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Dole fires up home-state folks

By ROGER MYERS
Capital-Journal Staff Writer

Sen. Bob Dole told a jam-packed gathering of state Republicans at the Kansas Day banquet here Saturday night that he believes Americans are seeking a promise of commitment.

Speaking to an estimated 1,450 people at the event that climaxed the annual GOP celebration of the state's birthday, the senior senator from Kansas said he thinks he is the best qualified candidate in the field of both Republicans and Democrats to be president of the United States. And Dole said he feels good about his campaign for the GOP nomination and the position he is in to become the Republican Party standard bearer.

Dole called the giant federal budget deficit the nation's No. 1 problem, and he proposed that a one-year spending freeze be imposed to bring it under control and give him time to turn it around. He made repeated references to his Kansas roots during a 25-minute speech that was interrupted frequently by applause from the record Kansas Day banquet crowd, saying at one point that he has been an ambassador for the state wherever he has traveled.

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The presidential contender said he likes all the other candidates for the GOP nomination, and does not dislike any of the Democrats who are seeking their party's nomination to run for the White House.

"But I believe based on my record, I believe based on my past achievements in Kansas that I'm the best-qualified candidate for president," he said to a thunderous wave of applause.

Dole said his 27 years in Congress have qualified him to understand how the federal government works. "I know my way around Washington, and I'll pester every bureaucrat in sight to perform, to cut the inefficiency and waste, to get the quality of government that we should expect for what we're paying," he said.

Dole flew to Kansas from Ft. Dodge, Iowa, where he is working hard to capture an important opening-round victory in the Republican caucuses that will be held there Feb. 8.

Recent opinion polls in Iowa give him a solid lead over Vice President George Bush there, but he and his campaign manager, former Tennessee Sen. William Brock, said before leaving that state for the flight to Topeka that they consider themselves behind in Iowa.

News accounts from Des Moines said it appeared to be a change in campaign strategy designed to reduce expectations. Brock said in an interview during a reception in Topeka immediately preceding the Kansas Day banquet that Dole's own polls give him only a 3 percent lead over Bush in Iowa.

Brock said the disparity between the big lead Dole has in the public surveys and the bare edge he has over the vice president in his own polls is because the public polls survey a wide cross-section of Republicans in that state.

"We've got to poll only those people who will go to the caucuses and vote, whether it's rain, shine or a blizzard," Brock said.

The South, however, is a different story. The most recent poll in the Southern states that will participate in the "Super Tuesday" primary on March 8 showed Dole trailing Bush, 52 percent to 17 percent.

Brock said he thinks Dole can overcome much of that huge deficit by doing well in Iowa and New Hampshire, where Republicans will do their balloting on a GOP nominee before Super Tuesday.

"Whether we can make up that gap depends on how well we do before then," Brock said. "When you start winning, people start to focus on you and start listening to what you have to say."

"I understand Bush's people are talking about being invincible in the South on Super Tuesday. But the French also talked about their invincible Maginot Line."

Brock told the Kansas Day Republicans during brief remarks he made that the Dole campaign plans to outflank Bush's "Maginot Line" and do well in the 20 states that will hold primaries on Super Tuesday.

Dole told the audience that one thing he has learned while serving in Congress is that Kansans demand that their public officials "do their work." He said all the while he has been campaigning for the presidential nomination he has maintained a 95 percent voting record in Congress.

during his quarter century of public service and more recently in his quest for the GOP presidential nomination.

Dole threaded the theme of commitment through his speech. He said the country can have a new commitment to bringing rural America back to the mainstream of the economy, and a commitment to excellence in education that will put the United States on a par with its international competitors.

"We can have a new commitment to fairness in the tax code, to fairness for farmers, for small business, for the homemakers and the mothers and fathers of America," he said.

Dole said he thinks he has made a difference during his work in Congress, helping get Social Security back on a sound financial footing while he was chairman of the Senate Finance Committee, writing farm legislation while he served on the Senate Agriculture Committee and bringing fairness to the federal tax

code when he headed the Finance Committee.

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Chicago Tribune, Tuesday, February 2, 1988 Section 1

Firm aided by Dole staff is probed

By James O'Shea
Chicago Tribune

WASHINGTON—The FBI, the Small Business Administration and a congressional committee are investigating whether EDP Enterprises Inc., a Kansas minority-enterprise company owned by a former aide to Senate Minority Leader Bob Dole, was a "front company" for white business people trying to profit from a \$26 million no-bid federal contract, sources said Monday.

The House Small Business Committee is expected to release Tuesday a memo that summarizes its investigation and raises questions about the circumstances surrounding the award of the contract, which EDP won with the help of Dole's office, several congressional sources said.

Meanwhile, an FBI agent and a representative of the Small Business Administration inspector general's office examined documents involving the contract at the administration's regional office in Kansas City, according to congressional and Justice Department sources.

The FBI has jurisdiction to look at whether any criminal code violations may have occurred in connection with a federal contract. An inspector general for a federal agency examines the conduct of government officials involved in the award of such a contract.

Several sources close to the congressional investigation say the committee is looking into the possibility that the EDP contract was similar to schemes in which front companies run by minorities have been set up to win contracts that benefit behind-the-scenes business people who are not minorities.

Committee sources said the investigation is politically sensitive because it centers on several people with strong ties to Dole, who is seeking the Republican presidential nomination. Investigators have found no proof that Dole knew details of the EDP contract, the sources said, and Dale Tate, a spokeswoman for the Dole campaign, said the senator has not been contacted about an FBI investigation.

The investigators are examining how John Palmer, a former aide to Dole in his Kansas office, won a minority enterprise no-bid federal contract worth about \$26 million. Palmer, who had no experience in the food service business, won the contract to manage food service operations at the Ft. Leonard Wood Army base in Missouri in early 1986. Palmer and other members of the firm have declined comment.

Dole's former national campaign finance chairman, David Owen, a Kansas banker who also was an investment adviser to a blind trust set up by Dole's

wife, was a consultant to EDP and owned a food service distributing firm that sold nearly \$300,000 worth of goods each year to EDP. The House Committee says it has questions about sizable consulting fees paid to Owen, who severed his ties to the Dole campaign two weeks ago.

Sen. Dole's administrative assistant, Mike Pettit, contacted Small Business Administration officials many times on the subject of the contract, government sources said.

Owen said in an interview two weeks ago that he advised Palmer, who is black, on his plan to win the contract. Owen's business and Palmer's company share the same suite of offices in a building that is partially owned by Elizabeth Dole, a former U.S. transportation secretary who resigned to work full-time in her husband's campaign.

Several sources close to the House Small Business Committee inquiry said it would question whether EDP officers and directors borrowed money from EDP, a violation of Small Business Administration rules.

Owen says that the facts will show that he conducted himself properly in his business relationship with Palmer and when he was an investment adviser to Mrs. Dole's trust.

Washington Outlook

BUSH VS. DOLE: THE MESSIEST MUDSLINGING IN TOWN

A complex delegate-selection process breaks down into party warfare in Michigan. Candidates are mortified when they learn that names of the dead are among hundreds of forgeries on their Texas ballot petitions. A leading candidate passes out newspaper clips raising questions about the family finances of a rival. Such antics are routine in Democratic Presidential contests, but lately the Republicans have provided most of the entertainment.

The nastiness of the GOP campaign is increasing as the crucial Feb. 8 Iowa caucuses near. While the Democrats slog through genteel (some would say soporific) debates, Republicans are accusing each other of being wimpy, dishonest, and—horror!—rich.

BOILING OVER. The GOP front-runners, Vice-President George Bush and Senate Minority Leader Bob Dole (R-Kan.), are providing a lot of the fireworks. Dole has a 15 percentage-point lead over Bush in the Iowa Poll, while Bush is well ahead of Dole in New Hampshire. "It's crystallized even more as a two-man race," says Don Sipple, a Republican media consultant.

The early campaigning has been frustrating for both men. Dole has been unable to duplicate his Iowa gains in other key states. Bush is watching the opportunity for a quick kill fading in Iowa. Faced with the possibility of a long, bitter campaign, the candidates' dislike for each other is boiling over.

The Vice-President is peeved by his inability to escape questions about his role in the Iran-contra scandal. Bush won praise for his aggressive handling of the issue in a Jan. 8 GOP debate in Des Moines, but polls show that many Iowa Republicans are not satisfied. Dole implies that Iran-contra won't come back to haunt Bush in the general election. "If Bush doesn't put this aside pretty soon, it's going to hurt him," agrees Hugh Winnebrenner, a political scientist at Drake University.

But Dole's competence is also in question. For one thing,

dozens of signatures on his primary ballot petitions in Texas were discovered to be fakes. Questions raised about Dole's choice of a campaign finance co-chairman may prove more troublesome. He picked David Owen, who was investment counselor for the blind trust of former Transportation Secretary Elizabeth H. Dole. Tipped by a newspaper story circulated by Bush staffers, reporters found questionable transactions involving Owen and the trust. Among other things, Owen personally received fees for arranging the purchase of a Kansas office building and twice was lent money by the trust.

The campaign moved to blunt the story. Owen quit, and Dole released the trust's records. "If there's a negative fallout, it would come from the tawdry politics of some of the Bush people," snaps campaign chairman William E. Brock III. But the issue may linger. Both the House Small Business Committee and the Office of Government Ethics are investigating. And Washington trust lawyer Martin E. Lybecker says Owen may have been too close to the Doles to represent the trust. "It's certainly not normal for a person with a fiduciary duty to borrow money from a trust," says Lybecker.

'SHADY DEALS.' Bush aides believe that the revelations about the senator's finances, including an annual income well into six figures, will undermine Dole's "he's one of us" campaign. The average Iowa man sees he made \$500,000 last year and has a finance chairman who's engaged in shady deals—that doesn't help Dole," says Rich Bond, Bush's political director.

Dole, with his Midwestern roots, is still the heavy favorite in Iowa. But the Bush campaign has an edge in organization and is hoping for a boost from his expected victory at the Michigan state convention on Jan. 29-30. Still, judging by the opening rounds, a bloody battle for the GOP nomination seems inevitable. It may end up a case of the best hateret nian winning.

By Richard Fla, with Paula Depp



THE DOLES: RED-FACED OVER A FINANCIAL GAFFE

on 1 Chicago Tribune, Tuesday, February 2, 1988

Bush belittles Dole as a Senate leader

By Philip Lentz
Chicago Tribune

NASHUA, N.H.—Vice President George Bush took several indirect swipes at presidential rival Bob Dole Monday, criticizing his ideas for an oil import fee and a federal budget freeze and knocking Congress as "part of the problem."

Though Bush did not mention the Senate minority leader by name, there was little doubt that Dole was his intended target.

"I've run an essential government agency. I made more decisions running the Central Intelligence Agency and the intelligence community in a week than I did in four years as a congressman from Texas," Bush told a Nashua Rotary Club luncheon.

Referring to Congress's refusal to pass a constitutional amendment authorizing a presidential line-item veto, Bush said, "Looking to Congress for leadership in this area is simply hopeless."

The vice president and the minority leader have been picking away at one another for weeks, like dentists searching for sensitive spots in teeth. They have battled about "leadership" before, and will likely return to the subject many times before the Republican convention this summer.

Bush sought to compare himself with Dole by saying his record of owning a business in Texas and running the CIA showed leadership experience, while the record of congressional leaders has been found wanting.

"Six of the 13 people running for president are creatures of the United States Congress," Bush said. "I have great respect for the Congress, but I sometimes feel, as I do in this budgeting area, that Congress is a part of the problem, not part of the answer, and I think the American people share that view."

"The president's got to consider the national interest," he continued. "Members of Congress have to consider, by virtue of the job, the special interests. A president leads and I found as a member of Congress that to some degree you follow."

Bush put the blame for passage by Congress of an omnibus budget bill in December at Dole's doorstep: "This institutional breakdown is

purely and simply a failure of congressional leadership."

Bush also harshly criticized the idea of an oil import fee, a sensitive subject in a state such as New Hampshire that is dependent on imported oil for home heating oil.

Dole has said he would accept an oil import fee to help close the federal deficit and make the country less dependent on foreign oil.

But Bush said a \$10-per-barrel oil fee would cost New Hampshire families an average of \$900 a year.

"We cannot become more and more dependent on foreign oil, but the way to go about that is not simply raising everyone's home heating bill," he told a living room crowded with people at a Hollis, N.H., farm.

The vice president also criticized the notion of a federal spending freeze, which Dole has said would be the centerpiece of his plan to cut the federal deficit.

Asked at the Rotary Club about what he would do to fight drugs, Bush said, "One of the reasons I oppose ... a straight freeze, while favoring a flexible freeze, is I think in some areas like drug interdiction we have to have additional resources," Bush said.

"So the straight freeze, where you freeze every account, simply doesn't accommodate the society's changing needs."

In other campaign developments: ● Bush and Dole each picked up about \$6.3 million in campaign contributions during the last quarter of 1987, more than many of the presidential candidates collected all year.

● Republican candidate Pat Robertson accused the Bush campaign of Watergate-style dirty tricks as the battle over which candidate won the Michigan Republican primaries continued. He said the Bush forces were involved in "anti-Christian" bashing.

● Rep. Jack Kemp of New York continued his attacks on Bush and Dole, calling them "double threats" to the Social Security system.

● Democrat Richard Gephardt was said to hold a 10-point lead over Massachusetts Gov. Michael Dukakis among 401 Democrats who were described in polls as likely to attend the Iowa caucuses next Monday.