Ft. Lauderdale, Florida

Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview

305/866-4441

PAGE FOUR

Saturday, March 5

3:00 PM Lv. The Seaview

3:30 PM Ar. Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

3:35 PM Lv. Ft. Lauderdale =

AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

MANIFEST: Senator Dole

FLIGHT TIME: 1 hr 40 mins

TIME CHANGE: -1 hour

CONTACT: Holly Pendleton, Aviation Dept.

706/324-0586 (O) 706/561-5029 (Home)

706/596-3939 (AFLAC Security)

4:15 PM Ar. Biloxi, Mississippi

Biloxi-Gulfport Regional Airport

US Aviation 601/863-2570

MET BY: Governor and Mrs. Kirk Fordice

(Teen-Age Republicans will greet on arrival, with small rally on your behalf)

PROCEED TO HOLDING ROOM

4:20 PM- PRIVATE MEETING WITH GOVERNOR FORDICE

4:28 PM

4:30 PM AIRPORT PRESS AVAILABILITY WITH GOVERNOR FORDICE

5:00 PM Lv. Gulfport Regional Airport

DRIVE TIME: 25 minutes

Ground transportation arranged for by Andy Landgraf

5:25 PM Ar. Treasure Bay Hotel

(Formerly Royal d'Iberville)

Biloxi, Mississippi

601/388-6610

PAGE FIVE

Saturday, March 5 (continued):

5:27 PM PROCEED TO MAGNOLIA ROOM (2ND FLOOR)

5:30 PM- ATTEND/SPEAK - FUNDRAISING RECEPTION FOR 6:45 PM GOVERNOR KIRK FORDICE

(Event runs 5:30-7:30)

CONTACTS: Martha C'Neal

Governor's scheduler

601/359-2217

601/359-3741 (FAX)

Trudy Nichol

On-site event coordinator 601/388-6610, Room 803 or 807

Shannon Warnock Campaign Director 601/355-5475

PROGRAM:

5:30 PM- ATTEND PRIVATE RECEPTION AND PHOTO OP 6:00 PM with \$1,000 contributors

BRIEF REMARKS - SENATOR DOLE

6:00 PM PROCEED TO CRYSTAL ROOM (9TH FLOOR)

6:03 PM- Mingle and work way toward podium 6:10 PM

6:10 PM Intro Senator Dole - Governor Fordice

6:20 PM- REMARKS - SENATOR DOLE 6:40 PM

6:45 PM Lv. Treasure Bay Hotel

Andy Landgraf to provide ground transportation

7:10 PM Ar. Biloxi-Gulfport Regional Airport US Aviation 601/863-2570

Application of the second

PAGE SIX

Saturday, March 5 (continued):

7:20 PM

Lv. Biloxi

AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

MANIFEST: Senator Dole

Dole staff (???)

FLIGHT TIME: 1 hr 30 mins

TIME CHANGE: +1 hour

9:50 PM

Ar. Ft. Lauderdale, Florida

International Airport Ft. Lauderdale Jet Center 305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview

305/866-4441

MEMORANDUM

DATE:

March 3, 1994

FROM:

Rolf Th. Lundberg, Jr. Colf

TO:

Senator Dole

SUBJECT:

Talking Points on Japan for Morning News Programs

- THE PRESIDENT'S ANNOUNCEMENT YESTERDAY OF RENEWING BY

 EXECUTIVE ORDER THE "SUPER 301" PROVISION OF OUR TRADE LAW

 RATCHETS UP THE PRESSURE ON THE JAPANESE.
- AMBASSADOR KANTOR HAS A STRATEGY NOW OF GRADUALLY INCREASING PRESSURE ON JAPAN THROUGH A SERIES OF STEPS. THESE COULD INCLUDE ACTION UNDER ONE OR MORE OF THE MANY EXISTING AGREEMENTS WE HAVE WITH THE JAPANESE, INCLUDING THE MOTOROLA/CELLULAR PHONE AGREEMENT, THE SEMICONDUCTOR AGREEMENT OR THE AGREEMENTS ON GLASS, PAPER OR WOOD.
- I BELIEVE IT WOULD BE UNFORTUNATE FOR THE CURRENT TRADE SITUATION WITH JAPAN TO DETERIORATE FURTHER. THERE ARE ACTIONS THAT THE JAPANESE GOVERNMENT COULD TAKE THAT WOULD HELP TO DEFUSE THE SITUATION, AND THAT WOULD NOT INTRUDE INTO THE PRIVATE SECTOR.
- THE JAPANESE GOVERNMENT COULD TAKE STEPS TO DEREGULATE, TO
 OPEN UP GOVERNMENT PROCUREMENT AND TO ENSURE THAT IMPORTING
 PROCEDURES AND REGULATIONS ARE STREAMLINED AND TRANSPARENT.

DANIEL KIRKWOOD FORDICE, JR.

GOVERNOR STATE of MISSISSIPPI

KIRK FORDICE had resided in Vicksburg, Mississippi, for more than 30 years prior to his election as Governor. He earned a bachelor's degree in civil engineering in 1956 and a master's degree in industrial management in 1957 from Purdue University. He was a member of Tau Beta Pi, the engineering honorary, and Chi Epsilon, the civil engineering honorary. Following graduation he served two years active duty as an engineer officer in the U.S. Army. In 1977, he retired from the Army Reserve at the rank of colonel.

Before his election as Governor, he was a professional engineer and president of Fordice Construction Company, which specializes in heavy construction and highway bridge construction. He is past president of the Associated General Contractors, whose 32,000 member companies represent 3.5 million employees, making it the largest trade association in the construction industry. While president, he was recognized by the Minority Contractors Association for the work he did to better relations between the two associations.

Living up to his businessman-governor reputation, Governor Fordice has successfully supported fiscally responsible legislation that requires the State to budget only 98% of its projected revenues and to establish a rainy day fund to avoid budget cuts. He also assured passage of one of the country's most sweeping civil justice reform measures, a \$0 to \$5 million increase in tourism funding for the State, and Mississippi's first-ever comprehensive welfare reform legislation. Since beginning his hands-on, "CEO to CEO" approach to industry recruitment two years ago, a net of more than 36,900 new jobs has been created in the State of Mississippi -- one of the largest increases in recent memory. At the same time, Kirk Fordice has doubled the amount of capital investment in Mississippi to the tune of some \$1.5 billion. While creating private sector jobs, budgets show that Governor Fordice has halted government bureaucracy growth by systematically cutting out almost 2,000 state government positions and eliminating agency waste at a savings of more than \$50 million to the people of Mississippi.

Governor Fordice and his wife, the former Patricia Owens, have four children and six grandchildren. They have been active in the Crawford Street United Methodist Church, in Vicksburg, Mississippi, for many years.

(Revised: 1/24/94)

Friends of Kirk Fordice

MEMORANDUM

TO:

MS. SUZANNE HELLMANN

CAMPAIGN AMERICA

FROM:

SHANNON WARNOCK

DATE:

28 FEBRUARY 1994

RE:

SPEAKING POINTS FOR FORDICE EVENT -- 5 MARCH 1994

The Mississippi GOP has had five state legislators and seven county supervisors switch from the Democrat party to the GOP in the last year. Those listed below are from the Mississippi Gulf Coast.

Legislators:

Senator Tommy Robertson -- Moss Point Representative Bob Short -- Gulfport

Supervisors:

C.T. Switzer -- Gulfport Larry Benefield -- Gulfport Carroll Clifford -- Gautier David LaRosa -- Gulfport

Several of our five Congressional races are going to be exciting. Below are the specifics.

First Congressional District

Jamie Whitten's seat

*Six republicans are running. We may finally have an opportunity to win this seat which has been under Democratic control since WWII.

*Two democrats have announced against Chairman Whitten, including the Speaker of the Mississippi House of Representatives. This will provide for an interesting primary.

Second Congressional District

Benny Thompson's seat -- Espy's former seat

*Bill Jordan is running as a Republican providing us the first opportunity to elect a Republican minority in this area.

Third Congressional District

Sonny Montgomery's seat

*Dutch Dabbs is the only announced candidate at present. This is the first viable candidate to ever run against Congressman Montgomery.

P. O. Box 3458, Jackson, Mississippi 39207-3458, 601-355-KIRK, Fax 601-354-0972

Fourth Congressional District

Mike Parker's seat

*Mike Wood has announced for this seat. We anticipate our state treasurer to run in a Democratic primary against Parker.

Fifth Congressional District

Gene Taylor's seat (MS Gulf Coast)

*George Barlos is running against Gene Taylor in this district. He is confirmed to be in attendance at the reception March 5.

U. S. Senator Trent Lott

It is rumored that Ken Harper (D) will run against Sen. Lott. No other names appear serious. A one issue (abortion) candidate, Richard O'Hara, has announced as a republican, forcing a primary.

Other notes:

Governor Fordice's Tax Cut proposal failed the state legislature by a slim margin and was widely supported by the people of the state.

A "Positive Mississippi" fact sheet follows detailing some of the great things going on in our state.

Many doctors have responded to our invitations for this event. Senator Dole may want to briefly discuss the GOP Health Care proposed legislation for this crowd.

Friends of Kirk Fordice

FAX MEMORANDUM

TO: Suzanne Hollmand

FAX 1: 202/408-5117

FROM: SHANNON WARNOCK

FAX #: 601/354-0972

NOTES

Septente on happenings political outlook for 1994 naces. For Sen. Doles use for march 5 event on MS Hulf Coest. Please let me know if you need anything else. Thanks.

PLEASE CAEL 601/355-5475 SHOULD YOU NOT RECEIVE 4 PAGES.

"POSITIVE MISSISSIPPI"

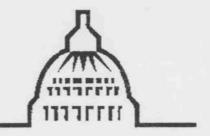
FACT SHEET

- U. S. News and World Report ranks Mississippi #1 for its economic recovery. (Nov. 8, 1993 Edition)
- Whirlpool Corporation ranks Mississippi's business climate #1 among 22 states where major home appliances are produced.
- Mississippi leads the Southeast in personal income growth.
- Mississippi's unemployment rate of 4.9% is at the lowest level in 20 years. The unemployment rate nationally is 6.0%.
- · More Mississippians are working now than ever before.
- Over 90,000 new jobs have been created in the State in the last two years.
- New business growth in our State is #4 in the nation.
- · Personal income growth in our State is #5 in the nation
- Mississippi enjoys a budget surplus of over 306 million dollars in the State's General Fund account.
- Mississippi's reserve (rainy day) account is now fully funded at 160 million dollars, second only to Alaska.
- Governor Fordice was recognized by the CATO Institute and reported in *The Wall Street Journal* as one of only three Governors who received an "A" grade for fiscal responsibility.
- Jimmy Heidel, Director of Mississippi Department of Economic and Community Development (the Governor's first appointment), was recognized as the #1 executive serving in either state or local government by the Federal Executive Institute in Washington, D.C.
- The Gallup Poll ranked all Senators in 1993 on job performance. Trent Lott was ranked #1 and Thad Cochran was ranked #3 of 100 Senators.
- Mississippi is one of only three states which showed an actual decrease in welfare payments. Aid to Families with Dependent Children was reduced in Mississippi, Wisconsin and Louisiana. (U. S. Department of Health and Human Services)

Please make checks payable to "Friends of Fordice".

Personal, Corporate and PAC checks are acceptable.

Pulitical contributions are not deductible for income tax purposes.



A CAPITAL EVENING

You are cordially invited to a Cocktail Reception

honoring Gevernor and Mrs. Kirk Ferdice

willi Special Guest U.S. Senator Bob Dole U.S. Senate Republican Leader

> Saturday, March 5, 1994 5:30 to 7:30 p.m. The Royal d'Iberville 1980 Beach Boulevard Biloxi, Mississippi

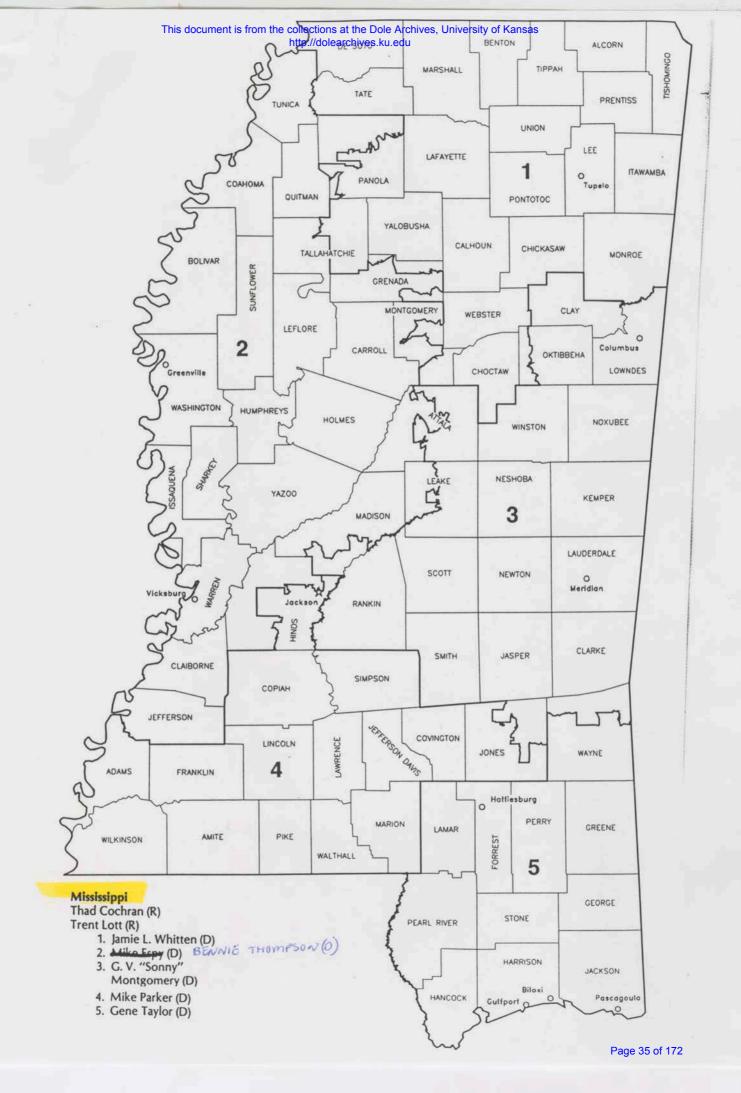
> > \$150 per person \$250 per couple

Private Reception \$1000 per couple Reservations/Information 601/355-5475

Reservations Limited

25601 359 3741

GOVERNOR OFFICE



MEMORANDUM

February 28, 1994

TO: Senators Dole and Simpson

FR: Bill Thorne, NRSC

RE: Mississippi Senate Race

Following is background material on the race in Mississippi:

POLITICAL ENVIRONMENT

Undoubtedly, Mississippi has undergone one of the most startling political conversions since reconstruction. Government in this state has been controlled by Democrats for generations, but today Mississippi is the only Sun Belt state to have a Republican Governor, Lt. Governor, and two Republican Senators. While the Democrats control both the State Senate (38 - 14) and State House (93 - 27 - 2 ind.), Republicans have been competitive statewide, and Mississippi led the nation in Democratic office holders switching party affiliation in the late 1980s and continuing through the 1992 election cycle.

Further proof of Republican strength in Mississippi can be found in the 1992 Presidential election; Mississippi gave George Bush a higher percentage of the vote than any other state nationwide, including the other five southern states he carried. This in a state that ranks 50th in income, literacy and health.

Once a hotbed between segregationists and the civil rights movement, Mississippi has made substantial progress in improved race relations. Even the Washington Posts's William Raspberry has acknowledged that Mississippi "is finally a good place to be." Both parties compete for black votes and the Democrats cannot count-on a block vote by the African American community.

REPUBLICAN INCUMBENT SENATOR TRENT LOTT

First elected to the United States Congress in 1972, Senator Lott recognizes that "all politics are local," and is widely known throughout the state for his effective and responsive constituent services; in 1992 his job performance rating as measured by Political/Media Research was the highest rating of any incumbent. A tireless fundraiser, Lott reported raising \$1.1 million in all of 1993, with \$1.2 million in cash-on-hand. Senator Lott had a very tough election in 1988, winning by just 51% - 49%, and he is taking nothing for granted.

PROBABLE DEMOCRAT OPPONENT KEN HARPER

Former State Senator Ken Harper has been assembling his campaign team and is expected to announce in the very near future. Harper ran for Lt. Governor in 1991 and lost in a very bitter primary campaign against the incumbent three term Democrat Lt. Governor. While the 1992 race may have hurt Harper politically with the old guard Democrat establishment, he remains the champion of the state's unions. He currently lobbies in the state legislature.

PROBABLE DEMOCRAT OPPONENT JORJA TURNIPSEED

Dr. Turnipseed has taken a leave of absence from Mississippi State University and is expected to officially announce her candidacy in the near future. Turnipseed has been active in the Mississippi Democratic Party for many years, although she has never run for public office. It is widely believed that if the 54-year-old Turnipseed succeeds in getting the nomination, her main focus will be on Lott's voting record as it applies to education and aid for the disabled.

PROBABLE DEMOCRAT OPPONENT HIRIAM EASTLAND

A political unknown, the only credibility -- and threat -- that Hiram Eastland brings to the race is his last name. James Eastland served as Mississippi's senator for over 31 years, but is not related to Hiriam.

LATEST POLLING INFORMATION:

Political/Media Research (9/92) LOTT JOB

Excellent/Good

80%

Fair/Poor

17

FINANCIAL INFORMATION:

Candidate	Raised 12/93	Spent 12/93	PAC \$	COH 12/93	Debt
Lott	\$1,009,915	\$139,780	\$360,448	\$1,249,327	\$0
Harper	\$53,411	\$19,989	\$17,500	\$33,422	\$27,979

File Date Primary Date Coord. Limit April 8 June 7 \$223,530

MISSISSIPPI

Billy R. Powell Chairman



Present

Chairman, Mississippi Republican Party, elected - May 13, 1993 Vice Chairman, Mississippi State Personnel Board, 1992 -Executive Committee, Mid-Continent Oil and Gas Association,

President, Mississippi Independent Producers and Royalty Owners Association, 1992 -Treasurer, Mississippians Reaching Out, Inc.

President, Powell Petroleum, Inc.

Previous

Member, Mississippi Republican Executive Committee Chairman, Rankin County Republican Executive Committee,

Manager, Campaigns for Supervisors, Representatives and Mississippi Supreme Court Justices Treasurer, Mississippi Independent Producers and Royalty Owners Association, 1989 - 1992

RNC Activity

Delegate, Republican National Convention, 1992

Personal

Spouse: Barbara Children: Three

Education: B.S., Texas A & M University

(cont.)

80

9/93

MISSISSIPPI

Haley Barbour National Committeeman



Present

National Committeeman, Mississippi, elected - August 22, 1984 Chairman, Republican National Committee, elected -January 29, 1993

Previous

Executive Director, Mississippi Republican Party, 1973 - 1976
Executive Director, Southern Association of Republican
Chairmen, 1973 - 1976
Regional Coordinator, John Connally for President, 1979 - 1980
Candidate, U.S. Senate, 1982
Member, Southern Strategy Group, Reagan - Bush, 1984
Special Assistant to the President and Director, Office of
Political Affairs, The White House, 1985 - 1986
Director, Southern Primary Project, 1987 - 1988
Member, Steering Committee, Trent Lott for U.S. Senate, 1988

RNC Activity

Delegate, Republican National Convention, 1984, 1988 Member, Committee on Rules, Republican National Convention, 1984 Member, RNC Rules Committee, 1984 -

Personal

Spouse: Marsha Children: Two

Education: B.S. and J.D., University of Mississippi

(cont.)

79

9/93

MISSISSIPPI

Suzanne Case-Rogers National Committeewoman



Present

National Committeewoman, Mississippi, elected -August 18, 1992

Previous

Citizens for Cochran
Senate Staff, U.S. Senator Thad Cochran
Executive Assistant to the Chairman, Mississippi Republican
Party
Executive Director, Bush - Quayle primary, 1992
Director of Protocol, Govenor Fordice Inaugural

RNC Activity

Delegate at large, Republican National Convention, 1992

Personal

Spouse: Ed Rogers

Children: Four, one grandchild

Education: University of Southern Mississippi

Route 1, Box 5 Leakesville, MS 39451

(601) 394-5559 (h) (601) 594-5776 (f)

FINAL 3/3/94

SENATOR DOLE SCHEDULE -- MARCH 4-5, 1994 -- GEORGIA AND MISSISSIPPI

Friday, March 4

2:00 PM PRESS CONFERENCE - Annapolis

2:30 PM Lv. Calvert House

58 State Circle Annapolis, MD 410/263-2641

410/268-3613 (FAX)

DRIVE TIME: 20-25 mins

CAR MANIFEST: Senator Dole

Senator Paul Coverdell Congressman Newt Gingrich

2:55 PM Ar. Baltimore-Washington International Airport

Signature Flight Support

410/859-8393

3:00 PM Lv. Washington

AIRCRAFT: Falcon 50

OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

PILOT: John Greiner

Pager: 1-800-443-7243

PIN 042814

CO-PILOT: Ed Garvin

MANIFEST: Senator Dole

> Senator Paul Coverdell Congressman Newt Gingrich

David Pringle (AFLAC)

FLIGHT TIME: 1 hr 45 mins

CONTACT: David Pringle

202/628-6074 (0) 202/628-6076 (FAX)

Pager: 1-800-999-6710, PIN 78757

Holly Pendleton, Aviation Dept.

706/324-0586 (0) 706/327-1516 (FAX) 706/561-5029 (Home)

1. 1. V. 184

706/596-3939 (AFLAC Security)

PAGE TWO

Friday, March 4 (continued):

4:45 PM Ar. Atlanta, Georgia

Hartsfield International Airport

United Beechcraft

404/765-1300

MET BY: Congressman Mac Collins

4:50 PM Lv. United Beechcraft

DRIVE TIME: 10 mins

5:00 PM Ar. Airport Hilton Hotel

404/767~9000

PROCEED TO HARDING ROOM

5:00 PM-ATTEND PRIVATE PHOTO-OP WITH MEMBERS OF 5:30 PM

CONGRESSMAN MAC COLLINS! CONGRESSIONAL COUNCIL

(SEN. DOLE, CONG. GINGRICH, CONG. COLLINS)

CONTACT: Jay Morgan

202/225-5901 404/603-3395 (District Ofc.)

Wanda Tschudy Campaign Ofc. 404/471-0048

CROWD SIZE: 50 annual donors of \$500 each

FORMAT: Mix and Mingle

NO REMARKS

VIP'S IN ATTENDANCE:

Mrs. Julie Collins (Mac's wife) GOP gubernatorial candidate Paul Heard State Rep. Lynn Westmoreland State Rep. John Yates

State Rep. Donna Brooks Bob Glover, Collins Campaign Chairman Randy Hough, Collins Finance Chairman

5:30 PM PROCEED TO GRAND SALON

PAGE THREE

Friday, March & (continued):

5:30 PM-6:45 PM ATTEND/SPEAK - GENERAL FUNDRAISING RECEPTION

FOR CONGRESSMAN MAC COLLINS (Event runs 5:00-7:00 PM)

CROWD SIZE: 300+ at \$50 per person

PRESS:

OPEN

FACILITY: PODIUM WITH MIC

PROGRAM:

Mac Collins introduces Newt Gingrich Remarks (10 mins) - Newt Congrich Mac Collins introduces Senator Dole

REMARKS (15-20 mins) - SENATOR DOLE (Re Health Care, Crime, Foreign Affairs)

Concluding remarks - Mac Collins

6:45 PM

Lv. Atlanta Hilton

6:55 PM

Ar. United Beechcraft

404/765-1300

7:00 PM

Lv. Atlanta

AIRCRAFT: AFLAC Falcon 50

TAIL NO.: N 500 AF

FLIGHT TIME: 1 hr 20 mins

MANIFEST: Senator Dole

8:20 PM

Ar. Ft. Lauderdale, Florida

Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview

305/866-4441



Center for Strategic & International Studies Washington, DC

February 24, 1994

Dear Bob:

The enclosed will appear in the March issue of <u>Foreign Affairs</u>. I thought you might want to have an advance copy.

Sincerely,

Zbigniew Brzezinski

P.L.0

The Honorable Robert Dole United States Senate Washington, DC 20510

The Premature Partnership of America and Russia

Zbigniew Brzezinski

FOR NEARLY FORTY-FIVE DIFFICULT years the United States pursued a remarkably consistent policy toward the Soviet Union. On the level of grand strategy, that policy was defined as containment both of Soviet geopolitical and ideological ambitions. The practical implementation of the policy of containment involved American geostrategic concentration on the defense both of the western and eastern peripheries of Eurasia, manifested by permanent troop deployments and defined through binding treaty commitments. This defensive posture was reinforced by the doctrine of deterrence, designed to neutralize any Soviet nuclear blackmail.

Though the Cold War never escalated into direct American-Soviet warfare, on several occasions it did generate indirect military collisions. In the western extremity of Eurasia, American and Soviet forces twice confronted each other in Berlin; and in the east, U.S. troops were engaged in repelling the Soviet-supported invasion of South Korea, while the Soviet Union later provided Vietnam with the military wherewithal needed to expel the American armies. The closest the two sides ever came to a head-on collision occurred in Cuba because of the Soviet effort to leap-frog its strategic containment. Nevertheless, containment—which, in turn, made possible the

ZBIGNIEW BRZEZINSKI, former National Security Adviser to the President, is Counselor at the Center for Strategic and International Studies, and Professor of American Foreign Policy at the School of Advanced International Studies, Johns Hopkins University.

[2]

The Premature Partnership of America and Rsussia

vitally important integration into the western camp both of Germany

and of Japan-relied heavily on the ingredient of power.

The collapse of the Soviet Union, and the related termination of the Cold War, necessitates the formulation of a new strategy, one which no longer views Russia as an adversary and in which the factor of power is no longer central. But if Russia is no longer an adversary, is it already an ally, or a client or merely a defeated foe? What should be the goal and the substance of a post-Cold War grand strategy toward a major country, destined one way or another to be a power in world affairs, irrespective of its current malaise? Is current American policy toward Russia guided by a well-considered and historically relevant successor to the grand strategy of the Cold War years?

It is the argument of this essay that the present U.S. grand strategy is flawed in its assumptions, focused on the wrong strategic goal,

and dangerous in its likely geopolitical consequences.

A POLICY OF IDEALISTIC OPTIMISM

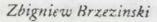
AFTER SEVERAL YEARS OF UNAVOIDABLE groping, during which Washington seemed to concentrate mainly on tactical help for two successively favored Kremlin leaders, under President Clinton a new U.S. grand strategy toward the former Soviet Union finally has crystallized. Ambitious in scope, characterized by internal consistency and driven by an attractive idealistic optimism, its essence can be succinctly summarized as follows: the goal of containment of Soviet expansion is to be replaced by a partnership with a democratic Russia. The strategy of partnership assigns the highest priority to aid for President Boris Yeltsin's government while at the same time reinforcing that government's self-esteem and confidence by emphasizing the special global responsibility shared together by America and Russia. It follows that in so far as the former Soviet Union is concerned, the primary focus of U.S. policy is on Russia.

The underlying and mutually reinforcing premises of this new grand strategy are that reasonably high prospects exist for the emergence of a stable and enduring Russian democracy, based on a freemarket economy; and that the foregoing in turn makes a partnership with America feasible. In that context, all-out support for Boris

FOREIGN AFFAIRS . March / April 1994

[3]

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Yeltsin as the genuinely democratic Russian leader is the logical tactical consequence, irrespective of occasional shortcomings in his performance as a democratic leader.

That support is to be projected in a deliberately optimistic fashion in order to stimulate American public backing for tangible financial aid to Russia and also in order to generate the badly needed confidence among the beleaguered Russian democrats. Thus, even in the face of textual evidence to the contrary, the new Russian constitution has been publicly hailed by President Clinton as an example of constitutional democracy while a massive anti-democratic vote by both right-wing and left-wing extremists (together accounting for almost half of the votes cast) was dismissed by the administration as a mere "protest vote" against the government's economic policies. During the summit meeting of January 1994, Clinton repeatedly expressed his satisfaction at Russia's democratic progress.

A rosy assessment of the country's economic transformation is the logical corollary to this approach. Accordingly, much has been made by administration spokesmen of Russia's allegedly large-scale privatization, even though most of the major domestic industrial privatizations have involved essentially paper transfers of ownership to enterprise management, and sometimes also to its work force, with the central government's purchases and subsidies unaltered. Little attention has been paid to the fact that the emerging new capitalist class in Russia is strikingly parasitic, inclined to stash its profits abroad rather than to bet on Russia's future, with Russian banks investing only about \$450 million in domestic development while depositing some \$15.5 billion abroad. The covert diversion of a significant portion of foreign financial aid to Western banks has similarly been ignored since that consideration is viewed as less important than the key goal of sustaining the momentum of economic transformation.1

Moreover, support for the economic stabilization and the eventual transformation of the Russian economy is being given a higher pri-

[4] FOREIGN AFFAIRS Volume 73 No.1

¹ For details, see Financial Times, Nov. 1., 1993, regarding Russian banking deposits, and Grigory Yavlinsky, "Western Aid is No Help," The New York Times, July 28, 1993.

The Premature Partnership of America and Rsussia

ority than aid to the new non-Russian states. In 1992, the head of the International Monetary Fund projected Russia's need for foreign financing at approximately \$23 billion, while that of the non-Russian states at about \$20 billion. At the July 1993 Group of Seven industrial nations summit, the United States prevailed in obtaining collective pledges of aid for Russia of \$28 billion, while largely ignoring the non-Russian states.

The doggedly optimistic political and economic assessments of Russia's prospects have also been deliberately disseminated in order to advance the pursuit of a more specific and admittedly important U.S. objective: Russo-American nuclear disarmament. A Russocentric policy not only facilitates the reduction of the Russian nuclear arsenal but it may also increase Russia's own stake in nonproliferation. That goal also justifies working closely with Moscow in applying joint pressure on the several new post-Soviet states—notably Ukraine—to give up their nuclear weapons. Some American strategists have gone even further, advocating the harmonization of U.S. and Russian defense policies. All these themes were highlighted in the communiqués issued after the Moscow summit of January 1994.

Implicit in these notions is the view that Russia's major geostrategic concern is regional stability. That makes Russian and American goals basically compatible. Moreover, since Russia is the only power capable of generating stability within the space of the former Soviet Union and since the independence of some of the new states is precipitating regional conflicts, the pacifying role of Russia is thereby enhanced. Accordingly, the joint Clinton-Yeltsin communiqué at the January summit did not dispute Russia's interpretation of its "peace-keeping" mission in the "near abroad." Going still further, President Clinton, addressing the Russian people, not only described the Russian military as having been "instrumental in stabilizing" the political situation in Georgia, but he even added that "you will be more likely to be involved in some of these areas near you, just like the United States has been involved in the last several years in Panama and Grenada near our area."

It follows that concerns regarding the alleged Russian threat expressed by states like Ukraine or Georgia are not to be taken too

Page 48 of 172

Zbigniew Brzezinski

seriously-and as much has been said by top administration figures. Morcover, in any case, the Ukrainians should blame their own intransigence regarding nuclear weapons for the international isolation of Ukraine and for their resulting sense of vulnerability. The other non-Russian states would be well advised to eschew excessive nationalism and to make their own accommodations with Moscow, thereby relieving Washington of excessive burdens or of awkward pangs of conscience. President Clinton's visit to Belarus, a state that is increasingly being reintegrated under the Kremlin's control, has reinforced the impression that the administration blesses Moscow's "peacekeeping."2

Last but not least, a democratizing Russia is perceived as justifiably fearful of exclusion and isolation. Hence its opposition to any eastward expansion of NATO, designed to fill the security vacuum in Central Europe, is understandable. Instead, a loose NATO-sponsored collaborative arrangement, the Partnership for Peace, is to be open to all, thus propitiating the Russian objection against the opening of NATO doors to membership by a specific few. However, this price, the administration feels, is worth paying for the sake of an enduring American-Russian reconciliation.

The vision is undeniably grand and the conviction is captivating. But is the historical optimism inherent in this concentration on a bilateral partnership, including its premises as well as its central objective, well grounded?

THE IMPERIAL IMPULSE

UNFORTUNATELY, THERE IS CONSIDERABLE evidence to suggest that the near-term prospects for a stable Russian democracy are not very promising: the growing political influence of the Russian army, especially in Russia's foreign policy, is not reassuring; President Yeltsin's inclination toward authoritarianism has transformed the new constitution for a democratic Russia into a document that can be eas-

² For example President Clinton agreed to downgrade his planned homage at the national shrine in the Kuropaty forest to the victims of Stalinist rule because of objections raised by the leaders of the pro Moscow faction in Minsk.

The Premature Partnership of America and Rsussia

ily used to legitimize arbitrary personal rule; Russian political culture is still far away from accepting the principle of compromise as the basis for political discourse; while the continuing economic crisis has been alienating the masses both from the democratic process and from the free market. That the democratic parties do not control the

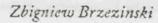
newly elected Duma is not reassuring.

Making matters worse is the centrality in Russian politics of an old issue, one which evokes the greatest passion from the largest number of politicians as well as of citizens, namely, "What is Russia?" Is Russia primarily a nation-state or is it a multinational empire? Polling data indicates that the dissolution of the Soviet Union is viewed by roughly two-thirds of the Russian people, and even by the majority of democratic politicians, as a tragic mistake, something that somehow must be undone. Yet any effort to recreate some form of empire, repressing the awakened national aspirations of the non-Russians, would surely collide head-on with the effort to consolidate a democracy within Russia. The bottom line here is a simple but compelling axiom: Russia can be either an empire or a democracy, but it cannot be both.

The non-Russians are no longer politically passive nor nationally unaware. Their nationalism is a reality that expresses itself through the strong desire for independent statehood. Efforts to suppress it would unavoidably impact on the fabric and substance of any emerging Russian democracy. Moreover, the effort to recreate and maintain by coercion and/or economic subsidy the Russian empire would condemn Russia not only to be a dictatorship but also to social pover-

Nonetheless, regrettably, the imperial impulse remains strong and even appears to be strengthening. This is not only a matter of political rhetoric. Particularly troubling is the growing assertiveness of the Russian military in the effort to retain or regain control over the old Soviet imperial space. Initially, these efforts may have been the spontaneous acts of rogue military commanders in the field. However, military self-assertion in such places as Moldova, Crimea, Ossetia, Abkhazia, Georgia and Tadjikistan, as well as military opposition to any territorial concessions in the Kuriles or to the reduction of Rus-

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sian forces in the Kaliningrad region or to a prompt withdrawal from all the Baltic republics, perpetuates imperial enclaves on the very outer edges of the former empire. (A line drawn on the map between these points would trace in effect the outer boundaries of the former U.S.S.R.)

These efforts were formalized in late 1993, when the Russian military command asserted its de facto right to intervene in the former Soviet republics if developments there were deemed to violate Russian interests or to threaten regional stability. These sentiments were subsequently echoed by Russian political leaders. Moreover, they have been matched by deeds. In the course of the year, Russian military behavior toward the new states of the Commonwealth of Independent States (cis) became increasingly unilateral while the Moscow government became more assertive in the use of economic leverage.

Broadly speaking, Russian policy toward its cis neighbors has had two central prongs: it has focused on progressively stripping the newly independent states of any economic autonomy and on forestalling the emergence of truly separate armed forces. The first has been designed to drive home the lesson that economic recovery is only possible through closer cis integration, while the second sought to limit national armies to essentially symbolic and nominal forces, to be increasingly integrated under Moscow's command. So far, only Ukraine has made serious efforts to shape its own military.

In addition, the last two years have seen a concerted effort by Moscow to rebuild some of the institutional links that used to bind the old Soviet Union together. Much energy has been invested in promoting a whole host of new agreements and ties, ranging from the cis charter, through a collective security treaty (which in several cases also gives Russia control over the external frontiers of the former Soviet Union), through a collective peacekeeping agreement (used to justify intervention in Tadjikistan), through a new ruble zone (meant to give the Russian central bank the decisive role in monetary matters), and a formal economic union (transferring to Moscow key economic decision-making), to a common cis parliamentary institution.

The use of military or economic means to obtain subordination to

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FOREIGN AFFAIRS Volume 73 No.1

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The Premature Partnership of America and Rsussia

Moscow has been strikingly evident in the recent trials of Belarus and Georgia. In the case of Belarus, Russian economic subsidies were translated into political subordination. In the case of Georgia, military intervention gave Moscow the pretext for political mediation. In the course of it, Georgia learned—contrary to what Clinton said in Moscow—that Russia as umpire is not very different from Russia as empire.

Most ominous and potentially dangerous—given Ukraine's size and geostrategic importance—has been the intensification of Moscow's economic as well as military pressure on Kyiv, in keeping with the widespread feeling in Moscow that Ukrainian independence is an abnormality as well as a threat to Russia's standing as a global power. (The inclination of some leading Russian politicians to speak openly of Ukraine as "a transitional entity" or "a Russian sphere of influence" is quite symptomatic. The Russian military have enforced a partial partition of Crimea and they have asserted unilateral control over most of the disputed Black Sea fleet.4 Making matters even worse has been the open assertion of Russian territorial claims to portions of Ukraine. At the same time, economic leverage has also been applied, through reductions and periodic cutoffs in the delivery of vital energy sources to Ukrainian industry, presumably in the hope of destabilizing the country to the point that a sizable portion of the population will begin to clamor for a closer connection with Moscow.

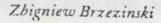
To isolate Ukraine internationally, Russian policymakers have also skillfully exploited the preoccupation of the Clinton administration with Ukraine's nuclear status. Playing on American fears (and the administration's evident preference for Russian control over Ukraine's nuclear weapons), Moscow was quite successful in portraying the new

FOREIGN AFFAIRS March / April 1994

[9]

³ For an outspoken attack on this general approach by a democratic Russian, see Andrei Kortunov, "Why hit a man when he is down?" Moskovskiye Novosti, Dec. 7, 1993.

In doing so, the Russian military have occasionally hinted that they enjoy also U.S. support. Thus the first deputy commander in chief of the Russian Naval Forces, Admiral Igor Kasatonov, reported on his return from a visit to the U.S. Navy that he had discussed the problem of the Black Sea Fleet with his U.S. counterparts and that "they do not share the absurd approach of Ukraine's Defense Minister toward this problem. Therefore they are, of course, in favor of the Russian BSF. This is their official point of view." Interfax, Oct. 14, 1993, italies added.



leaders in Kyiv as a menace to international stability. Ukrainian ineptitude in conveying to the West its concerns also intensified the isolation of the country and thereby also its internal sense of vulnerability.

In brief, by late 1993 or just two years after the formal dissolution of the Soviet Union, (leaving aside the Baltic republics) only beleaguered Ukraine, energy-rich Turkmenistan and perhaps authoritarian Uzbekistan could be viewed as still truly sovereign.

HISTORICAL AMNESIA

The notion of a real partnership—if it is to be more than a ritualistic slogan designed to salve wounded Russian national pride—also requires a solid foundation of shared international goals and interests. It is certainly reassuring and gratifying that Russian foreign policy makers have indicated a genuine interest in cooperation with America in the area of global peacekeeping, development and disarmament. Many public statements by President Yeltsin and by Foreign Minister Andrei Kozyrev have been constructive while Russia's conduct in the United Nations has also been in marked contrast with the behavior of the former Soviet Union.

Moreover, responsible Russian leaders know that neither the old Tsarist empire (with its open russification), nor the Soviet Union (with its coercive totalitarianism), nor the previous domination of Central Europe (with its overt political and ideological subordination) can be fully restored. Such outlandish goals are entertained only by extremist elements, either radical chauvinists or old communists—though, admittedly, both have been gaining in influence. For the time being, however, the dominant political elite appear to have a somewhat more limited set of objectives.

The dynamic thrust of prevailing policy seems to be pointed not toward the recreation of the old centralized union but toward a confederal arrangement, in which Moscow would dominate a cluster of satellite states (much like in the old Soviet bloc) but this time within the confines of the former Soviet Union itself. Russian politicians have been talking openly of making Russia the center of a new confederation within which the non-Russian, formerly Soviet states—while formally retaining the semblance of sovereignty—are to be pro-

[10]

FOREIGN AFFAIRS · Volume 73 No.1

The Premature Partnership of America and Rsussia

gressively and increasingly constrained by economic, political and military ties. Ukraine, once reduced to the status—for example—of formerly Soviet satellite Bulgaria, would thus no longer pose a problem. With Belarus already effectively subordinated, Ukraine's return to the fold would reunite under the Kremlin the Slavic component of the former Soviet Union.

Russian leaders seem to hope that the same formula can be also applied to the non-Slavic nations of the Caucasus and Central Asia. Their economic dependence on some form of integration with Russia as well as the large number of Russian colonists in several of them make these states quite vulnerable to Russian economic and political pressure. This has generated widespread fear and considerable resentment among the new elites. During this author's trip to Central Asia and Georgia in late 1993, all the top political leaders deplored, in strong language, Moscow's use of the Russian settlers as a justification for claiming the right to intervene. The outspoken president of Kazakhstan, Nursultan Nazarbaev, went as far as to state publicly—in words almost calculated to outrage the Russians—that "any talk about the protection of Russians living in Kazakhstan reminds one of the times of Hitler who also started off with the question of protecting Sudeten Germans."

If not openly imperial, the current objectives of Russian policy are thus, at the very least, proto-imperial in substance. That policy may not yet be aiming explicitly at a formal imperial restoration but it does little to harness and restrain the strong imperial impulse that continues to motivate large segments of the state bureaucracy, especially the military, as well as the public. The underlying and increasingly openly stated consensus behind the policy appears to be that the economic and military integration of the once-Soviet states under Moscow's political direction would prompt the reemergence of Russia as a mighty supranational state and a truly global power. Or, as Foreign Minister Kozyrev put it in this connection, "Anyhow, everything will get back to its old place."

5 Interview with Interfax, Nov. 24, 1993.

Andrei Kozyrev, in Rossiyskaya Gazeta, Dec. 7, 1993.

Zbigniew Brzezinski

Prevailing Russian thinking about Central Europe is an extension of this proto-imperial approach. Central Europe is not to be permitted to become an organic part of an integrating Europe, and even less of the Euro-Atlantic alliance. The region is explicitly designated as an area of special Russian interest and influence, including—according to the new military doctrine—the right to object to "the expansion of military blocs or alliances" (i.e., NATO) into the region.

Russian spokesmen, both military and civilian, have not hesitated to employ even harsh language in making known their objections to any expansion of NATO. The Russian foreign minister went as far as to declare, in words painfully reminiscent of the old Soviet style, that any tendency in that direction would create "a buffer zone that could be crushed in any situation," while Marshal Pavel Grachev imperiously declared: "Russia cannot allow Poland to be admitted into NATO."

Instead, Russian leaders have indicated that they would favor a joint Russian-NATO guarantee for the security of the region. That proposal—contained in President Yeltsin's letter of December 15, 1993, to the leaders of the United States, Great Britain, France and Germany—was interpreted by the Central Europeans as an ominous proposal for a regional condominium. Their suspicion that it would be a symbolic condominium only—with Russian military propinquity and Western political indifference in effect legitimizing a Russian sphere of influence—was deepened by Yeltsin's perplexing statement in the same proposal: "We are of the opinion that relations between our country and NATO should be several degrees warmer than relations between the alliance and Eastern Europe."8

The larger design that emerges from these assertions would confine the political integration of Europe largely to the western peripheries of the continent. A wider system of security would range all the way (as the slogan goes) from Vancouver to Vladivostok, thereby progressively diluting the Euro-Atlantic alliance, while permitting a regionally hegemonistic Russia, eventually revitalized under the umbrella of the American-Russian partnership, to become again the

September

Interview with the Polish Press Agency, Aug. 23, 1993.
 Foreign Broadcasting Information Service-SOV (unofficial translation), Dec. 3, 1993.

^[12] FOREIGN AFFAIRS Volume 73 No.1



The Premature Partnership of America and Rsussia

strongest power in Eurasia. Unlike the old centralized Soviet Union and its neighboring bloc of satellite states, the new arrangement would embrace Russia and its satellite states (within the space of the former Soviet Union) in some kind of confederation, with Central Europe next door viewed by the West as Russia's sphere of influence.

To be sure, over the years the U.S.-Soviet relationship occasionally developed characteristics of a partnership in some areas. Yet it remained essentially unthreatening to America's European allies because the essence of the relationship remained adversarial and therefore the interests of the allies were always high among U.S. concerns. In contrast, a cooperative condominium between America and Russia would result in a lower priority for the interests of the allies.

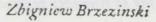
Should the design become reality, the Euro-Atlantic alliance would inevitably be the immediate casualty of a European perception of American acquiescence to such a scheme. Germany would doubtless view any development along the above lines as impacting negatively on its security while France would be likely to assault it publicly as an American betrayal of European interests. What else these states might do cannot be foretold, but it is a safe guess that Euro-Atlantic unity would be fractured. Germany almost surely would be tempted to pursue its own interests, perhaps through some separate accommodation with Russia. Any such German movement would, in turn, undo whatever prospects exist for German-Polish reconciliation. That reconciliation, however, is central to the future stability of a larger Europe, much as German-French reconciliation was central to the stability of Western Europe.

The end result would be the forfeiture of the longer-range fruits of the West's victory in the Cold War. Instead of relative stability in Eurasia and of a new and genuinely constructive American-Russian partnership, a more troubling pattern of power politics could again come to dominate the old continent. Fluid and unpredictable coalitions could replace the present hopes for a larger and more united Europe, closely linked to America, with both engaged in deeper collaboration with Russia.

To be sure, all these concerns are focused on a future that today may look not only remote but unlikely, given Russia's current "smuta" (a

FOREIGN AFFAIRS March / April 1994

[13]



term used in Russian history to denote a prolonged phase of internal malaise). But it is the reality of the malefic trends noted here that calls for a basic rethinking of the American strategy toward Russia. Too much of it is based on historical amnesia that has already prompted, for example, the U.S. secretary of state even to defend the new Russian military doctrine as essentially benign. Insurance is needed against the possibility—one might even argue, the probability—that the weight of history will not permit Russia soon to stabilize as a democracy; and that the single-minded cultivation of a partnership with Russia, while downgrading other interests, will simply accelerate the reemergence of an ominously familiar imperial challenge to Europe's security.

GEOPOLITICAL DIVERSITY

The central goal of a realistic and long-term grand strategy should be the consolidation of geopolitical pluralism within the space of the former Soviet Union. That goal defines more appropriately the long-term American interest, irrespective of whether in the near future Russia does or does not become an accommodating democracy. Attaining that goal is in fact the necessary precondition for the eventual emergence of a stable democratic Russia. Only when a felicitous environment for Russia to define itself purely as Russia has been firmly created will the basis have been laid also for an enduring and genuine American-Russian partnership

The basic premise of this alternative strategy is that geopolitical pluralism will foster the best context for the emergence of a Russia that, democratic or not, is encouraged to be a good neighbor to states with which it can cooperate in a common economic space but which it will not seek, or be able, politically and militarily, to dominate. The consolidation of geopolitical pluralism would inhibit the temptation to reinvent the empire, with its pernicious effects on the prospects for democracy in Russia itself. Without being an empire, Russia stands a chance of becoming, like France or Britain or earlier post-Ottoman Turkey, a normal state.

Consolidation of geopolitical pluralism within the former Soviet Union would entail a number of practical policy consequences.

[14] FOREIGN AFFAIRS Volume 73 No.1

The Premature Partnership of America and Rsussia

Though continuing to pursue a deepening friendship with Russia, it would call for a more balanced distribution of financial aid to Russia and to the non-Russian states, for the abandonment of the single-minded elevation of the question of nuclear arms into the litmus test of American-Ukrainian relations, and for an even-handed treatment of Moscow and Kyiv. It would require the explicit recognition of the fact that Ukraine's independent existence is a matter of far greater long-range significance than whether Kyiv does or does not promptly dismantle its post-Soviet nuclear arsenal. It also would condition American aid to Russia on the cessation of Russian efforts to achieve the comprehensive satellitization of the newly independent states, and it would entail a greater willingness to make an issue—including in the United Nations—out of Moscow's transgressions against its neighbors. Georgia, for example, deserved better in 1993.

The crucial issue here, one that might well come to a dramatic head in the course of 1994, concerns the future stability and independence of Ukraine. It cannot be stressed strongly enough that without Ukraine, Russia ceases to be an empire; but, with Ukraine suborned and then subordinated, Russia becomes automatically an empire. American policymakers must face the fact that Ukraine is on the brink of disaster: the economy is in a free-fall, while Crimea is on the verge of a Russian-abetted ethnic explosion. Either crisis might be exploited to promote the breakup or the reintegration of Ukraine in a larger Moscow-dominated framework. It is, therefore, both urgent and essential that the United States engage in a major effort to induce—through the promise of substantial economic assistance the adoption by the Ukrainian government of long-delayed and badly needed economic reforms. At the same time, American political assurances for Ukraine's independence and territorial integrity should also be forthcoming.

A more visible American show of interest in the independence of the Central Asian states, as well as of the three states in the region of

⁹ For a very intelligent Russian Critique of the Clinton administration's fixation with Ukrainian nuclear weapons, and of its counterproductive impact both on America and on Russian relations with Ukraine, see Stanislav Kondrashov, "That Kiev is Holding on to Nuclear Weapons is the Fault of Moscow and Washington," Izvestiia, Nov. 27, 1993.

Zbigniew Brzezinski

Caucasus, should also follow. Vice President Al Gore's visit in late 1993 to Kazakhstan and Kyrgyzstan was a step in the right direction but much more could be done-at relatively little cost. Kyrgyzstan has been implementing American prescriptions for democracy and the free market and today it is in worse straits than some of its neighbors. Given its small size, even a modest American involvement would have considerable political impact, U.S. political relations with Uzbekistan, and to some extent also Turkmenistan-both of which appear determined to resist external domination-have lagged because in Washington's view these largely Moslem countries have made insufficient progress toward democracy. Yet U.S. policy toward Kuwait or Saudi Arabia, for example, does not appear to be motivated by the same concern—and, for equally good strategic reasons, neither was it in years past toward Taiwan or Korea.

To the extent possible, the Central Asian states should be encouraged to engage in regional cooperation in order to enhance stability. Otherwise, ethnic conflicts between them are likely to be exploited from the outside-much as has already been the case with the Armenian-Azerbaijani warfare. The initiative by Kazakhstan and Uzbekistan in early 1994 to form an economic union certainly descrives international support, especially from the United States. In addition, given China's growing economic impact on the region and its natural interest in the future of the adjoining Central Asian states, some quiet American-Chinese political consultations regarding the

area would be timely.

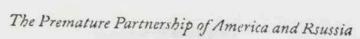
For equally good geopolitical reasons—but also for humanitarian ones as well-the United States should be more responsive to the need for international peacekeeping in the Caucasus. The U.N. special representative has proposed an international force of 2,000 peacekeepers for the Georgian-Abkhazia conflict-of whom not more than one-third would be from a single country. The effect would be to engage the Russians, who probably would supply one-third, in constructive international cooperation while reducing the scope for their unilateral intervention. Inexplicably, the administration has dragged its feet, thereby forfeiting the opportunity to establish a positive precedent for international and thus genuine peacekeeping

16

FOREIGN AFFAIRS · Volume 73 No.1

Page 59 of 172

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within the cis.

Pursuing geopolitical pluralism should also entail a more deliberate expansion of the scope and perimeter of European security. The deliberate promotion of a larger and more secure Europe need not be viewed as an anti-Russian policy, for the inclusion in NATO of several Central European democracies could be coupled with a simultaneous treaty of alliance and cooperation between NATO and Russia. It is altogether unlikely that Russia could be assimilated into NATO as a mere member, without diluting that alliance's special cohesion—and that is certainly not in America's interest. But a treaty between the alliance and Russia (even if Russia falls short of U.S. hopes for its democratic evolution) would provide the Russians with a gratifying recognition of their country's status as a major power while embracing Russia within a wider framework of Eurasian security.

That the expansion of the zone of democratic Europe's security would bring the West closer to Russia is no cause for an apology. It is with a stable and secure Europe that an eventually truly democratic Russia should wish to link itself. Only then will modernity and prosperity become Russia's reality. On this issue, propitiating Russian imperialists is not the way to help Russian democrats. The right course is to insist firmly that the gradual expansion of NATO eastward is not a matter of "drawing a new line"—as President Clinton wrongly put it in Brussels in January 1994—but of avoiding a security vacuum between Russia and NATO that can only tempt those in Russia who are more than ready to opt for empire over democracy.

Over the years, American policy toward Russia has oscillated between naive wishful thinking and cool realism. A dose of toughminded geopolitics, mixed with a friendly sentiment for the Russian people but also with sympathy for the aspirations of the non-Russians, is much more likely to produce a worthy successor to the earlier and historically successful strategy of containment. For that, neither slogans nor illusions provide a viable alternative. The emergence of a true American-Russian partnership requires not only a bilateral accommodation but, even more, a constructive geopolitical framework.

FOREIGN AFFAIRS . March / April 1994

[17]

ANNIVERSARY YEAR

The Washing

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My Favorite Reform: Mickey Kaus, Suzannah Lessard, and Jason DeParle

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THE REAL LEADER OF THE OPPOSITION

Phil Gramm and the surly, say-what-it-takes Republicans By David Segal

Political Book Award Issue

The Real Leader of the

Phil Gramm and the surly, saywhat-it-takes Republicans

BY DAVID SEGAL

udging from statements on the floor of the Senate, Phil Gramm has been in a terrible mood for over a year. The source of his irritation: Bill Clinton's tax increase and vision of a more active government. "I believe that hundreds of thousands of Americans will lose their jobs because of this tax bill," Gramm said last August. "Three-and-one-half years from now my guess is that the President will be one of them.' He called Clinton's deficit trust fund proposal "fraudulent," and labeled the tax increase "one of the great electoral betrayals that I have personally witnessed." In a less generous moment, he compared the administration's philosophy of governing to that of Cuba under Castro and North Korea under Kim Il Sung.

Measured against Gramm's past fulminations, Clinton has gotten off easy. A veteran practitioner of the sharp-elbowed, shin-kicking politics of the Lone Star State, Gramm is unabashed about his penchant for hardball. "I didn't come to Washington to be loved," he's fond of saying, "and I haven't been disappointed." During the Bork hearings back in 1987, the Texas senator referred to Judiciary Committee members Edward Kennedy and Joe Biden as "the people who cheated in college." U.S. News & World Report reported that last year, when Senators Dave Durenberger and James Jeffords voted in favor of a campaign finance reform bill, Gramm entered the headquarters of the National Republican Senatorial Committee, which he heads, looked at the portraits of the 44 Republican senators in the lobby, and ripped the photographs of Durenberger and Jeffords off the wall. "They're not Republicans anymore," he told onlookers.

As a member of the opposition these days, Gramm's snarling style is winning attention. Other Republicans have struggled to make their mark under a president skilled at usurping traditionally conservative positions on social issues and straddling the center on nearly everything else. Not Gramm. Beginning with the budget battle last March, the former economics professor has been a one man pocket of legislative resistance with a two step strategy: draft an alternative, then get nasty. Without

Research assistance for this article was provided by Adam Marcus and Stryk Thomas.

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official leader of the GOP's just-say-nopack. And in that role, he's already having an effect. By consistently outflanking Dole on the right, Gramm has become known in GOP circles as the person who makes the Minority Leader think twice about accommodating overtures from the White House. "They keep their eye on one another," says Dan Cass, of the Project for the Republican Future, a think tank. "Gramm is not one of the guys waiting for Dole to pass out the talking points before he speaks his mind."

Gramm isn't quiet about his presidential aspirations, either. His vast war chest alone—rumored to be nearly \$4 million strong-assures he'll be a serious candidate. Detractors say he's not telegenic, and has a weird accent and a style that won't sell outside of Texas. Note, they say, that Gramm's first brush with the national limelight—his droning '92 Republican National Convention keynote-was a disaster. His supporters point out that the last person to bomb a big convention speech was Bill Clinton; Carter's accent was no less regional; and as for looks, remember Nixon? They also point out that judging by his poll numbers, Gramm is the most popular politician in the country's second largest state, a state composed of the very sorts of Southern, sun belt,

and suburban voters that the GOP will need in order to have a prayer in '96.

He is already campaigning hard. Gramm now leads his likely rivals in visits to New Hampshire. having been there six times since Clinton's elec-

> tion. And heading up the National Republican Senatorial Committee allows him to do favors and supply funds to Republicans around the country, all of whom will provide a ready network come campaign time. "You have to ask, concretely, who can really get 25 percent of the vote in Iowa, who can do well in New Hampshire, who can go South and do respectably," says Republican guru Bill Kristol. "Gramm will be formidable."

And in the meantime, he will be ubiquitous. An acknowledged master of the art of visibility, Gramm runs the most effective public relations office

in town and has an unparalleled thirst for press. "The most dangerous place to be standing in Washington," goes the Hill adage, "is between Phil Gramm and a TV camera." More importantly, Gramm long ago learned one of the immutable laws of life on Capitol Hill: The quiet, often tedious work of legislating is rarely enough to land you on "Meet the Press." Ambitious congressmen need a knack for the soundbite and a gift for the partisan snipe. "He's good at playing the game," says a White House official. "The press know they can go to him for the biting quip."

swer questions with a subtext that says, "I stand



with normal people on this one, and I reject the perverse values of inside-the-beltway Washington which caused this problem in the first place." Gramm has that skill in spades and unlike, say, Newt Gingrich, who is quotable but usually comes off like a lightweight with a grudge, the Texas senator shows up with charts and facts to buttress his one-liners with hard evidence. He is mean enough to be entertaining and smart enough to be credible. On any number of issues—health care and crime come to mind—he pulls in more headlines and talk show spots than colleagues who've been toiling on the topic for years.

With Republicans struggling to define themselves in the age of Clinton, the state of the opposition in coming months and years could look more and more like Gramm. He is suited to the moment; with fewer substantive differences dividing the administration from the GOP, he's good at making the remaining differences seem mortally significant, and good at arguing that Clinton is faking it when the president overlaps

with Republicans.

Moreover, no one is better at pushing a major thrust of the GOP's message: anti-government populism. "I have a philosophy of free enterprise," Gramm told me in an interview. "I believe that government is the problem." The party's ornery apostle of freer markets and lower taxes, Gramm's sermons invariably conclude that government should be scaled back-not because it doesn't do anything right, but because it can't do anything right. This irredeemable incompetence means there are no ways to improve government, so the more we dismantle, the better, and the sooner we choke off its supply of funds-the sooner, in other words, that we cut spending and reduce taxes-the better. With characteristic lack of subtlety, this message is often animated by class resentments. Gramm likes to say he's for "the people who pull the wagon," while the Democrats keep piling the wagon with more freeloaders. "We're the only nation in the world where all our poor people are fat," he said in a speech about recipients of federal aid.

When should government spend money? Use the Dickey Flatt test, Gramm suggests, something he introduced to the world during his keynote speech at the last Republican National Convention. Flatt, you might remember, is the stationery store owner from Mexia, Texas,

whom Gramm described as the breathing emblem of the hard-working, tax-paying bedrock of this country. "Whether you see Dickey Flatt at the PTA or the Boy Scouts or at his church," Gramm said, "try as he may he never quite gets that blue ink off the end of his fingers." Law-makers should keep Flatt in mind when wondering whether to vote for a program and ask if the expenditure is "worth taking money away from Dickey Flatt." That, Gramm explained, is unlikely: "Let me tell you something, there aren't a lot of programs that will stand up to that test."

It's not surprising to hear a Republican in high dudgeon about government incompetence, but having Phil Gramm lead this particular cause is, shall we say, ironic. Why? For one, Gramm is a living rebuke to the notion that government is merely in the way. The government helped bring him into this world (he was born in a military hospital), funded his upbringing (his father was an Army master sergeant), paid for him to attend private school (with the GI insurance money Gramm's mother received when her husband died), and even picked up the tab for graduate school (thanks to a National Defense Fellowship). After getting his Ph.D., Gramm got a job at Texas A&M, which is state-run, was elected to the House of Representatives, and then to the Senate. In sum, Phil Gramm joined the government's rolls the first day of his life and has never left.

Then there's his paper trail. You'd think Gramm would be waging a guerrilla war to scale back government spending. He isn't. What's typical is his sponsorship of Orrin Hatch's bill to create an Office of Dietary Supplements in the National Institutes of Health to test vitamins, herbs, and minerals.

Regardless of the bill's merits, this didn't sound to me like the sort of program that would pass the Dickey Flatt test. But there was only one way I could be sure: call up information in Texas and then ask the man himself.

"No, that would not pass the test," says Dickey Flatt, from his store in Mexia, forty miles east of Waco. "I bet that idea came from some private organization that's giving the Democratic Party something like 16 zillion dollars so the government will do the job and they won't have to."

When you turn down the volume, parse his plans and check his votes, you realize that much

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Ha grams guy v "Diet cham of what Gramm wants would expand the government, sometimes in ways that are worth considering, and invariably in ways that contradict what he claims are his fundamental beliefs. The key, it turns out, is to watch what he does rather than listen to what he says, and to understand that Gramm's overriding ethos has little to do with Dickey Flatt or fiscal conservatism or any principle larger or more dignified than his own political ascendance.

Phil Gramm: Old Democrat?

Take deficit reduction. Thanks to the Gramm-Rudman law and his "cut spending first" mantra, Gramm has earned a reputation as an honest-togoodness deficit hawk. G-R established a series of incremental spending reduction targets over a period of years and set up an axe that would hack across-the-board cuts if legislators were unable to meet those targets. This made for good press, but it's a witless way to reduce deficits and this particular effort was unserious. It's witless because, as Michael Kinsley argues, there's no reason to cut everything equally if some programs could take a hit more readily than others (why cut Head Start the same as the sugar subsidy?). And it was unserious because it didn't include the largest government program of all, Social Security. In 1990, once Congress realized it couldn't keep pace with G-R's schedule—and realized how ugly across the board cuts would be-it voted itself out of the Gramm-Rudman noose.

Since then, Gramm has posed as a kind of budget martyr-I tried, dammit, but my colleagues wouldn't make the tough decisions. "Shortly after the 271 representatives and 63 senators patted each other on the back for passing G-R in 1985," Gramm wrote in a Washington Times op-ed, "the slippage began. Some challenged it in court. Other tried to exempt favorite programs from its consequences." At other occasions he moaned, "Balancing the budget is like going to heaven: everybody wants to do it. They just don't want to do what you have to do to make the trip."

Had Gramm offered up his own favorite programs? Quite the opposite. Gramm may be the guy with the gun to Congress' head screaming "Diet!" but there aren't many lawmakers in either chamber better than he is at raiding the fridge. The National Taxpayers Union Foundation's survey of all bills sponsored by members during an 18 month period starting in January of 1991 found that there were only three representatives in either chamber who had failed to sponsor a single bill which cut spending. Gramm was one of them, and the only Republican (Bob Kerrey and Robert Byrd were the other two). The bills he did back, if enacted, would have added a total of \$8.3 billion to the deficit. (These facts so clearly gave the lie to Gramm's public posings that the senator's staff summoned the authors of the study up to the Hill for a stern chat and suggested they never publish anything like that

again—advice they ignored.)

"I'm carrying so much pork, I'm beginning to get trichinosis," he told a local paper in a more candid moment. He has backed billion-dollar Texas pork projects like the Superconducting Supercollider and the Space Station. This past session he fought three bills that would have ended the government's million-dollar mohair subsidy, and has supported the Gulf of Mexico Preservation Act, which would cost \$200 million in the next five years. He pushed for the plant stress lab at Texas Tech (\$100 million a year), and netted \$500 million for the National College of D.A.s in Houston. Those expenditures are hypocritical given his rhetoric, but they at least make pork barrel sense. "I'm going to work for tight budgets, I'm going to reduce spending," Gramm says. "But once spending levels are set, I'm going to fight to see that Texas gets its share."

Then how to explain all the bills with specific cuts that Gramm dodged? He didn't support a repeal of the Helium Act, for instance, which would have ended the government's \$34 million a year helium extraction and reserve program (a holdover from the twenties when helium sources were scarce and the government thought it might need the stuff for blimps). He wasn't on the bill to cut foreign assistance, and passed on repealing the Davis-Bacon Act, a move which would allow open bidding and competition for federal contracts and save the government \$2.5 billion over the next five years. Last session there were 77 bills in the Senate which contained specific cuts to the budget. Gramm was on just two.

He stuck instead with the faux-courage of across-the-board cuts and caps by backing no fewer than six G-R-style bills. "There's nothing

in the federal budget that doesn't look good to somebody," says Bowman Cutter, a special assistant to the president at the Office of Management and Budget. "The easiest thing to do is legislate caps and avoid all the heat for specific reductions. But it's a pure symbol vote. It simply puts you on record as being against big deficits."

Judged by ardor alone, Gramm must truly want a balanced budget, but he's simply unwilling to pay any political price to achieve it. Which leads him to a position masterfully calibrated to an enduring truth about many American voters: namely, that their fervor about the need to reduce the deficit is matched only by their belief that their own programs should not be touched.

Phil Gramm: Demagogue?

Gramm's deficit demagoguery isn't surprising to anyone familiar with his career. His first race in 1976 was a quixotic run against then-Senator Lloyd Bentsen when Gramm was 33, a Democrat, and an unknown economics professor. A dogged and combative campaigner, he poured \$50,000 of his own money into his campaign and crisscrossed the state charging that Bentsen "has no principles and no business representing the people of Texas in the U.S. Senate." He also peddled an alarmism about foreign policy that seems vintage 1960: "We have lost Asia. Spain and Portugal could fall to the communists at any moment. And two mainstays of the Atlantic Alliance, Italy and France, could become communist satellites through free elections."

He was resoundingly defeated. The following day he announced he would run again, this time for the 6th Congressional District seat which would soon be vacated. Gramm's main competition in the primary was one of his former students, 25-year-old Chet Edwards. The race heated up when Gramm accused the Edwards camp of floating the rumor that Gramm's first child was conceived out of wedlock (Edwards has long denied the charge). Gramm told crowds that his opponent was a lousy economics student; Edwards then showed reporters the "A" Gramm had given him. A pivotal moment came when "Tiger" Teague, the conservative Democrat who was stepping down from the seat, became irked that Gramm was implying that he

and Teague were close. "I am not pleased that Phil Gramm said he worked for me," Teague said, and later called a press conference to mount an attack on Gramm's integrity so vicious that it actually won voters to Gramm's side. Edwards came up 115 votes shy in the primary and Gramm went on to win the general election with

65 percent of the vote.

In Washington, Gramm seemed hell-bent on alienating everyone. His first speech in the House was made on Republican time to attack a Democrat-supported bill and included a belittling assault on an argument offered by Jim Wright, who was then the head of the Texas delegation as well as the majority leader. He drafted an alternative budget soon after the House Budget Committee passed its own. Later, Gramm shmoozed his way back into Wright's good graces and then used Wright to land a seat on the Budget Committee, reassuring all concerned that he could be a team player. As Wright recently told The Texas Observer, "Phil Gramm told me and others that if he were favored by a Budget Committee assignment he would make his arguments within the committee and then would close ranks and back whatever budget resolution the majority crafted." Instead, Gramm perpetrated a now notorious double-cross. Sitting in on Democratic caucus budget meetings Gramm reported the party's budget strategy to David Stockman, then Reagan's budget director. He also collaborated with Stockman on Reagan's first budget, soon to be christened Gramm-Latta, and helped line up conservative Democrats behind it. The Budget Committee declined to renew Gramm's membership at the end of 1982.

Gramm decided to switch parties and instead of simply announcing the shift and retaining his seat he resigned and ran in a special election. He has made no small amount of political hay about the guts required to take this kind of chance, and he has a point. But then again, at the time of the election, his district, like much of Texas, had been swept into the GOP by Reagan. Moreover, Texas' governor made the timing especially felicitous for Gramm by calling for an election a scant six weeks after the announcement, not enough time for an opponent to launch a genuine challenge. The move also made savvy political sense. As Robert Draper wrote in the *Texas Monthly*, it allowed "Gramm to recast himself as a political martyr who had been

Memo of the Month

[From the Office of United States Senator Phil Gramm]

MEMO

TOT

All Regional Directors / Managers

Jeb Hensarling FROM:

March 28, 1989 DATE

OFFICIAL GREETING PARTY FOR MEDIA EVENTS AT A IMPORT

Please be advised that whenever the Senator arrives by airplane to a media event taking place at the airport, there should be an official greeting party. As soon as the plane lands and comes to a complete stop, this greeting party should approach the plane and complete stop, this greeting party should approach the plane and form a receiving line. In the past, the Senator has deboarded for a media event without a greeting party there to welcome him. There a media event without a greeting party there to welcome him. There are two cameras present to film the Senator having to walk to were t.v. cameras present to film the Senator having them walk to meet locate the people to meet, rather than having them walk to meet him. Obviously, we wish to avoid this situation in the future.

JH/dpm

Courtesy of The Dallas Morning News

driven out of the Democratic party, rather than be seen as a traitor to the party." Gramm won without a run-off, taking 55 percent of the vote.

When John Tower stepped down from his Senate seat in 1984, Gramm pounced. His opponent in that race was Lloyd Dogget, a liberal Democrat in the state senate. The campaign revolved around one issue: Dogget, who had the support of the gay community, had received an unsolicited \$500 contribution from a gay group which had held a fund-raiser featuring a male stripper. "Gramm learned about this in June," says a former Dogget staffer, Kate Fein, "and that's all he talked about until November." Gramm's radio ads didn't demure: "Lloyd Dogget actively sought and received the endorsement of gay and lesbian groups. . . Homosexual groups in San Antonio even had the poor taste to hold an all-male strip show to raise money for Dogget. Their magazine ran his picture taking their money." The tag line read: "Friends of Phil Gramm paid for this because Phil Gramm supports traditional family values."

There were also TV ads of the Gramm family on a fishing outing enjoying family values, but the Ozzie and Harriett imagery came with a strange twist: Harriett was hidden. Gramm's wife, Wendy, is of Korean descent and the most you could see of her in these spots was the back of her head. "We'd watch these ads," says another former Dogget staffer, David McKenna, "and we'd be wondering, 'Hey Phil, where's Wendy?""

Even after Dogget returned the \$500 contribution, the gay stripper issue would not go away. Between the withering attacks and Reagan's coattails, Gramm beat Dogget by 18 points.

Gramm's ties to the Reagan administration helped to make him a prominent player in budget deals and the best known member of the Texas delegation. His most renowned handiwork was Gramm-Rudman, but he also spent tremendous energy at home converting Texas Democrats to Republicans and pushing GOP candidates. His advocacy was often hard to distinguish from self-puffery; a common line was that "a vote for [insert name] is a vote for me." When his long-ago rival, Chet Edwards, sought Texas' 11th Congressional District seat, Gramm said in a commercial, "The bottom line is this: I can and will work with Hugh Shine. I cannot and will not work with Chet

Edwards." Edwards won, and Gramm's presence proved a mixed blessing for many of those he supported—in 1990, for instance, 13 of the 16 state and national candidates he campaigned for lost.

Phil Gramm: New Democrat?

A central facet of Gramm's career—from spying for Stockman to securing two consecutive terms as head of the Republican Senatorial Committee—is a genius for making himself a player. Under Reagan, when tax cuts were the only game in town, Gramm helped engineer the seminal 1981 tax-cutting budget. Through the late eighties and early nineties when deficit reduction was the hot problem, Gramm's name became synonymous with the solution. Clinton's arrival has revealed how good Gramm is at updating his genius to the times. Now that welfare and health care reform seem imminent, Gramm has emerged with some interesting plans. On welfare, for instance, he has come up with an idea that is so filled with a liberal, let's-try-something spirit that it is hard to believe he actually thinks it would work. In a speech which included, naturally, plenty of snipes about the evils of greater government, he laid it out at a meeting of the GOP faithful in January:

We are capable today with our computer technology to have every welfare mother in America come in and take a one-hour test, and we can design a home study, computer-generated, computer-proctored study program for her, tailored to her needs and we can make her check contingent on her completing that course work and developing the skills at home with her children that will make it possible for her to break the welfare cycle, and *I want that provision to be the law of the land*.

Is Gramm suggesting that we give welfare mothers computers and modems? Or that we hire more social service bureaucrats and give *them* computers and modems? Either way, would *this* pass the Dickey Flatt test?

"That is just an awful idea," says Dickey Flatt. "Absolutely awful. You need more bureaucrats. Then you need operators to teach these bureaucrats how to use the computers. That just means more government."

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Mr. Flatt would no doubt also flunk Gramm's original health care plan. "People would be hunting Democrats with dogs by the end of the century" if Clinton's health plan passes, Gramm warned at a September press conference unveiling an alternative of his own. The problem, as he sees it, is that the plan would entail an explosion of regulations and the loss of consumer choice.

Oddly enough, Gramm's plan is wide open to

The National Taxpayers

members during an 18

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one of them.

similar charges. By trumpeting competition and consumer choice to keep costs down, Gramm gives it the patina of free market conservatism. But look what's underneath. Gramm would require that insurers provide employee policies that are "guaranteed renewable" with "premiums that could not be raised based on the occurrence of illness." Because Congress has steadfastly refused to regulate the insurance industry in the past, that means not just

new laws, but new bureaucrats to oversee those new laws. Additional regulations await employ-

"When my momma gets sick, I want her to see a doctor, not a bureaucrat," Gramm drawls in town meetings around the country. But if Gramm's momma is like millions of other Americans and has a pre-existing condition, her son's plan would acquaint her with quite a number of bureaucrats. Gramm would place those with pre-existing conditions in a high risk pool, then allow insurance companies to bid for their business. These individuals would be required to pony up one-and-a-half times the average premium charged to healthy persons in the area. What if an insurance company charges someone seven times the area average? The government picks up the difference.

Of course, that could get expensive because Gramm hasn't given insurance companies any incentive not to gouge customers (and by extension,

the government). Worse, insurers have a great reason to broadly define what constitutes a pre-existing condition and send as many people as possible to the high risk pool. This is a little like telling the defense industry that they get to decide how many fighter planes we need, then allowing them to charge whatever they want to build them.

Hence, the scheme would occasion either a vast transfer of wealth from Washington to the insur-

ance industry, or, as is far more likely, it would occasion tough federal oversight and more regulations. In fact, this high risk pool would have to look a lot like a single payer system because it would result in people paying identical sums for coverage and would require government intervention to control costs. All of which explains why conservatives hate Gramm's plan. "He would create a new national health care system for high risk people," says Stuart

Butler, director of policy studies at the Heritage Foundation. "It would have far less choice and far deeper federal involvement than Clinton's plan. This is not what you'd expect from Phil Gramm."

Indeed, other elements of the plan entail intrusion on a scale that makes Clinton seem positively libertarian. "Financially capable" persons (200 percent of the poverty level) who choose not to purchase at least catastrophic insurance and end up needing care will have their wages garnisheed by the government over the course of seven years. Also, anyone getting federal assistance who smokes, drinks excessively, or is overweight will have to pay more for insurance. Without checking dumpsters for empties and fingers for nicotine stains, it's unclear how the government would know.

Given his alarms about the Clinton plan, it's hard to figure what Gramm had in mind when he drafted his own. Whatever it was, he's forgotten it. Latching on to the current GOP vogue, Gramm has scaled his plan back to minor tinkerings and add-ons to the present system and joined the "there is no health care crisis" chorus.

This shift is extremely revealing. It suggests that the point of his original plan was not so much to expand health care coverage to the country's 37 million uninsured but to abrade the administration and win some headlines. After all, if back in November Gramm was focused on the health care system enough to draft a plan to revamp it, he should have noticed then that the system wasn't in crisis. It's not as though there was a crisis five months ago and now it's over. There is a more likely explanation: Gramm's original plan-which had laudable ambition-was generating few cosponsors and little press. He saw an opportunity when Bill Kristol quickened some administration pulses in early January with a Wall Street Journal op-ed outlining the "there is no health care crisis" thesis. Shortly after the piece was published, Gramm met with Kristol and soon dumped his first plan in favor of Kristol's tiny bag of reforms (like malpractice legislation). Sure enough, mini-Gramm, as the plan is now known, has made its author a player on health care. Dole, who also used to agree that something had to be done on health care, boarded the no-crisis train in late January.

Phil Gramm: Salesman

Mini-Gramm may turn out to be a rare miscalculation for its creator, primarily because Clinton's State of the Union speech devastated the no-crisis line. "That speech reinforced the hand of moderate Republicans," says Senator Dave Durenberger. "These are Republicans who've been involved with health care reform since the seventies, who believe we've got a real problem." It now looks as if John Chafee will be the GOP's point man in the coming legislative debate.

But once again, Gramm is trying to sell himself as the party's conservative big thinker on the day's hottest issue. It's a line that is often hard to buy. His ideas may come cloaked in the gravitas befitting a Ph.D. in economics, but the underpinning doctrine is usually nothing more esoteric than Tell Dickey Flatt What He Wants to Hear. For instance, on the country's two thorniest economic problems—deficit reduction and the sav-

ings and loan collapse-Gramm's diagnoses resurrect that cheery and dubious motto of the eighties, "We can grow our way out of the problem." Asked how President Gramm would reduce the deficit, he recites Republican boilerplate about the need for a line item veto and a balanced budget amendment and adds, "I always begin by pointing out that the economy is growing and that growth is generating between \$60 and \$90 billion in new revenues. The key, if you're going to deal with the deficit, is that you'll benefit from these new revenues." And here he is in an interview with John McLaughlin in January of 1989, one year after optimistic estimates of S&L losses were at \$100 billion and a federal bailout looked absolutely inevitable:

There is a hole out there. How big it is, \$30 billion, \$50 billion, somebody has to pay for it. And the person that I am committed to seeing not paying for it is the taxpayer.

How is that possible? asked an incredulous John McLaughlin.

If we can get private investors to come in and invest private capital, if we can see the recovery in the Southwest which has started continue—that is, we don't have a national recession that nips our recovery in the bud—then I think we've got a fighting chance. . . of working through this without the taxpayer having to pay for it.

History has not been kind to that Disneylandish forecast, and Gramm, without question, knew better. "By 1989, there wasn't a sane person on earth who thought taxpayers were going to dodge this bullet," says Steve Pizzo, author of *Inside Job: The Looting of America's Savings and Loans.* "And every day the Phil Gramms of Congress denied the size of the problem and refused to close down the thrifts, we lost millions. At one point, \$30 million a day."

One of Gramm's gifts is repackaging this kind of pandering as heroism. On the Hill, where he's notorious for stealing credit for bills and ideas he didn't think of, there's a word for it: Grammstanding. Last year, the Dallas Morning News gave Texans a behind-the-curtain look at some of his methods when nine former Gramm staffers supplied the newspaper with internal memos from the senator's office. One concerned

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Gramm's visit to the Brooke Army Medical Center in San Antonio. The memo stated that "We have tried to create a 'BAMC funding scare' while feeling comfortable that BAMC is safe from the budget knife." The funding scare was designed to cast Gramm as the knight who rescued BAMC from oblivion but Gramm knew that the hospital would not have its funding slashed because Pentagon officials had told him so privately a few days before his visit. The senator's press office later told the *Morning News* that the word "not" had been omitted from the memo: "The sentence should read 'We have not tried to create a BAMC funding scare..."

Even by Washington's jaded standards this is cynical stuff. Another memo contained instructions on how to capitalize on the senator's wife, the same wife who had been hidden in those family values commercials: "The Asians are our natural constituents, philosophically and because of Wendy. This should be an easy sell; we need to continue to activate them, especially financially."

The key phrase here is "easy sell." Gramm likes Democrats to believe he's dangerous because he is an ideologue, but the real problem is that beyond hucksterism and ambition, he is devoid of ideology. Eyeing a run for the White House in '96, he's virtually required to lob shots at the administration; anyway, lobbing shots is now part of the GOP's job. But another part of the job is offering the public viable alternatives to Democrat ideas. For Gramm, that work is inseparable from self-promotion and leads him to sell plans that will score him points-or contradict his core philosophy-rather than move the debate forward or actually improve people's lives. It's telling that Clinton's real trouble on health care has come from a Democrat, Jim Cooper. It's also telling that these days Gramm isn't sure if he's the guy who wants to reduce spending or pay for a Dietary Supplement Department at NIH, shrink the government or wire the inner city for Internet, solve the health care crisis or disavow it. The shame is that there are few politicians today who are as smart as Gramm or as good at connecting with the kind of voters the country will need to accomplish real reform. Understanding how to "activate" Dickey Flatt, however, is not the same thing as leadership.

The Washington Monthly

JOURNALISM AWARD

FOR NOVEMBER 1993 IS PRESENTED TO

Martha Cruikshank San Jose Mercury News

Headlines about downsizing, corporate layoffs, and restructurings have been so common
lately that it's hard to imagine how a story
about white-collar job woes could be arresting.
So the *Mercury News*' Sunday magazine took
the imaginative step of publishing excerpts
from the diary of a woman, using the
pseudonym Martha Cruikshank, who chronicled an emotional summer at a Silicon Valley
firm that began with the announcement that
layoffs were coming.

Through her insider's account, Cruikshank accomplishes what most business journalism rarely does: She paints a convincing portrait of the cultural forces of survival that a possible layoff sets off in an organization. She admits: "I find myself relentlessly bench-marking my colleagues. I can do her job. . . Can she do mine? Maybe. But I'm better at it. Aren't I? . . . I used to be a much nicer person." At a time when the U.S. economy is averaging 50,000 job losses a month, the human toll—even on people like Cruikshank who survived this round of cuts—is substantial, and accounts like these open a window on that often-obscure fact.

The Monthly Journalism Award is presented each month to the best newspaper, magazine, television, or radio story (or series of stories) on our political system. Nominations for any newspaper, magazine, radio or television station in the country are welcome. The subject can be government in its federal, state, or municipal manifestation. Please send nominations to Monthly Journalism Award, 1611 Connecticut Ave. NW, Washington, D.C. 20009. Two copies of the article or broadcast text should accompany the nomination.

Nominations for stories published or aired in March will close April 15. The winner will be announced in the June issue.

CAMPAIGN AMERICA

SENATOR BOB DOLE Honorary Chairman

FACSIMILE COVER SHEET

DATE:	3/3/94		TIME:		
TO:	SENATOR	DOLE			
FROM:	JO-ANNE				
RE:	EXCERPT FROM TODAY'S HOTLINE				
If rec	NUMBER eiver has question ign America telec	or PAGES TO FOLL ons, please call copier (202) 408-	at 202-408-5105		
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900 Second Street, N.E. Suite 118 Washington, D.C. 20002 202/408-5105 Fax 202/408-5117

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deserve an A for befogging Janet's junior Javert at Justice, John Hogan" (3/3). Hunt: "If the current performance continues, ... it's less than a longshot bet that one or two White House aides could end up in the slammer -- not for what happenened in Arkansas in the 1980s, but for the way matters are being mishandled in the 1990s" (3/3). GOP strategist David Beckwith: "We are now seeing a situation where 1994 morality is being applied to 1980 Arkansas business practices. And it may not be fair, it may not be nice, but it's going to happen and it's going to be a huge, huge problem for this administration" (FOX, 3/3).

WHITE HOUSE '96: BAKER LAYS OUT TIME FRAME FOR DECISION Ex-Sec/State Jim Baker was interviewed this a.m. by C-SPAN's Steve Scully. Baker: "My view is that we Republicans make a mistake talking about 1996 until after the '94 elections are over, because I think we've got a great opportunity to pick up some seats, both in the Senate and the House, and as well as some govenorships. I sort of try and discourage focus on '96 until after the mid-term elections. Having said all that, I'll have to tell you that while I haven't decided I'm going to do it. haven't decided I'm not going to do it." Asked when he would he make the first step, should he decide to run: "I think that based on my experience with presidential politics, which is not completely inconsiderable, I think you have to make a decision like that by January or February of 1995. I think that you shouldn't wait any longer than that, and particularly with the schedule being as compressed as it is for 1996. A lot of the primaries, as you know, a lot of the big states are moving their primaries up. New York is up to March 3 now and that sort of thing. So, I think December of '94, January of '95 is when people have to make a decision" (C-SPAN, 3/3).

DOLE'S ANGELL TO RUN FOUNDATION: Ex-Federal Reserve Bd. governor Wayne Angell, whose ties to Bob Dole "helped him get a position" on Fed Board, "is now preparing for a new job: heading up a Dole presidential committee, of sorts. Officially, Angell is being considered to lead the Better America Foundation, a Republican think-tank that would form positions and policies.
But unofficially, it's a 'foundation' in name only, its primary
purpose is to undergird Dole's presidential yearnings." Angell; "It's an organization that would be affiliated closely with a U.S. senator who some believe might have presidential aspirations. This could be a think-tank for the senator to help clarify his visions for a better America. As such, it is not what you'd call a foundation with tax-exempt status." But one "critic," Center for Responsive Politics' Ellen Miller, noted the foundation "is carefully structured so that donors can avoid limits on political contributions." Corporations cannot "legally give money to a campaign" but they could to Dole's new foundation: "If it's a campaign [cmte], it ought to be registered as a campaign [cmte] and follow those rules. If it's genuinely a public-education entity, why the hell are they not constituting It as a tax-exempt organization?" (Webb, WICHITA EAGLE, 3/3). CLINTON HITS BACK IN IA INTERVIEW: In an interview with DES MOINES REGISTER's Yepsen, Clinton said that potential '96 GOP

RETAIN IT AFTER THIS STUPID STATEMENT!

VOU CAN BE SURE ELLEN HILLER AND THE PRESS WILL BE

March 4, 1994

THE WEEKLY ECONOMIC REPORT

by David F. Taylor

Executive Summary

Market confusion has sent the bond market on a rollercoaster ride over the past few weeks. Monday's report of higher than expected 4th quarter growth was followed by news that prices paid by purchasing managers had moved up sharply in January. The combination of these two reports, increased tension between the U.S. and Japan on trade, and speculation about the President's potential nominees to the Federal Reserve Board, helped reignite inflation fears and led to a sharp sell-off in the bond markets early in the week.

Federal Reserve Chairman Greenspan and the administration have been sending mixed signals to the market. Last month, Federal Reserve Chairman Greenspan clearly indicated that the Fed's move to raise short-term interest rates was aimed a limiting "inflation expectations." That is precisely why Greenspan signalled that the Fed would watch gold prices more closely and why Greenspan flatly rejected the notion that growth triggers inflation. Fed observer Owen Ullmann notes, "Gold is a classic hedge against inflation, its price is a sensitive indicator of expectations. So if prices are headed up, the Fed may boost short-term interest rates." (Business Week, 3/7) In theory, Greenspan's testimony should have reassured the markets, but the markets continue to behave as if a huge jump in inflation is imminent.

"There is more fear of inflation than there is inflation," says **David Wyss**, research director of **DRI/McGraw Hill Inc.** "The purchasing managers report has been a lousy indicator of inflation. I see very few signs of inflationary pressure." (Wall St. Journal, 3/2) "The bond market was vulnerable to bad news on inflation and the purchasing managers' report fueled those fears," said **Mickey Levy**, chief financial economist at NationsBank. (Wall St. Journal, 3/2)

Bruce Steinberg, manager of macroeconomic analysis for Merrill Lynch says, "The economy appears to be slowing to a more sustainable pace of growth, and the inflation climate looks really good." (The Bond Buyer, 2/28) Despite general consensus among economists that the U.S. economy will grow between 3% and 4% in 1994 with low inflation, continued market skittishness about inflation could drive up long-term interest rates. James Cooper and Kathleen Madigan predict, "Once the economy shows signs of more moderate growth, long-term rates should start to head back down." (Business Week, 3/7)

The administration holds three potential wild cards. First, it is no secret that President Clinton would like low interest rates to continue, but Treasury Department officials have also suggested that they would like to see a weaker dollar in an effort to help U.S. exporters compete in foreign markets. A weaker dollar would increase inflationary pressure here in the U.S. Second, the departure of inflation hawks Wayne Angell and David Mullins at the Federal Reserve gives President Clinton a chance to affect the future course of monetary policy. His likely appointees are not expected to take inflation as seriously as their predecessors. Finally, yesterday's

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decision by President Clinton to sign the executive order reauthorizing so-called "Super 301" authority raises the level of U.S.-Japan trade frictions another notch. "The provision is considered the most powerful weapon in the U.S. arsenal against its trading partners, and the Clinton administration is using it as part of an orchestrated plan to signal its seriousness over shrinking the \$59.3 billion U.S. trade deficit with Japan." (Wall St. Journal, 3/5) Super 301 authority requires that the administration name priority countries that are engaged in unfair trade practices. Taking this action can lead to retaliation by the U.S. at the discretion of the President. While U.S. Trade Representative Kantor was careful to say that this action was not aimed at Japan, the fact that President Clinton called Japanese Prime Minister Hosakawa prior to the announcement suggests otherwise.

Recent Economic News

- Real GDP rose 7.5% in the 4th quarter of 1993, much faster than the 5.9% rate initially reported by the Commerce Department and the best quarterly jump in 10 years. The larger-than-expected improvement resulted from an \$11.5 billion increase in U.S. exports and stronger consumer spending. (3/1)
- The February National Association of Purchasing Managers survey showed a sharp increase in the prices-paid index in January to the highest levels since October 1990. (3/1)
- The government's index of leading economic indicators rose 0.3% in January.
 The 6th consecutive monthly increase follows a 0.7% gain in December. (3/4)
- The unemployment rate dropped to 6.5% in January (3/4), and weekly initial jobless claims dropped 57,000 last week. (3/3)

Reactions from the White House and Capitol Hill

 President Clinton opposed the balanced budget constitutional amendment arguing, "If it is passed, it runs the risk of endangering our economic recovery by requiring excessive tax increases or very damaging cuts in defense or investments in technology and job training or Medicare and Social Security." (CNN, 3/1)

FEATURE -- Health Care Reform

- The Jackson Hole Group is reportedly considering rejecting President Clinton's health care reform bill in favor of a more cautious "pay-as-you-go" approach to achieving medical coverage for all Americans. (Wall St. Journal, 3/1)
- This week, House Energy & Commerce Committee Chairman John Dingell and

Health subcommittee Chairman Henry Waxman jointly decided to bypass Health subcommittee consideration of health care reform in favor of consideration by the full Committee. Waxman lacked the votes in subcommittee needed to report approve the employer mandates or premium caps in the Clinton plan. At this point, Dingell also lacks the votes needed to approve these provisions in full Committee. The Ways & Means Health subcommittee has also delayed its scheduled drafting of health legislation. (Wall St. Journal, 3/3).

What Other People are Saying About the Economy

- In his weekly column, Robert J. Samuelson defended the Federal Reserve's recent move to raise short-term interest rates. He writes, "What would raise long-term rates permanently is higher inflation. If the Fed fights inflation only when it's obvious--well, by then it's too late." (Washington Post, 3/2)
- The Economist writes, "At almost any moment in any economy some confusion is unavoidable. Information even about recent economic trends is patchy and unreliable; information about the future is nonexistent, and thus uncertainty about what might, or might not happen is ever-present. But one variable, at least, is capable of clarification. That variable is the government's use of the limited number of economic instruments at its disposal. Those instruments—principally interest rates, taxation and spending—do not control the economy but they do influence it, sometimes mildly sometimes powerfully. It is the direction of their influence that is currently at issue in America.... And the confusion is arising because different puppeteers appear to want to use different instruments to achieve conflicting ends." (The Economist, 2/26)
- Former Senator Paul Tsongas said, "You have six living presidents. Two
 Democrats, four Republicans. Not one of them ever signed a balanced budget.
 You have 100 members of the United States Senate, 93 of whom never voted
 for a balanced budget and only one, Strom Thurmond, voted for more than one.
 You have 435 members of the House. 411 never voted for a balanced budget.
 So, deficit spending is American." (CNN, 3/1)
- George Melloan writes, "The Clinton administration's rampant politicization of trade has pitfalls for [U.S. business leaders].... When the government becomes a partner to business it quickly assumes the role of senior partner, one that thinks it knows a lot more about business than it really knows.... There are a few marginal signs in the press that this year's return to trade politics is not as popular with American voters as last year's trade agreement achievements. Mr. Clinton can't have things both ways. Either he abides with agreements that remove trade barriers or indulges in political games that, often as not, violate those principles. It might not be such a bad idea as well for American corporation CEOs to consider that for every happy Saudi [aircraft] deal, with its political midwifery, there is the potential for a deal lost by a government's political

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President Clinton is expected to name Alan Blinder, a member of his Council of Economic Advisers, to succeed David Mullins as Vice Chairman of the Federal Reserve Board. Blinder, a self-described "inflation dove," has written, "A nation is better off without inflation, just as an individual is better off without a headache. but if it is painful to reduce inflation (as it surely is), then a rational society may be loath to take anti-inflation medicine, just as a rational individual may reject brain surgery to cure a headache." (Wall St. Journal, 2/28) The problem is that the U.S. economy has already gone through the painful process of wringing out high inflation. Vigilance is needed to keep inflation from returning.

Polls

- According to a January survey of more than 1,000 community banks conducted by Grant Thornton, more than three-fourths of those polled believed that the economy is either entering a period of recovery from recession (49%) or well into a recovery (27%). However, more than four in five describe the President's performance as either "only fair" or "poor". 52% were most critical of the job that Clinton has done for business. (PR Newswire, 3/2)
- The Quick & Reilly Winter survey of 521 of the nation's most sophisticated investors shows that 62% predict the economy will become stronger in the near future. 28% give Clinton some or most of the credit for the economy's recent improvement while 62% attribute most of the credit to President Bush's policies. (PR Newswire, 3/2)
- The latest Washington Post-ABC News Poll shows that for the first time since he introduced his health care proposal last fall more people disapprove (48%) than approve (44%) of the Clinton Health Plan (3/2). Eight of ten are concerned that the quality of their own health care would decline if Clinton's plan became law. Other highlights of the plan are listed below:

	<u>10/93</u>	2/94
The quality of you medical care will decline	64%	80%
You might not have good choices of doctors or hospitals	72	75
The cost of your medical care will increase	70	74
People who need it most won't get adequate care	56	72

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Republican National Committee

Haley Barbour Chairman

March 5, 1994

Senator Robert Dole c/o Office of the Governor Jackson, MS 39201

Dear Bob:

I wish I could be there tonight in Biloxi as you pay tribute to Mississippi's fine governor, Kirk Fordice.

Elected in 1991, Kirk is the first Republican governor Mississippi has had in 117 years. We elected a grassroots conservative when we finally got around to electing a Republican.

Kirk will stand up for the principles we believe in -- reducing spending and cutting taxes. An independent public-policy research group in Washington, the Cato Institute, recently graded all the governors and gave Kirk an "A" for his fiscal policies. He deserves it!

I'm sorry I can't join you and Kirk tonight, but Mississippi is proud of him, and of you for coming to our state to honor him.

Sincerely,

Mily

This document is from the collections at the Dole Archives, University of Kansas http://dolearchives.ku.edu

TO: Senator Dole

FR: Kerry

RE: Kirk Fordice Event

March 5, 1994

*Audience of approximately 150 attending reception for Kirk and Pat Fordice. (\$1,000 per couple for private reception, \$250 a couple for larger reception.)

*They're looking for 10-15 minutes of pro-GOP, pro-Fordice remarks. Fordice has not officially announced his plans for next year, but clearly seems to be running.

*Our contacts say there will be quite a few doctors in the audience, and asked that you discuss health care.

PAGE FOUR

Saturday, March 5

3:00 PM Lv. The Scaview

3:30 PM Ar. Ft. Lauderdale International Airport

Ft. Lauderdale Jet Center

305/359-3200

3:35 PM Lv. Ft. Lauderdale =

> AIRCRAFT: Falcon 50 OWNER: AFLAC TAIL NO.: N 500 AF

SEATS:

MANIFEST: Senator Dole

FLIGHT TIME: 1 hr 40 mins

TIME CHANGE: -1 hour

CONTACT: Holly Pendleton, Aviation Dept.

706/324-0586 (0) 706/561-5029 (Home)

706/596-3939 (AFLAC Security)

4:15 PM Ar. Biloxi, Mississippi

Biloxi-Gulfport Regional Airport

US Aviation 601/863-2570

MET BY: Governor and Mrs. Kirk Fordice

(Teen-Age Republicans will greet on arrival,

with small rally on your behalf)

PROCEED TO HOLDING ROOM

4:20 PM-PRIVATE MEETING WITH GOVERNOR FORDICE

4:28 PM

AIRPORT PRESS AVAILABILITY WITH GOVERNOR FORDICE 4:30 PM

5:00 PM Lv. Gulfport Regional Airport

DRIVE TIME: 25 minutes

Ground transportation arranged for by Andy Landgraf

5:25 PM Ar. Treasure Bay Hotel

(Formerly Royal d'Iberville)

Biloxi, Mississippi

601/388-6610

PAGE FIVE

Saturday, Harch 5 (continued):

5:27 PM PROCEED TO MAGNOLIA ROOM (2ND FLOOR)

5:30 PM- ATTEND/SPEAK - FUNDRAISING RECEPTION FOR GOVERNOR KIRK FORDICE (Event runs 5:30-7:30)

CONTACTS: Martha C'Neal

Governor's scheduler

601/359-2217 601/359-3741 (FAX)

Trudy Nichol
On-site event coordinator
601/388-6610, Room 803 or 807

Shannon Warnock Campaign Director 601/355-5475

PROGRAM:

5:30 PM- ATTEND PRIVATE RECEPTION AND PHOTO OP 6:00 PM with \$1,000 contributors

BRIEF REMARKS - SENATOR DOLE

6:00 PM PROCEED TO CRYSTAL ROOM (9TH FLOOR)

6:03 PM- Mingle and work way toward podium 6:10 PM

o: TO bw

6:10 PM Intro Senator Dole - Governor Fordice

6:20 PM- REMARKS - SENATOR DOLE 6:40 PM

6:45 PM

Lv. Treasure Bay Hotel

Andy Landgraf to provide ground transportation

7:10 PM Ar. Biloxi-Gulfport Regional Airport

US Aviation 601/863-2570

PAGE SIX

Saturday, March 5 (continued):

7:20 PM

Lv. Biloxi

AIRCRAFT: Falcon 50
OWNER: AFLAC
TAIL NO.: N 500 AF

SEATS:

MANIFEST: Senator Dole Dole staff (???)

FLIGHT TIME: 1 hr 30 mins TIME CHANGE: +1 hour

9:50 PM

Ar. Ft. Lauderdale, Florida International Airport Ft. Lauderdale Jet Center 305/359-3200

MET BY: Car and driver provided by Seaview

RON: The Seaview 305/866-4441

Friends of Kirk Fordice

MEMORANDUM

TO:

MS. SUZANNE HELLMANN

FROM:

CAMPAIGN AMERICA SHANNON WARNOCK

DATE:

28 FEBRUARY 1994

SPEAKING POINTS FOR FORDICE EVENT -- 5 MARCH 1994

The Mississippi GOP has had five state legislators and seven county supervisors switch from the Democrat party to the GOP in the last year. Those listed below are from the Mississippi Gulf Coast.

Legislators:

Senator Tommy Robertson -- Moss Point Representative Bob Short -- Gulfport

Supervisors:

C.T. Switzer -- Gulfport Larry Benefield -- Gulfport Carroll Clifford -- Gautier David LaRosa -- Gulfport

Several of our five Congressional races are going to be exciting. Below are the specifics.

First Congressional District

Jamie Whitten's seat

*Six republicans are running. We may finally have an opportunity to win this seat which has been under Democratic control since WWII.

*Two democrats have announced against Chairman Whitten, including the Speaker of the Mississippi House of Representatives. This will provide for an interesting primary.

Second Congressional District

Benny Thompson's scat · Espy's former scat *Bill Jordan is running as a Republican providing us the first opportunity to elect a Republican minority in this area.

Third Congressional District

Sonny Montgomery's seat

*Dutch Dabbs is the only announced candidate at present. This is the first viable candidate to ever run against Congressman

Fourth Congressional District

Mike Parker's seat

*Mike Wood has announced for this seat. We anticipate our state treasurer to run in a Democratic primary against Parker.

Fifth Congressional District
Gene Taylor's seat (MS Gulf Coast)
*George Barlos is running against Gene Taylor in this district. He
is confirmed to be in attendance at the reception March 5.

U. S. Senator Trent Lott

It is rumored that Ken Harper (D) will run against Sen. Lott. No other names appear serious. A one issue (abortion) candidate, Richard O'Hara, has announced as a republican, forcing a primary.

Other notes:

Governor Fordice's Tax Cut proposal failed the state legislature by a slim margin and was widely supported by the people of the state.

A "Positive Mississippi" fact sheet follows detailing some of the great things going on in our state.

Many doctors have responded to our invitations for this event. Senator Dole may want to briefly discuss the GOP Health Care proposed legislation for this crowd.

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DANIEL KIRKWOOD FORDICE, JR.

GOVERNOR STATE of MISSISSIPPI

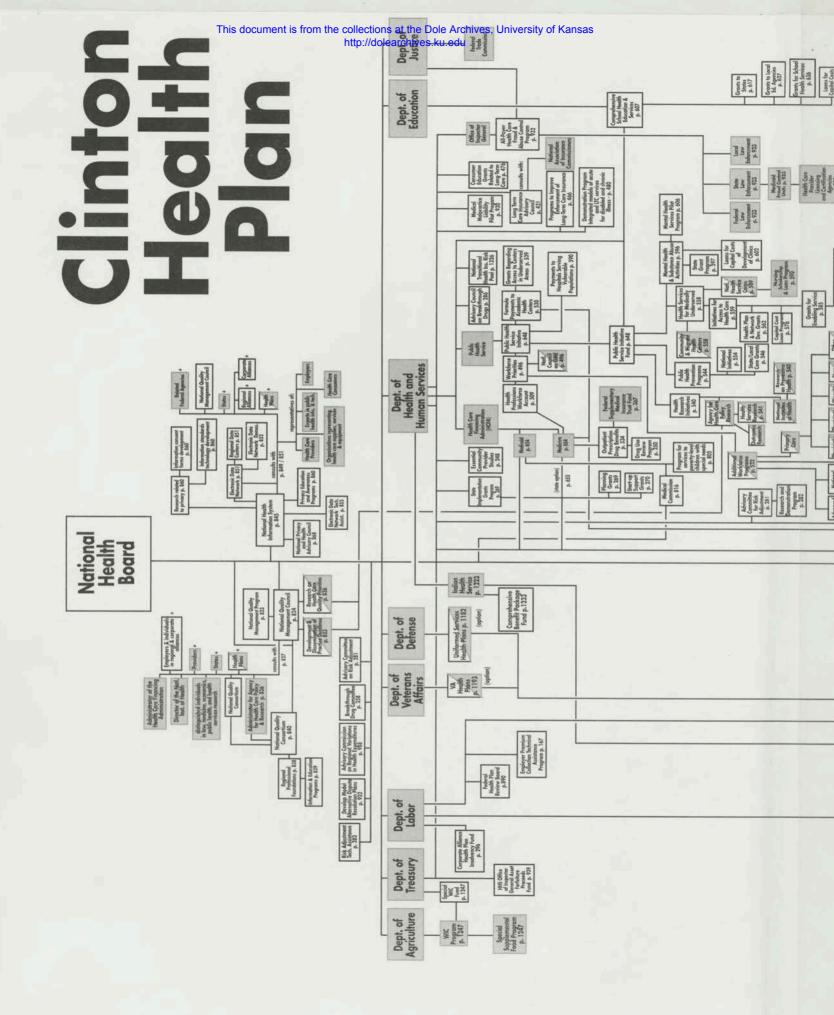
KIRK FORDICE had resided in Vicksburg, Mississippi, for more than 30 years prior to his election as Governor. He earned a bachelor's degree in civil engineering in 1956 and a master's degree in industrial management in 1957 from Purdue University. He was a member of Tau Beta Pi, the engineering honorary, and Chi Epsilon, the civil engineering honorary. Following graduation he served two years active duty as an engineer officer in the U.S. Army. In 1977, he retired from the Army Reserve at the rank of colonel.

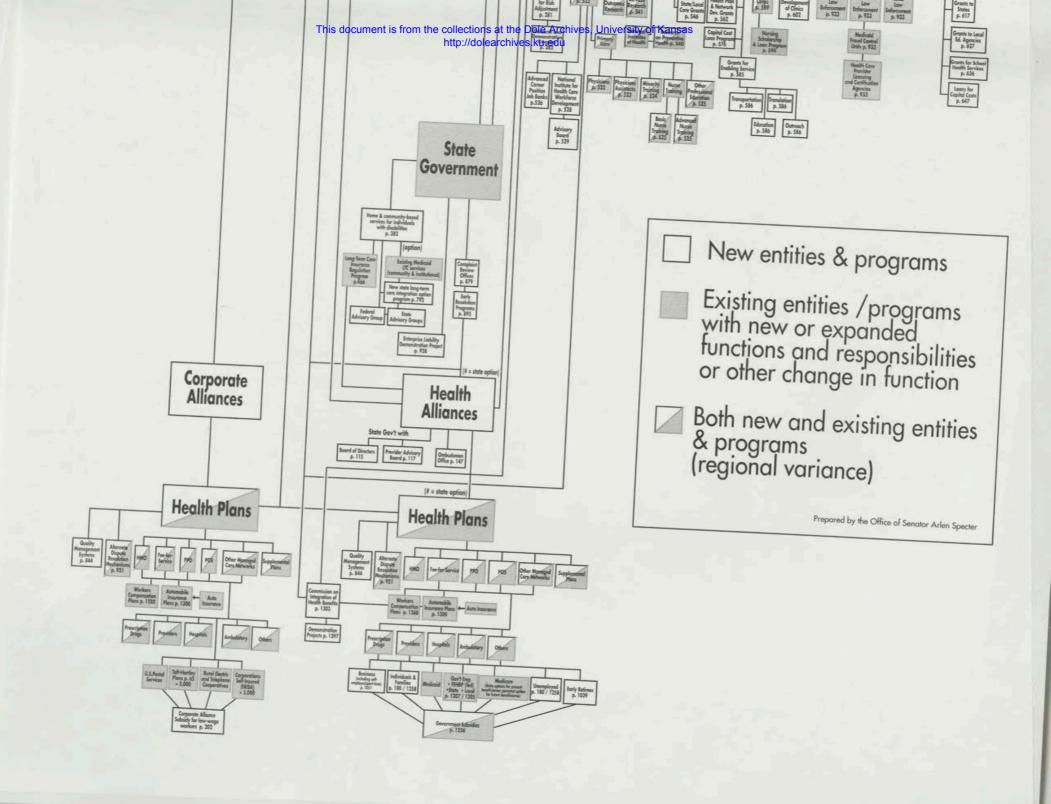
Before his election as Governor, he was a professional engineer and president of Fordice Construction Company, which specializes in heavy construction and highway bridge construction. He is past president of the Associated General Contractors, whose 32,000 member companies represent 3.5 million employees, making it the largest trade association in the construction industry. While president, he was recognized by the Minority Contractors Association for the work he did to better relations between the two associations.

Living up to his businessman-governor reputation, Governor Fordice has successfully supported fiscally responsible legislation that requires the State to budget only 98% of its projected revenues and to establish a rainy day fund to avoid budget cuts. He also assured passage of one of the country's most sweeping civil justice reform measures, a \$0 to \$5 million increase in tourism funding for the State, and Mississippi's first-ever comprehensive welfare reform legislation. Since beginning his hands-on, "CEO to CEO" approach to industry recruitment two years ago, a net of more than 86,900 new jobs has been created in the State of Mississippi -- one of the largest increases in recent memory. At the same time, Kirk Fordice has doubled the amount of capital investment in Mississippi to the tune of some \$1.5 billion. While creating private sector jobs, budgets show that Governor Fordice has halted government bureaucracy growth by systematically cutting out almost 2,000 state government positions and eliminating agency waste at a savings of more than \$50 million to the people of Mississippi.

Governor Fordice and his wife, the former Patricia Owens, have four children and six grandchildren. They have been active in the Crawford Street United Methodist Church, in Vicksburg, Mississippi, for many years.

(Revised: 1/24/94)





SENATOR BOB DOLE
TALKING POINTS
FORDICE EVENT
MARCH 5, 1994

*THANK YOU. AFTER

FLATTERING INTRODUCTIONS

LIKE THAT, THERE'S A

TENDENCY TO FEEL PRETTY

GOOD ABOUT YOURSELF...BUT

EVERY ONCE IN A WHILE,
SOMETHING COMES ALONG
THAT PUTS THINGS IN
PERSPECTIVE.

*AND THERE WAS A STORY IN
THE NEW YORK TIMES
RECENTLY THAT DID JUST
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WHICH IS KIND OF A NOVELTY
FOR THE NEW YORK TIMES.

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AUTOGRAPHED BY LARRY, MO, AND CURLY--THE THREE STOOGES--WENT FOR \$1,285. *THAT REMINDS ME THAT WHEREVER I SPEAK...OR ANY POLITICIAN SPEAKS, THERE'S **ALWAYS SOMEONE IN THE AUDIENCE WHO THINKS "THAT GUY IS JUST OUT FOR MY**

4

MONEY."

*WELL, IT COULD BE WORSE.

MY WIFE IS PRESIDENT OF THE

RED CROSS, AND WHEN SHE

SPEAKS, SHE'S OUT FOR YOUR

BLOOD AND YOUR MONEY.

ALONGSIDE MY FRIEND KIRK
FORDICE, AND TO BE IN A STATE
THAT HAS DONE SO MUCH FOR
THE REPUBLICAN PARTY IN

RECENT YEARS.

*THAD COCHRAN WAS IN KANSAS A FEW WEEKS BACK TO **BE OUR "KANSAS DAY** SPEAKER," AND I SAID THEN THAT I WAS PARTY CHAIRMAN WHEN HE WAS ELECTED TO THE HOUSE OF REPRESENTATIVES IN 1972--AND HE WAS ALMOST THE **ENTIRE MISSISSIPPI**

REPUBLICAN PARTY.

*WITH YOUR HELP, WE'VE
MADE GREAT PROGRESS SINCE
THEN.

*THAD, OF COURSE, WENT TO THE SENATE IN 1978.

*TRENT LOTT JOINED HIM IN THE SENATE IN 1988.

*KIRK FORDICE WAS
ELECTED GOVERNOR IN 1991--

THE FIRST REPUBLICAN **GOVERNOR ELECTED IN MISSISSIPPI SINCE 1874. I** DON'T KNOW WHO THE **GOVERNOR WAS BACK IN 1874, BUT I UNDERSTAND HE WAS A BOYHOOD FRIEND OF STROM** THURMOND'S.

*IN 1992, MISSISSIPPI GAVE PRESIDENT BUSH THE LARGEST PERCENTAGE OF VOTES HE
RECEIVED IN ANY OF THE 50
STATES.

*AND IN 1993, THE RNC

ELECTED A MISSISSIPPI NATIVE

AS OUR CHAIRMAN

*THIS MOMENTUM HAS

CONTINUED THROUGH THE LAST

YEAR, AS FIVE STATE

LEGISLATORS AND SEVEN

COUNTRY SUPERVISORS SWITCHED FROM THE DEMOCRAT PARTY AND JOINED OUR RANKS..AND A LOT OF CREDIT FOR THAT SHOULD GO TO GOVERNOR FORDICE AND THE OUTSTANDING JOB HE IS DOING FOR THE PEOPLE OF MISSISSIPPI.

*THE CREATION OF A "RAINY

DAY FUND"...ONE OF THE COUNTRY'S MOST SWEEPING CIVIL JUST REFORM MEASURES...COMPREHENSIVE WELFARE REFORM **LEGISLATION...NEARLY 90,000 NEW PRIVATE SECTOR** JOBS...AND DOWNSIZING THE STATE BUREAUCRACY BY 2,000 POSITIONS, SAVING YOU MORE

THAN \$50 MILLION IN TAX DOLLARS...THAT'S A RECORD TO TAKE PRIDE IN, AND I KNOW KIRK WANTS TO DO MORE--LIKE PASS HIS TAX CUT PROPOSAL, WHICH, AS YOU KNOW, FAILED BY JUST A FEW VOTES IN THE LEGISLATURE. GIVE HIM SOME MORE REPUBLICANS, AND HE CAN PASS THAT TAX CUT INTO

LAW.

*NOT ONLY DO I ADMIRE

YOUR GOVERNOR'S RECORD OF

ACCOMPLISHMENT, BUT I ALSO

ADMIRE THE COURAGE HE

SHOWED IN FIGHTING PROSTATE

CANCER.

*NO DOUBT ABOUT IT,

MISSISSIPPI REPUBLICANS HAVE

MADE GREAT PROGRESS--BUT

YOU CAN'T REST ON YOUR
LAURELS...THERE ARE A
NUMBER OF CHALLENGES THIS
YEAR...BEGINNING WITH REELECTING TRENT LOTT TO THE
SENATE.

*AND I'M BOTHERED BY THE
FACT THAT YOU HAVE A
REPUBLICAN GOVERNOR, TWO
REPUBLICAN SENATORS, AND

NO REPUBLICANS IN THE U.S. HOUSE. WE'VE GOT TO CORRECT THAT SITUATION. *THE PROBLEM FOR THAD, TRENT AND MYSELF...AND FOR THE OTHER REPUBLICANS IN THE HOUSE AND SENATE IS THAT WE'RE IN THE MINORITY. *THE DEMOCRATS--AS THEY HAVE FOR THE PAST 40 YEARS--

15

CONTROL THE HOUSE. LET ME
REPEAT THAT AGAIN, BECAUSE
A LOT OF PEOPLE SIMPLY DON'T
BELIEVE IT. THE DEMOCRATS
HAVE CONTROLLED THE HOUSE
SINCE JANUARY 5, 1955.

*IN FACT, THE LAST TIME
REPUBLICANS CONTROLLED THE
HOUSE, IT COST 3 CENTS TO
MAIL A LETTER, A LOAF OF

BREAD WAS 18 CENTS, MILK WAS 23 CENTS A QUART, AND GAS WAS 29 CENTS A GALLON. *I CAN'T PROMISE THAT PRICES WILL BE THAT LOW AGAIN IF REPUBLICANS COULD GET CONTROL OF THE HOUSE AND SENATE, BUT I CAN PROMISE A WHOLE LOT OF CHANGE.

*UNTIL THAT HAPPENS,
HOWEVER, WE'RE IN A TOUGH
POSITION, GIVEN THAT THE
DEMOCRATS CONTROL THE
HOUSE, THE SENATE, AND THE
WHITE HOUSE.

*SO, WHAT CAN WE DO? DO
WE JUST TRY AND BLOCK
EVERYTHING THE PRESIDENT
PROPOSES? DO WE JUST SIT

ON THE SIDELINES AND DO
NOTHING? THAT'S NOT WHY
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TO TRY AND CHANGE
DIRECTIONS, AND IF THAT
DOESN'T WORK, THEN
SOMETIMES WE SIMPLY HAVE
TO OPPOSE HIM.

*AND IF THAT MEANS

"GRIDLOCK," THEN THAT'S NOT

BAD, IF WHAT WE'RE

"GRIDLOCKING" MEANS MORE

TAXES, MORE SPENDING, OR

MORE REGULATION.

*BY THE WAY, LET ME SHARE WITH YOU THAT DESPITE ALL THE TALK OF "REINVENTING GOVERNMENT," LAST YEAR THE **CLINTON ADMINISTRATION REGULATIONS FILLED 69,688** PAGES OF THE FEDERAL REGISTER--THE THIRD HIGHEST TOTAL IN HISTORY--BEHIND

ONLY THE LAST TWO CARTER YEARS.

*REPUBLICANS HAD A GOOD
YEAR LAST YEAR. WE WERE SIX
FOR SIX IN THE MAJOR
ELECTIONS.

*OBVIOUSLY, WE'RE NOT
GOING TO WIN 100% OF THE
RACES THIS NOVEMBER, BUT I
THINK WE HAVE A GOOD

CHANCE TO MAKE SOME GAINS
IN BOTH THE HOUSE AND
SENATE.

*AND WE CAN DO THAT BY
STICKING TO OUR PRINCIPLES,
AND BY MAKING CLEAR TO THE
AMERICAN PEOPLE THAT THERE
IS A DIFFERENCE BETWEEN THE
PARTIES. WE ARE NOT JUST
"DEMOCRATS LITE." WE ARE A

DIFFERENT WAY OF DOING
BUSINESS. WE ARE LESS TAXES,
LESS SPENDING, AND LESS
REGULATION.

*AND NOW, OF COURSE,
WE'RE DEBATING HEALTH CARE.
*THE DEBATE IS NOT
WHETHER OR NOT AMERICA'S
HEALTH CARE SYSTEM CAN BE
IMPROVED. OBVIOUSLY, THERE

ARE MANY AMERICANS WITH A SICK CHILD OR SICK PARENT OR SICK LOVED ONE WHO WONDER HOW THEY ARE GOING TO PAY THEIR BILLS AND NEED HELP. AND EVERYONE AGREES THERE ARE PARTS OF OUR SYSTEM THAT NEED TO BE FIXED. *WHAT THE DEBATE IS ALL **ABOUT IS WHETHER OR NOT**

25

THE BEST WAY TO FIX THE
SYSTEM IS TO DO WHAT THE
PRESIDENT AND MRS. CLINTON
PROPOSE AND TURN IT OVER
LOCK, STOCK, AND BARREL, TO
THE FEDERAL GOVERNMENT.

*I HAPPEN TO BELIEVE
THAT'S THE WRONG ROAD TO
TAKE..AND I HAPPEN TO BELIEVE
WE'RE WINNING THAT DEBATE.

*A GALLUP POLL RELEASED THIS WEDNESDAY SHOWS THAT FOR THE FIRST TIME, MORE AMERICANS OPPOSE THE CLINTON PLAN THAN SUPPORT IT. A 48%-46% MARGIN. JUST A FEW WEEKS AGO 57% OF AMERICANS FAVORED THE PLAN. AND WHEN THE PRESIDENT INTRODUCED IT, IT'S APPROVAL RATING WAS WAY OVER 70%.

*THE PROBLEM FOR THE **CLINTON ADMINISTRATION IS** THAT THE MORE AMERICANS LEARN ABOUT THE PLAN...ABOUT MANDATORY ALLIANCES, PRICE CONTROLS, NOT BEING ABLE TO CHOOSE YOUR OWN DOCTOR, AND A

MASSIVE NEW BUREAUCRACY--THE LESS THEY LIKE THE PLAN. *THE BETTER NEWS IS THE PROGRESS REPUBLICANS HAVE MADE IN THE EYES OF AMERICANS IN DEALING WITH HEALTH CARE. LAST DECEMBER 64% OF AMERICANS THOUGHT THAT THE DEMOCRAT PARTY COULD BEST DEAL WITH HEALTH CARE, AND ONLY 21% SAID THE REPUBLICAN PARTY.

*NOW THOSE NUMBERS ARE
45% FOR THE DEMOCRATS, AND
40% FOR THE REPUBLICANS.

*SO, WE'VE MADE A LOT OF PROGRESS, BUT WE'VE GOT A LONG WAY TO GO. AND OUR PROBLEM IS NOT THAT WE DON'T HAVE ANY SOLUTIONS,

IT'S THAT WE HAVE TOO MANY SOLUTIONS. THERE ARE A LOT OF REPUBLICAN PLANS IN THE HOUSE AND THE SENATE, AND WE'RE WORKING ON A PLAN THAT FOCUSES ON THE POINTS OF AGREEMENT LIKE ALLOWING SMALL BUSINESS TO POOL TOGETHER AND PORTABILITY. *I KNOW THERE ARE A

NUMBER OF PHYSICIANS HERE
THIS EVENING, AND I'VE
NOTICED THAT EVERYWHERE I
SPEAK, THERE ARE MORE AND
MORE DOCTORS IN THE
AUDIENCE.

*THEIR CONCERN IS NOT
WHAT THE CLINTON BILL WILL
DO TO THEM...RATHER, IT'S THE
DAMAGE IT WILL DO TO THEIR

PATIENTS. SO I URGE **EVERYONE--NOT JUST** PHYSICIANS--TO STAY INVOLVED IN THE HEALTH CARE DEBATE, TO WRITE TO YOUR SENATORS AND CONGRESSMEN, AND TO GET THE MESSAGE OUT THAT THE CLINTON BILL WOULD TURN ONE-SEVENTH OF OUR **ECONOMY OVER TO THE**

FEDERAL GOVERNMENT.

*THANK YOU FOR COMING,
AND THANK YOU FOR YOUR
SUPPORT FOR KIRK AND FOR
THE REPUBLICAN PARTY.

TO: Senator Dole

FR: Kerry

RE: Mac Collins Event

Friday, March 4, 1994

*Audience of about 250 attending stand-up reception for Mac Collins. There will be a podium, and they're looking for 10-15 minutes of pro-GOP and pro-Collins remarks.

*FYI, Collins voted against NAFTA.

*I have attached a "Clinton health care chart" in case you wanted to hold it up...or you could sign it and auction it off to raise more money for Collins.

SENATOR BOB DOLE
TALKING POINTS
MAC COLLINS EVENT
MARCH 4, 1994

*THANK YOU, MAC. AFTER
FLATTERING INTRODUCTIONS
LIKE THAT, THERE'S A
TENDENCY TO FEEL PRETTY
GOOD ABOUT YOURSELF...BUT

EVERY ONCE IN A WHILE,
SOMETHING COMES ALONG
THAT PUTS THINGS IN
PERSPECTIVE.

*AND THERE WAS A STORY IN
THE NEW YORK TIMES
RECENTLY THAT DID JUST
THAT...IT'S EVEN A TRUE STORY,
WHICH IS KIND OF A NOVELTY
FOR THE NEW YORK TIMES.

*THE STORY REPORTED ON AN AUTOGRAPH AUCTION IN **NEW YORK A FEW WEEKS** BACK...AND A PHOTOGRAPH OF FORMER PRESIDENTS NIXON, CARTER, AND FORD STANDING TOGETHER--AUTOGRAPHED BY ALL THREE--SOLD FOR \$275. *A FEW MINUTES LATER IN THE AUCTION, A PHOTO

AUTOGRAPHED BY LARRY, MO, AND CURLY--THE THREE STOOGES--WENT FOR \$1,285. *SO, THOSE OF US IN **POLITICS KNOW WHERE WE** STAND. AND AFTER LAST WEEK'S VOTE ON THE **BALANCED BUDGET** AMENDMENT IN THE SENATE, WE PROBABLY STAND A BIT LOWER

IN THE PUBLIC EYE.

*ONE PERSON WHO IS TRYING
TO RAISE CONGRESS'S
REPUTATION IS MAC COLLINS.
AND YOU CAN BE VERY PROUD
OF THE JOB MAC IS DOING IN
WASHINGTON.

*MAC CAME TO CONGRESS
WITH A STRONG BUSINESS
BACKGROUND, AND HE'S BEEN

TRYING TO GET GOVERNMENT
TO MANAGE ITS MONEY A LITTLE
MORE LIKE A BUSINESS AND A
LITTLE LESS LIKE A DRUNK
SAILOR.

*HE'S FIGHTING FOR THE

BALANCED BUDGET

AMENDMENT, THE LINE ITEM

VETO, AND CUTTING SPENDING-
INCLUDING THE

CONGRESSIONAL BUDGET-FIRST.

*IN FACT, THE CONCORD COALITION RECENTLY RANKED MAC 16TH AMONG THE 435 MEMBERS OF THE HOUSE OF REPRESENTATIVES IN ATTACKING THE DEFICIT AND **VOTING FOR FISCALLY** RESPONSIBLE LEGISLATION.

*THE PROBLEM FOR MAC, FOR MYSELF, AND FOR THE OTHER REPUBLICANS IN THE HOUSE AND SENATE IS THAT WE'RE IN THE MINORITY. *THE DEMOCRATS--AS THEY HAVE FOR THE PAST 40 YEARS--CONTROL THE HOUSE. LET ME REPEAT THAT AGAIN, BECAUSE A LOT OF PEOPLE SIMPLY DON'T

BELIEVE IT. THE DEMOCRATS HAVE CONTROLLED THE HOUSE SINCE JANUARY 5, 1955. *IN FACT, THE LAST TIME REPUBLICANS CONTROLLED THE HOUSE, IT COST 3 CENTS TO MAIL A LETTER, A LOAF OF **BREAD WAS 18 CENTS, MILK** WAS 23 CENTS A QUART, AND GAS WAS 29 CENTS A GALLON.

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CRIME

*EVEN THOUGH WE'RE **OUTNUMBERED, THERE ARE** STILL OCCASIONS WHERE REPUBLICANS CAN WIN THE **DEBATE--AND THAT'S JUST** WHAT HAPPENING ON CRIME. *FOR AS LONG AS I CAN REMEMBER, REPUBLICANS HAVE BEEN SAYING THAT IT'S TIME TO

GET TOUGH WITH CAREER
CRIMINALS, AND TO RESTORE
SOME SAFETY TO OUR STREETS,
SCHOOLS, AND HOMES.

*AND FOR AS LONG AS I CAN
REMEMBER, EVERY TIME IT
LOOKED LIKE A TOUGH CRIME
BILL WOULD PASS, THE
DEMOCRATS WOULD WATER IT
DOWN OR NOT LET IT OUT OF

COMMITTEE.

*FINALLY, HOWEVER,

PRESIDENT CLINTON AND THE

DEMOCRATS ARE TALKING LIKE

REPUBLICANS ON CRIME.

*BUT TALK IS A LOT
DIFFERENT THAN ACTION...AND
RHETORIC IS A LOT DIFFERENT
THAN REALITY.

*AND NO DOUBT ABOUT IT,

THE REALITY OF THIS

ADMINISTRATION DOESN'T

MATCH ITS RHETORIC.

THE PRESIDENT TALKS

TOUGH ABOUT LOCKING UP
VIOLENT OFFENDERS. YET HIS
ADMINISTRATION'S 1995 BUDGET
ACTUALLY SLASHES FUNDING
FOR PRISON CONSTRUCTION BY
29%.

*THE PRESIDENT TALKS ABOUT HELPING LAW ENFORCEMENT. YET THE PRESIDENT'S BUDGET REDUCES LAW ENFORCEMENT BLOCK **GRANTS BY \$500 MILLION AND ELIMINATES MORE THAN 1,000** POSITIONS IN THE FBI, THE DEA, THE JUSTICE DEPARTMENT'S CRIMINAL DIVISION, AND THE

U.S. ATTORNEYS' OFFICES.

*THE PRESIDENT TALKS

TOUGH ABOUT DRUGS, YET HE

SLASHED FUNDING FOR THE

OFFICE OF NATIONAL DRUG

CONTROL POLICY BY 94%, AND

HIS SURGEON GENERAL TALKS

ABOUT LEGALIZING DRUGS.

*SO, THE RHETORIC IS FINE, BUT THE REALITY HAS A LOT OF LAW-ABIDING AMERICANS
WORRIED.

*LET ME CONCLUDE TODAY BY SAYING JUST A FEW WORDS ABOUT FOREIGN POLICY. NOW, **BACK IN THE LAST** PRESIDENTIAL ELECTION, THE **DEMOCRATS WANTED US TO BELIEVE THAT FOREIGN POLICY** DIDN'T MATTER, AND THAT WE

COULD ELECT A PRESIDENT
WITHOUT ONE DAY OF FOREIGN
POLICY EXPERIENCE.

*PRESIDENT REAGAN AND
PRESIDENT BUSH MAY HAVE
HAD THEIR FAULTS, BUT I THINK
AMERICANS SLEPT WELL AT
NIGHT KNOWING THAT AMERICA
WAS STRONG AND SECURE.
*BUT NOW, AMERICANS--AND

THE ENTIRE WORLD--ARE
BEGINNING TO WONDER ABOUT
AMERICAN LEADERSHIP.

*THIS ADMINISTRATION

SEEMS TO THINK THAT

AMERICAN LEADERSHIP ISN'T

NEARLY AS IMPORTANT AS U.N.

LEADERSHIP.

*BOUTROS BOUTROS GHALI-WHO THE LAST TIME I CHECKED

WASN'T ELECTED BY THE AMERICAN PEOPLE TO ANYTHING--SEEMS TO HAVE MORE POWER THAN THE SECRETARY OF STATE OR THE SECRETARY OF DEFENSE--HE CAN VETO AIRSTRIKES IN **BOSNIA, CHANGE THE MISSION** OF U.S. TROOPS IN SOMALIA, AND PLACE AMERICAN FORCES

UNDER FOREIGN COMMAND. *REPUBLICANS STAND FOR MANY THINGS. FOR LESS TAXES. FOR LESS SPENDING. FOR LESS GOVERNMENT. FOR SAFE STREETS. FOR MORE FREEDOM. FOR MORE POWER IN YOUR HANDS--AND LESS POWER IN THE HANDS OF BUREAUCRATS. BUT MOST OF

ALL WE STAND FOR AMERICAN LEADERSHIP.

*WE HAVE TREMENDOUS **OPPORTUNITIES THIS YEAR TO** MAKE GREAT GAINS IN THE HOUSE, THE SENATE, AND **GOVERNOR'S OFFICES SO THAT** WE CAN PROVIDE LEADERSHIP. *I THANK YOU FOR THE HELP YOU HAVE PROVIDED MAC, AND FOR THE HELP YOU'LL GIVE
THE REPUBLICAN PARTY IN THIS
VERY IMPORTANT YEAR.

March 3, 1994

MEMORANDUM TO THE LEADER

FROM: SUZANNE HELLMANN

RE: GEORGIA - REP. MAC COLLINS

FILING DEADLINE: April 29
PRIMARY: July 19

Rep. Mac Collins was one of two members of the freshman class that spent less than \$400,000 to get elected. Rep. Collins spent \$240,000 vs. the incumbent, Richard Ray, who spent \$1.1 million.

Rep. Collins did not raise a lot of money during his first 6 months in office, but focused on setting up his office. He limits those from whom he takes money - i.e. he will not take money from anyone that does business with his committees. His office does not take advantage of the franked mail and has declined the House pension plan. Rep. Collins also favors six two year term limits.

Four Democrats have announced their intentions to run against Collins. No Republicans are expected to file. The four Democrats are:

- 1. Jim Fryday
- 2. Fred Overby
- Ward Hunter
- 4. Roger Marietta

ISSUES TO AVOID

- Lawsuit against the 11th Congressional District of Georgia could effect the entire state delegation. As you know, the Justice Department has state it will intervene and join the state "in defending a challenge to the constitutionality of the boundaries"...
- Georgia flag still an issue, especially with the Olympics coming up in 1996. Two African countries have threatened a boycott. Rep. Collins supports the flying of the flag.
- 3. GTECH lottery contracts -- The FBI is investigating the relationship of GTECH with public officials in various states including Georgia where bids lower than GTECH's were offered but not taken.

GUBERNATORIAL RACE

One of the candidates for Governor, Paul Heard, will be attending Rep. Collins' fundraiser. Collins has not endorsed Heard but they are good friends.

The potential GOP candidates are:

Guy Millner, Businessman
John Knox, ex-Waycross Mayor
Paul Heard, ex-State Rep.
Nimrod "Mac" McNair, USAF Col. (ret.)
(Mack Mattingly will not be running, however, he did mention to Jo-Anne Coe that he was interested in the presidential race)

One Democrat, Charles "Judy" Poag a State Rep., may run against Gov. Zell Miller.

A poll, conducted 1/15-19/94 surveyed 600 registered voters showed the following results:

MILLER RE-ELECT
Deserves re-election 31%
Someone else 57%
Don't know 25%

On a head to head with Republican candidate Guy Millner, Gov. Miller gets 47% to Millner's 29% and the undecideds at 25%.

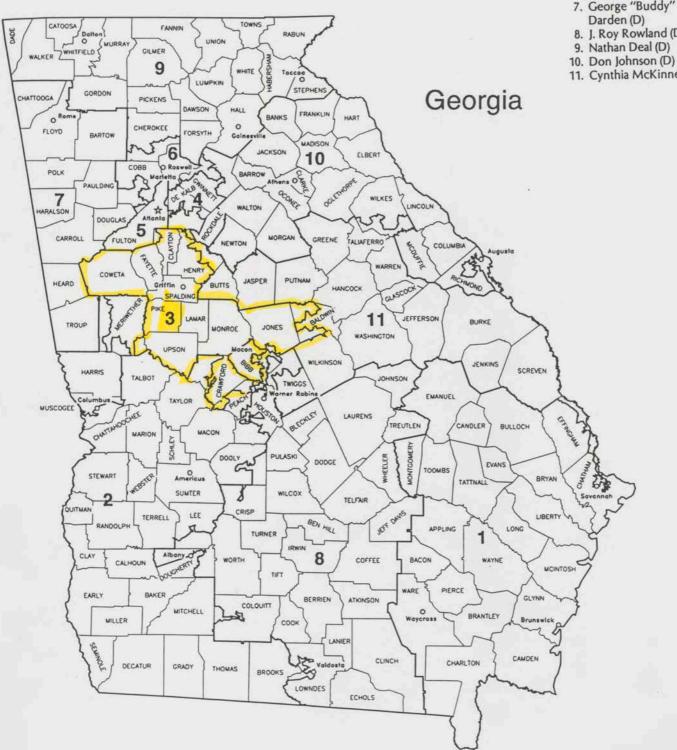
Georgia - Congressional Districts



Sam Nunn (D)

- Paul Coverdell (R) 1. Jack Kingston (R)
 - 2. Sanford Bishop (D)
 - 3. Mac Collins (R)
 - 4. John Linder (R)
 - 5. John Lewis (D)
 - 6. Newt Gingrich (R)
 - 7. George "Buddy"
 - 8. J. Roy Rowland (D)

 - 11. Cynthia McKinney (D)





U.S. Representative Mac Collins

3rd District, Georgia

Elected to represent Georgia's Third Congressional District in 1992, Mac Collins, (R-GA), has a long history of public service. Prior to his election to Congress, Collins served two terms in the Georgia State Senate (1989-92) and as Chairman of the Butts County Commission (1977-80). He is the founder and former President of Collins Trucking Company in Jackson, Georgia.

Collins is focusing his first term on holding the line on taxes and raising awareness about the dangerous national debt, often saying, "The greatest challenge for Congress is the deficit. The biggest threat to our country is not military aggression, but the national debt." Collins' office does not distribute franked mass mailings at the taxpayers expense and he has personally declined the lucrative pension plan offered only to members of Congress.

Collins first legislative action as a member of Congress was to co-sponsor a bill to limit members to six two year terms. Representative Collins has joined over 60 other members in signing a discharge petition which would force the term limits bill for a vote on the floor.

Believing Congress should be a product of the nation's priorities, Collins sponsored legislation (the first passed by a freshman in the 103d Congress) to prohibit any funds made available in the \$1.54 billion National Competitiveness Act from reaching people illegally residing in the United States.

Collins was the first member to pass "set aside" legislation to allow the President to call for 1% or select domestic spending programs to pay for disaster relief. Collins' amendment was the first attempt by Congress to offset the costs of disaster relief without directly increasing the federal deficit.

U.S. Representative Collins serves on the Public Works and Transportation Committee, with seats on the Aviation, Surface Transportation, and Economic Development subcommittees. Also, he is a member of the Committee on Small Business. He is Co-Chairman of the GOP Task Force on Tax Policy and Job Creation.

Collins is married to Julie Watkins of Jackson, Georgia and they have four children: Crystal (26), Michael (25), Andrew (23) and April (20). They also have four grandchildren: Brittany, age 4 (Andrew); Tiffany age 2 (Crystal) and the twins: Dakota and Dylan, born in December of 1992 (Michael).

3/1/94

GEORGIA: QUESTIONS RAISED OVER LOTTERY CONTRACTS In a front-page special report, ATLANTA JOURNAL-CONSTITUTION's Walston & Whitt report on GTECH -- the company that "runs the computer systems" for lotteries in 26 of the 36 states that have them, including GA. GTECH's "success" at winning state lottery contracts, "often when not the low bidder, has made it a darling of Wall Street. But the company's uncanny success at landing government contracts has also caught the eye of the FBI," which is investigating GTECH contracts or "activities in several states." The "secrets to GTECH's success include the nurturing of relationships with the public officials who run the lotteries and the willingness to pay prime dollar for the best political connections money can buy." GTECH "often prevails even when its services aren't the cheapest" and has won contracts in some states, including GA, "where opponents offered lower bids." When GA was awarding its lottery contract, GA lottery pres. Rebecca Paul, who worked with GTECH in IL where she was lottery dir., "expressed reservations" about a GTECH competitor and chose GTECH "despite the fact its price could be \$37.5 million more over five years." Paul was also dir. of the FL lottery where a GTECH competitor, Automated Wagering, held the contract. In GA, Paul argued against Automated Wagering, citing "bad experiences" with them in FL. Critics of GTECH say it's "not accidental that the more subjective judgments of lottery officials often go GTECH's way." They say that "through its political connections, the company has influenced the hiring of top lottery officials." Ex-GTECH employee Leslie Hunter: "Their number one strategy going into each and every state, was to make sure GTECH had placed the director" (2/27).

GA RAMIFICATIONS: Gov. Zell Miller (D) "got early support" from GTECH in his '90 campaign. "Thanks largely to Kentucky connections," GTECH "hosted a fundraiser for Miller" that raised almost \$30,000. The fundraiser was "arranged" by GA Dem Chair Ed Sims and Dem consultant James Carville, Miller's top strategist. Both are "close friends" to ex-KY finance dir. Roger Wells, who "hosted a lavish party for Carville" during the '93 presidential inauguration. Carville also ran the '87 campaign of ex-KY Gov. Wallace Wilkinson, "which promoted a Kentucky lottery." Ex-GTECH national sales manager David Smith is a KY resident "who has ties to Wells" and ex-KY lottery dir. Jim Hosker. The KY AG's office is investigating allegations that Hosker "was on the payroll of the [KY] lottery and GTECH at the same time" (Whitt/Walston, JOURNAL-CONSTITUTION, 2/27). Gov. candidate/businessman Guy Millner (R) called on AG Michael Bowers (D) "to investigate whether any state officials improperly influenced" the awarding of GA's lottery contract. Millner: "I was distressed by recent, published reports, which raised serious questions about GTECH and its close ties to some of Georgia's highest ranking state officials," including Gov. Miller and GA Lottery Pres. Rebecca

Paul (Millner release, 2/28).

HEARD ADS: Candidate/ex-state Rep. Paul Heard (R) unveiled two 30-sec. TV ads, produced by Jefferson Marketing, which began airing statewide 2/28. The first is a bio spot featuring Heard's daughter: "I'm Paige Heard. And that's my dad, Paul Heard. He and mom have been married for 29 years. We are blessed with a strong family. Dad worked hard all his life and built a successful business. He is a Deacon in our church, and raised us with his values of honesty and integrity. We love him for that." Paul Heard continues: "I want parents to have a choice and control in our schools, and I'll insist on parental controls for teenage abortions." The second ad features Heard on crime: "To get re-elected, Zell Miller wants you to believe he's tough on crime. Really? Under Zell Miller over 30 thousand violent criminals were turned loose early, while three state prisons sat empty. I'm Paul Heard. I will abolish early prison release. When we vote out the Clinton/Miller liberals, I'll keep violent criminals in jail, not on our streets" (Heard release, 2/28). Others: State Rep. Charles "Judy" Poag (D), ex-Waycross Mayor John Knox (R), ex-Sen. Mack Mattingly (R) and USAF Col. Nimrod McNair (R). Filing deadline 4/29; Primary 7/19.

2/25/94

*12 GEORGIA: FLAG FLAP COULD AGAIN EMBROIL MILLER The Atlanta-Fulton Co. Recreation Authority voted 6-0 2/23 to not fly the GA state flag over Fulton County stadium, where the Atlanta Braves play baseball. The flag still flies over the Georgia Dome, home to last month's Super Bowl. More than a year ago, Gov. Zell Miller (D) "raised the idea" of changing the flag "but he backed off after meeting intense opposition" in the legislature (Lacetti/Hiskey, ATLANTA CONSTITUTION, 2/24). Businessman Guy Millner (R) blamed the Gov. for the Authority's action and called on the Authority to reverse its decision and let the flag fly: "Our State Flag belongs to the people, not the politicians. It's not right to haul down Georgia's flag from a government building. ... Zell Miller is responsible for bringing down our State Flag, as if he'd lowered it from the flagpole Zell brought our Flag down by starting this fight, by embarrassing Georgia, by holding our state up for national ridicule and by polarizing the people of our great state. Now, Zell is washing his hands of the matter and pretending as if he had nothing to do with it. That's not leadership, and it's a real shame. ... As Governor, I will see that our State Flag proudly flies over our government buildings, and that we focus our attention on other matters, such as improving education, reducing crime and welfare, limiting taxes and spending and bringing more jobs to Georgia" (Millner release, 2/24). The decision to remove the flag from the stadium pushes the issue toward the state legislature but, despite "saber-rattling" there, no legislation that would punish local govts. for taking down the flag will come up this session (Salzer, AUGUSTA CHRONICLE, 2/25). Those helping to prepare Atlanta for the '96 Summer Olympics "said the authority's action makes it more crucial than ever to address the flag controversy before it grows more intense" (CONSTITUTION, 2/24). Already, officials representing Liberia and Nigeria say if the flag flies, the Games could face a boycott from some African nations (Lacetti, CONSTITUTION, 2/25). Other Dem: State Rep. Charles "Judy" Poag. Other GOPers: Ex-Waycross Mayor John Knox and ex-state Rep. Paul Heard. Filing deadline 4/29; Primary 7/19.

Page 166 of 172

2/23/94

*13 REDISTRICTING: JUSTICE STEPS IN ON GA, NC & TX CASES The DoJ acted 2/22 to protect black and Latino-majority CDs now facing "private legal challenges" in GA, NC and TX, and "said it is considering similar action" in a FL case. In the GA case, the DoJ will intervene and join the state "in defending a challenge to the constitutionality of the boundaries" of the CD now held by Rep. Cynthia McKinney (D-11). By intervening, the DoJ has made the federal goverment "a full participant, allowing federal attorneys more leeway to dig out facts and examine witnesses during trial." AG Janet Reno, on the DoJ action: "This department is committed to protecting minority voting rights gains that were achieved through redistricting after the 1990 census" (Eaton, L.A. TIMES, 2/23). Pres. Clinton: "These hard-won victories must not be abandoned" (WH release, 2/22). It is the first time the DoJ "has sought to intervene in a voting rights case as a defendant alongside a state." In '92, the DoJ approved a GA redistricting proposal that added three black-majority districts out of 11, including the 11th CD, which "stretches 160 miles from Atlanta's suburbs to coastal areas near Savannah." Blacks make up 60% of the voting-age residents in the 11th CD (Cooper, W. POST, 2/23). The GA lawsuit was filed 1/94 by five ilth CD voters, "who contend the redistricting plan 'is so irrational on its face that it can only be understood as an effort to segregate voters into separate voting districts because of their race. ' An interracial group filed an answer that said the plan was 'not so bizarre in shape that it is unexplainable on grounds other than race' (Rosenthal, AP/PHILA. INQUIRER, 2/23).

NORTH CAROLINA: In a similar case in NC, the DoJ has decided to file a friend-of-the-court brief, which "merely express the Justice Department's position on the legal issues." The CD in question is that of frosh Rep. Mel Watt (D-12) (L.A. TIMES, 2/23). In 6/93, the Supreme Court called the CD's "elongated shape 'bizarre' and sent a challenge to its boundaries" back to NC to be tried in lower federal courts (W. POST, 12/23). The trial date is

set for 3/28 (AP/PHILA. INQUIRER, 2/23).

TEXAS: The CDs "attacked as unconstitutional" are those of Reps. Craig Washington (D-18) and Gene Green (D-29). The 29th CD "was designed as a Latino district," but the seat was won in '92 by Green, who is Anglo. In the TX cases, the DoJ will also file friend-of-the-court briefs (L.A. TIMES, 2/23). W. POST's Cooper reports the DoJ "argued against a motion to stop congressional primaries" in TX scheduled for 3/8 (2/23).

The DoJ said it is "considering" entering a case FLORIDA: challenging the lines drawn for the 3rd CD in northern FL, held by

Rep. Corrine Brown (D-03).

LOUISIANA: Rep. Cleo Fields' (D-04) z-shaped minority-CD was ruled unconstitutional by a three-judge panel in federal court 12/93 and is now being appealed to the U.S. Supreme Court. The DoJ has also filed friend-of-the-court briefs in LA's case. Fields, on the DoJ action: "The Justice Department must step up to the line and defend the Voting Rights Act" (L.A. TIMES, 2/23).

MINORITY VOICES: W. TIMES' Taylor reports "the coalition to fight lawsuits claiming minorities are being unfairly favored is led by the Congressional Black Caucus and includes the Congressional Hispanic Caucus and the House Progressive Caucus." At a 2/22 news conference, CBC Chair/Rep. Kweisi Mfume (D-MD) and Rev. Jesse Jackson, chair of the Rainbow Coalition, "warned that the lawsuits threatening those political gains are similar to challenges that eliminated the post-Civil War political gains of blacks in the South." Black lawmakers will also submit friend-of-the-court briefs in "every challenge brought in every state" (2/23). Mfume: "This is not a quota issue at all -- this is a matter of equal political representation" (L.A. TIMES, 2/23).

1/15/94

*15 GEORGIA: MILLER CALLS FOR TWO STRIKES YOU'RE OUT Political opponents and some experts say Gov. Zell Miller (D) "was playing politics with his call [1/5] for more prison time for violent offenders, but even they concede he is joining a popular national trend." Miller, proposing "some of the harshest punishment measures in decades," called for "a constitutional amendment that would take away some of the discretion of the Board of Pardons and Paroles and advocated life without parole for felons who commit a second violent crime," as opposed to the "three strikes, you're out" initiatives passed 11/93 in WA and being considered in CA. Miller, touring the state: "My mother always taught me that folks deserved a second chance and I've always believed that. But a third chance to kill or rape or commit armed robbery is a completely different matter." Miller "can expect plenty of help," even from GOPers in Atlanta's suburbs, "who are preparing a slew of anti-crime bills of their own." NY's Edna McConnell Clark Foundation justice dir. Ken Schoen "views the proposals of Miller and a growing list of governors as 'political talk.'" Schoen says "the national obsession with more hard time for criminals has reached the point that 'the Bureau of Prisons has grown larger than the FBI. They've learned that demagoguing this issue works'" (Cook, ATLANTA CONSTITUTION, 1/6). CONSTITUTION'S Montgomery & Cook write, some criminologists call Miller's "get-tough sentencing plan 'simple revenge,' expensive, tunnel-vision punishment that will turn Georgia's prisons into crowded old-age homes in the 21st century." Miller and Corrections Commis. Alan Ault estimate it will cost \$7.8 million by the end of the decade. AG Michael Bowers says Miller's crime package, which also includes a minimum 10 years for all violent criminals, is a "desperately needed and constitutional first step" (1/6). Dem: State Rep. Charles "Judy" Poag. GOPers: ex-Waycross Mayor John Knox, ex-state Rep. Paul Heard, USAF Co. Nimrod McNair and businessman Guy Millner. Possible GOPer: ex-Sen. Mack Mattingly.

GEORGIA

Billy Lovett Chairman



Present

Chairman, Georgia Republican Party, elected - May 15, 1993 President, Lovett Associates

Previous

Chairman, Task Force on Statewide Candidate Recruitment, 1991 - 1992 Member, Georgia Public Service Commission, 1979 - 1991 Chairman, Laurens County Board of Commissioners, 1977 -1979

Personal

Spouse: Kay Shirley Children: Two Education: Georgia State University, Abraham Baldwin Agricultural College

Post Office Box 52181 Atlanta, GA 30355

(404) 261-2221 (h) (404) 261-1703 (f) (404) 642-5698 (o - answering service)

GEORGIA

Alec Poitevint National Committeeman



Present

National Committeeman, elected - May 20, 1989 Chairman and President, Southeastern Minerals, Inc. Chairman-Elect, American Feed Industry Association Board Member, International Republican Institute

Previous

Chairman, Georgia Republican Party, 1989 - 1993 Chairman, Decatur County Republican Party, 1975 - 1977 Vice Chairman, Georgia Republican Party, 1977 - 1979 Chairman, Second Congressional District, Georgia GOP, 1981 - 1983

National Co-Chairman, Agribusiness for Bush, 1992 Chairman, Purchasing Council, American Feed Industry Association (AFIA)

Chairman, AFIA Congressional Action Committee Chairman of the Board, National Feed Industry Association Chairman, Georgia Victory '92

RNC Activity

Delegate, Republican National Convention, 1984, 1988, 1992
Treasurer, Committee on Arrangements, Republican National
Convention, 1992
Member, RNC Budget Committee, 1992 Member, RNC Advisory Council on Natural Resources
Subcommittee on Agriculture, 1979 - 1981

(cont.)

35

9/93

GEORGIA

Dot Burns National Committeewoman



Present

National Committeewoman, Georgia, elected -August 18, 1992 Political Director, U.S. Senator Paul Coverdell Republican State Executive Committee

Previous

Second Vice Chairwoman State Republican Party
Ninth District Chairperson
Member, Georgia Foundation
Victory '88 Committee
Volunteer of the Year, 1987
Chair, State Presidential Inauguration, 1984
National Platform Committee, 1984
Member, 9th District Steering Committee, Reagan for President, 1980
Member, 9th District Steering Committee, Reagan - Bush, 1984
Hall County Chairwoman, Mack Mattingly for U.S. Senate
Hall County Chairwoman, Bob Bell for Governor
Statewide County Coordinator, Johnny Isakson for Governor
Statewide County Coordinator, Paul Coverdell for U.S. Senate
Hall County Election Board

RNC Activity

Member, RNC Rules Committee, 1993 -

Personal

Spouse: Jimmy Children: Four

Education: Florida State University

(cont.)

34

9/93