

MEMORANDUM

TO: SENATOR DOLE

FROM: SENATOR DURENBERGER

RE: RNC CHAIRMAN

I met yesterday with a former constituent, now a resident of Massachusetts, David Printy who told me that he is exploring a run for Chairman of the Republican National Committee.

Dave is a very successful businessman, currently serving as Chairman, President and CEO of Vital Heart Systems, Inc. He has started a number of successful businesses, managed others and, most recently, moved his company from Minnesota to Massachusetts. In less than a year in Massachusetts he has developed a good relationship with Governor Weld and with the medical, educational and business communities in that state.

Dave served as Commissioner of Economic Development for the State of Minnesota during the Administration of Governor Al Quie, was active in the business community in Minnesota and was a candidate for Governor in 1990. He lost the endorsement to Jon Grunseth at the convention but did not enter the primary. Consequently when Jon was forced out of the race, Dave was not available to be the candidate again. Most of the party would have been proud to have Dave be the candidate.

Dave acquitted himself with distinction in that campaign and in everything else he has done.

Dave is considered a member of the conservative "wing" of the party in Minnesota, but that label has more to do with his "pro-life" views than any serious analysis of his philosophy. In my view Dave is very pragmatic and driven to politics by economic and financial issues more than the social issues. He has a deeply rooted sense of personal and family values, but is an open and inclusive person who wants to see the party expand beyond its current narrow base.

Dave does not have the national "name" that other candidates for the post have, but he has been the Minnesota's National Committeeman for the last two years, so he has some familiarity with the people who will be doing the electing.

MEMORANDUM

TO: SENATOR DOLE

FROM: SENATOR DURENBERGER

RE: Justice Department

The Department investigation is focusing on my reimbursement for money paid to a Minnesota company (ISC) for staying in a condominium owned by ISC, and formerly owned by my blind trust. The Department would proceed on the theory that my blind trust never really sold the condominium to ISC. they would allege that the owner of ISC, my lawyer and I conspired to put together a sham transaction for the purpose of getting me reimbursement to which I was not entitled.

In my view the investigation by the Department has been botched. They were handed a bound and indexed set of dozens of affidavits and depositions, thousands of documents and complete legal arguments on both sides. It has taken them two and a half years and who knows how much money to get to where they are today and they do not seem to know where that is. I have had meetings scheduled between my counsel and members of the Department that were canceled, postponed and delayed. In one case a subordinate set up a meeting only to have a superior call and cancel it as "premature."

I was told on October 28 that I would be indicted on October 30. I was told on October 29 that the indictment was indefinitely postponed. You told me that the your staff was told that the decision had not reached Terwilliger, yet my counsel was told that Terwilliger had signed off on the indictment.

I have now been informed that the Justice Department is preparing to subpoena my former law partner, now Federal District Court Judge Paul Magnuson. This subpoena comes more than two years after they started their investigation.

Because I am a public figure, this delay is devastating. The passage of time has allowed my political opponents and even someone from within the Justice Department to continue a campaign damaging of leaks and rumors from which I am unable to defend myself while the active investigation continues. The Justice Department has told my counsel that the suffering caused to me and my friends by their delay and tactics is of no concern to them.

I may not be able to have a detached perspective on this, but I believe the Justice Department's handling of this case, whether the result of disorganization or design, is abusive. What I am seeking is only the knowledge that the decisions are made by the Attorney General based on complete information.

NOVEMBER 19, 1992

TO: SENATOR DOLE
FROM: DAN STANLEY
SUBJECT: CALL FROM DICK THESSSEN

Dick Thessen, from Cannon who you occasionally run into in Florida called to congratulate you on your reelection, ask if Cheney was releasing any of the university grant money, and to let you know he would see you in Florida. He wanted you to know that he would be down there over Thanksgiving (and perhaps this weekend). I did not indicate that you would be there or what your plans were.

As for the university money, I merely told him the deadline for filing the grant requests was November 9th and Salina had not received any money yet. I did not tell him you had gotten Cheney to agree to release the Salina funding (which has not happened yet -- pending review of their application).

Christian B. Jones

Current Address

851 S Bleckley, Apt. 312
Wichita, KS 67218
316 682-1663

Permanent Address

6157 E Carmel Lane
Inverness, Fla., 32652
904 726-9693

Professional Experience

State Sen. Eric Yost
Press Secretary, congressional campaign
Kansas, District 4
June 1992 - November 1992

The Kansas City Star
Political Reporter
State Capitol Bureau, Topeka, Kan.
May 1991 - June 1992

Concurrently: *Newsweek*
News Correspondent
Topeka, Kan.
December 1991 - May 1992

Columbia Missourian
Political Reporter
State Capitol Bureau, Jefferson City, Mo.
January 1990 - May 1991

Concurrently: *The New York Times*
News Correspondent
Columbia, Mo.
September 1990 - May 1991

U.S. Sen. Orrin Hatch
Washington, D.C.
Press Intern
May 1988 - August 1988

Education

University of Missouri
School of Journalism
Columbia, Mo.
May 1991

Georgetown University
Institute on Political Journalism
Washington, D.C.
August 1988

Awards

Barry Goldwater Scholarship
Georgetown University
Washington, D.C.
June 1988

Poynter Fund Scholarship
St. Petersburg Times
St. Petersburg, Fla.
August 1989
August 1990

State Executive Committee



Fred Meyer
State Chairman

November 17, 1992

The Honorable Robert Dole
SH-141 Hart Senate Office Building
Washington, D.C. 20510-1601

Dear Senator:

Your speech at the Republican Governor's Conference was indeed appropriate and in my opinion, very well received.

Enclosed is some correspondence that has gone to each member of the Republican National Committee, as well as a letter from Rich Bond to which my reply is also enclosed.

I believe that it is essential that the RNC be reformed, refocused and re-oriented, so that we in fact do send help to you in the U.S. Senate, the U.S. House and to the legislative bodies and constitutional offices in our states.

If there is anything I can do to assist you further with this goal, I would be delighted to do so.

Very truly yours,



Fred Meyer

Enclosures

November 6, 1992

Mr. Fred Meyer
Republican Party of Texas
2121 San Jacinto St.
Suite 895, LB-5
Dallas, TX 75201

Dear Fred,

The Republican Party has controlled the Executive Branch of government for the last 12 years. Unfortunately, today we have little to show for it. We went into the 1992 Presidential election one race away from disaster because virtually no progress had been made, in total, in electing U.S. Senators, U.S. Congressmen, Governors, state Senators and state House members. We have now lost that one race.

The inside-the-beltway, non-elected Republicans have taken on all the characteristics of the Democrats. They believe all wisdom comes from inside the beltway. All those in the real world outside the beltway, including Republican volunteers, Republican Party workers, Republican Party officials, Republican elected officials and Republican voters are treated like mushrooms. The arrogance and disrespect displayed toward these Republicans by our own national organization is identical to that of long term Democrat incumbent Congressmen who are accustomed to their perks and privileges and don't want anyone to change things.

We've become too big and too bureaucratic. Our strategic decisions have too often rested not on what makes the most political sense, but on what makes the most dollars and cents for favored vendors and consultants.

The sad fact illustrated by the 1992 election is that the Republican National Committee has lost sight of its mission. It is time for the Committee to re-orient itself and focus outside the beltway on building the Republican Party at the precinct, county and state levels so that many more Republicans can be elected to Congress, to state government offices and to local government. The tens of millions of dollars squandered on consultants and ill-advised programs should be used to teach, to train and to motivate Republican organizations, starting with state parties, in all 50 states. Republican organizations should be taught to fish, not treated as seals and thrown an occasional fish. The RNC members should have responsibility for progress in their states.

We have horribly squandered our opportunities and must now change. Dollars should be supplied to every Republican President for an effective political program from the White House and for effective research and rebuttal when there is no Republican President, but beyond that the RNC focus must be on building the Party and electing Republicans from outside the beltway.

Page Two

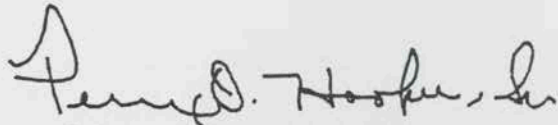
Members of the Republican National Committee will elect a chairman in less than 10 weeks. We have the responsibility to make this decision in a manner that will earn the trust and respect of those who elected us. If we are to build our Party, the individual we select should not have national political ambition, nor should this individual be committed to a national candidate. To bring reform, this individual should come not from the big building in Washington, but from the building blocks -- the state and county party organizations. This individual must be committed exclusively to building the Party and electing Republicans.

President Reagan said that he was only a temporary resident of the White House. All our Republican Presidents are temporary leaders, but the Party can and must go on. We need a better foundation and that comes from the states up, not from Washington down. The RNC must accept responsibility for reforming our party and rebuilding our future.

Sincerely,



Ernest Angelo, Jr.
National Committeeman
Texas



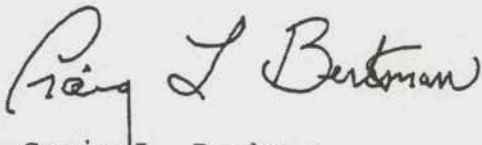
Perry O. Hooper, Sr.
National Committeeman
Alabama



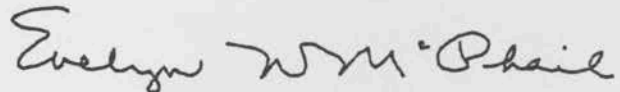
Fred Meyer
Chairman
Republican Party of Texas



Ted Welch
National Committeeman
Tennessee



Craig L. Berkman
Chairman
Oregon Republican Party



Evelyn W. McPhail
Chairman
Mississippi Republican Party



Republican
National
Committee

Richard N. Bond
Chairman

November 10, 1992

Mr. Fred Meyer, Chairman
Republican Party of Texas
2121 San Jacinto Street
Suite 895, LB-5
Dallas, Texas 75201

Dear Fred:

I just received a copy of the letter you sent to your fellow national committee members and am writing to express my deep disappointment and surprise.

First, as chairman, I would expect to receive a formal copy of communications to the committee, and not have to rely on over the transom methods to be aware of such things. Frankly, I've never been very big on discourtesy.

Second, your letter is loaded with inaccuracies, myths and old truths.

I have been associated with the RNC for 16 years. To me, the RNC is and always will be the backbone of the party, the connection with the grassroots members and the institutional fountain of expertise. The RNC for many years has served as the epitome of political professionalism and talent, a goal that political professionals strive to reach. No one respects the institution more than I do. This is one reason your letter is such a disappointment.

Last Friday, you received from me a report on this year's elections -- our successes and our failures, and a summary of the work the RNC did not only on behalf of the re-election campaign but on behalf of state parties, congressional campaigns and local races. Truth is, in most difficult times, the RNC I believe performed amazingly well.

In reading your letter, I found myself agreeing with some of your conclusions but disagreeing with much of your rationale. There is no question that when the GOP controls the White House, the mission of the RNC becomes one that follows the President's lead, and makes as its priority supporting, furthering and aiding in every way the reelection effort. You may recall that the RNC's number one priority in any year is to ensure a proper nominating process for the presidency and work to elect a

Mr. Fred Meyer
Page Two
November 10, 1992

Republican president. From voter contact to research to other forms of support, the RNC contributed the maximum to that effort.

Now, without control of the White House, the priorities shift, though the goal remains electing a Republican president in 1996. The RNC's role now becomes one of loyal opposition to the Democratic administration, articulating the GOP's alternative proposals, keeping the Administration honest, while at the same time rebuilding our party from the grassroots level up.

Your letter states that the RNC became too big and bureaucratic. I strongly disagree. I know of at least several occasions involving each of your own states where decisions were made quickly, decisively and without delay to make sure you had the tools needed to get your jobs done. Whether it was adding media markets to the radio buy or providing additional funds for GOTV efforts, your states in particular had what was not only needed, but called for by you.

On Friday, as I was reporting to you on our results, I made one of the most difficult decisions I've faced in this job. We laid off two-thirds of the headquarters staff. I made this decision so that my successor would have the freedom and flexibility to organize and staff the RNC in his or her own way, with no pressures from staff trying to position itself for the new leadership, with no distractions for the new chairman. I, for one, know the value of this, having hired only nine people to work for me during my time as chairman. That's not to say that I didn't "inherit" some fine people from Lee Atwater and Clayton Yeutter, but I know the virtue of having one's own team. We kept on only that staff essential to continue to raise money, maintain expensive equipment and organize the January meeting. The cuts affected every division in the building. We laid off people who not only are loyal to the party, dedicated to the cause and expert at their jobs, but people who took the news without a blink and understood that this was the reward for the long hours and hard work they put in.

To see a copy of your letter after putting literally hundreds of people out of work, to say the least, was disconcerting. Many of those people we laid off are people whose first thought was to go to work in state party organizations because they know that is where the work will most be needed over the next four years.

Regarding consultants, the RNC no longer is the hive from which consultants get in line for their honey. Consultants have been used here, and contracts were written with specific projects and deadlines assigned. All consultant contracts were written to expire on November 3.

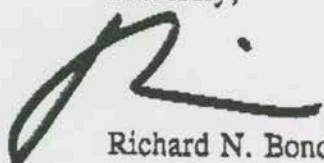
Mr. Fred Meyer
Page Three
November 10, 1992

As chairman, I tried to keep in regular contact with the national committee on an individual basis, through regular fax and mail reports and through the regional conference calls. No one knows better than I how important the national committee is to the proper operation of the RNC.

While we can all point fingers or assign blame after losing the White House, it serves no purpose. All our energies now must go into rebuilding the party, redirecting the party and rededicating ourselves to the cause. This RNC has made its decisions based on what is best for the party, not what is best for individuals.

We will elect a new chairman in two months. As you know, I am not seeking re-election. The senior staff here has made it clear it is not looking to stay on. And we have laid off more than 200 employees who not only love this party, but who worked hard every day to make it better. Frankly, letters such as yours accomplish little, especially when based on little fact and less compassion.

Sincerely,



Richard N. Bond

RNB/pt
cc: Republican National Committee membership

State Executive Committee



COPY

November 13, 1992

Fred Meyer
State Chairman

Chairman Rich Bond
Republican National Committee
Dwight D. Eisenhower Republican Center
310 First Street, Southeast
Washington, D.C. 20003

Dear Rich:

Thank you for your letter in response to one signed by me and five fellow members of the Republican National Committee.

First, I want to take responsibility for deciding not to send you a copy directly. We debated doing so but decided against it because we didn't want you to think our remarks were directed at you personally -- they were not.

Our letter deliberately did not single out any individuals or any specific examples of problems because we are not interested in finger-pointing or being part of the blame game -- we are interested in major and much-needed reforms at the Republican National Committee.

However, I must correct the mistaken impression left by your letter that state parties were consulted about strategy, expenditures or RNC programs in our states. Between August and November, I never talked directly to you or any of the RNC senior staff by telephone about Texas. Not once. With the exception of one phone call about a legislative contribution, my executive director was never consulted or contacted.

We were up against a very well coordinated Democrat Party effort that bashed us with a generic "vote Democrat" message on Texas radio and television from August until election day. The Democrats' effort was strategically well-directed and well coordinated. Yet we had no direct communication or input with our national party organization and frankly, your RNC money was not well-spent here.

Today (November 13) we received by fax a memorandum explaining how we should report the RNC's payments to a vendor for a \$125,000 phone program in Texas. It was the first information we had ever received from you about this program. We had in place a program to make all the calls we needed to make in Texas.

As you know, we had a very successful year in Texas, picking up five seats in our State Senate, electing three new Republicans statewide, gaining almost 100 local elected Republicans and electing the first Hispanic Republican congressman from Texas. We believe we could have been even more effective, however, had we had some input into how and where the RNC funds that were sent here were spent in our state.

Chairman Rich Bond
November 13, 1992
Page 2

Finally, about compassion. As Chairman and President of a major manufacturing company, I know how difficult it is to lay off employees. However, you made that decision based on your belief about what was best for the future of our Party. To attempt to tie your decision to lay off employees to our call for reforms is just not morally or ethically right.

No one has ever questioned your good intentions. However, as a veteran of 20 years of volunteer involvement with the Republican Party, including seven as Dallas County chairman and since 1988 as Texas state chairman, I believe I am entitled to suggest we need significant change and reform in our national operation.

Texas contributors send millions to the Republican National Committee. I want to be able to look them in the eye and tell them their money is consistently well spent to help elect Republicans. Unfortunately, I cannot do so today.

Very truly yours,



Fred Meyer

cc: Members, Republican National Committee



Republican
National
Committee

Richard N. Bond
Chairman

November 6, 1992

Mrs. Liliana Belardo de O'Neill
National Committeewoman
The Rep. Party of the Virgin Islands
P.O. Box 3383
Christiansted, St. Croix, VI 00820

Dear Liliana:

I am writing to you on several important "housekeeping" items, as well as to offer my thanks to you for all your efforts on behalf of our Party and our President.

Given President Bush's defeat, I do not intend to seek re-election as National Chairman. I think it's appropriate to turn the page and begin to rebuild under new leadership.

There certainly will be no lack of qualified candidates, and I hope you will understand if I do ultimately express an opinion on who I think would be best suited to lead this institution that I love so much (if you do mind, you probably wouldn't agree with me anyway!). I do want to single out one particular candidate, however, for special comment.

In an act of absolute political treachery, former Governor Pierre "Pete" DuPont of Delaware, began campaigning for the RNC Chairmanship several weeks before election day. Its disloyal, unseemly and cowardly to put one's own ambition before the good of the Party and our President and that is exactly what Pierre did. Please bear this in mind when he contacts you for your vote.

The RNC meeting will take place in St. Louis, Missouri January 28-29, 1993. We'll send you further information on accommodations and so forth in the next few days. Next week, I'll be asking Mike Grebe, Wisconsin National Committeeman and head of our RNC Rules Committee to work with General Counsel Ben Ginsberg to analyze past precedent (particularly from 1977 following the Ford loss) and put together a recommendation as to the mechanics in electing new RNC officers. I plan to circulate a draft of procedures to the eight RNC regional Vice Chairs and then to circulate the final plan to RNC members and the various candidates.



1992 was not the wipeout that the national media claims it was, and I do hope the enclosed fact sheet will help you to set the record straight.

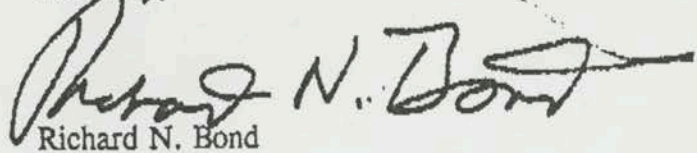
Finally, I wanted to share a bit of news I personally am very proud to report. The RNC is not in debt! Because of the incredible job by Bob Mosbacher and our finance staff, we paid back our loan the day before election day. We have enough cash on hand to make it through the end of the year as long as I pare back significantly the level of staff here, which I am in the process of doing.

It's been an honor to have served the RNC and George Bush. We can't let our opponents "Carterize" George Bush, who fought and won a great war, who helped defeat Communism, and who, in partnership with Ronald Reagan, changed the direction of the country. He's "one of us" - a GOP county Chairman and a National Chairman, and he deserves our undying loyalty, respect and support.

Please call me with your comments.

Again, many thanks!

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard N. Bond". The signature is stylized with a large, sweeping initial "R" and a long horizontal line extending from the end of the name.

Richard N. Bond

1992 ELECTION SUMMARY SHEET

Presidential

Bill Clinton's victory certainly was no landslide, nor has he been given a mandate by the American people, as the media is claiming. Remember the following points:

- A switch of 280,000 total votes from Clinton to Bush in selected states would have given President Bush the 270 electoral votes needed to win.
- This is the smallest percentage of voters to elect a president since 1912.
- Never in the history of the Democrat Party have more people voted against their presidential nominee.
- Clinton shrank Dukakis' coalition by 3 percent.

U.S. Senate

We lost only one net seat, and may yet have a chance to net even in the November 24th run-off election between Paul Coverdell and incumbent Democrat Senator Wyche Fowler in Georgia. Republican Senators John Seymour (CA) and Bob Kasten (WI) were defeated, but Republican challenger Lauch Faircloth bested Democrat incumbent Terry Sanford in North Carolina.

A special election on December 6 in North Dakota, created by the death of Democrat Senator Quentin Burdick, also holds the potential for a net increase for Republicans in the U.S. Senate, given the fast-closing margin between Republican Jack Dalrymple and Democrat Kent Conrad -- the current U.S. Senator who announced to the people of North Dakota that he would not seek re-election in 1992.

U.S. House of Representatives

We increased our numbers in the House of Representatives to at least 175, for a net gain of 9 seats -- the first time this century an incumbent president lost and his party *gained* seats. We are looking at the largest freshman class since 1948, including 46 or more Republican members, and there are four recounts under way which could add two more wins to the Republican column, so stand by. Of the 24 incumbents who lost their races, two thirds were Democrats.

- 2 -

In this "Year of the Woman," all nine Republican congresswomen were re-elected, while three incumbent Democrats were defeated -- Mary Rose Oaker (OH), Joan Kelly Horn (MO), and Liz Patterson (SC). And House Republicans added three new women to their ranks: Tillie Fowler (FL), Deborah Pryce (OH) and Jennifer Dunn (WA).

We're proud to have added two Hispanic members to the 103rd Congress also, Lincoln Diaz-Balart (FL) and Henry Bonilla (TX), and to have elected the only new Asian-American, Jay Kim of California.

Term limit measures were also approved overwhelmingly in 14 states.

Governors

Despite some bitter losses in gubernatorial races, resulting in a net loss of 2 posts, we are very proud to have four outstanding new governors. Marc Racicot kept our hold in Montana and Steve Merrill thoroughly trounced his opponents in New Hampshire to retain that seat, winning by a margin of 14 points. We also kept Utah, with a handsome victory for Mike Leavitt, and Edward Schafer picked up the governor's seat in North Dakota, formerly held by Democrat George Sinner. Our victory in these 4 seats puts a lie to the Democrats' boast that they would win at least 10 seats.

State Legislatures

After President Ford's defeat in 1976, the RNC's leadership put a priority on rebuilding the party at the grassroots level. We are in a much better position now than in 1976, as we made dramatic gains this year at the state legislative level, providing great news for the strength of the party.

A total of nine state legislative chambers changed control into Republican hands, including the state senate in Arizona, Idaho, Illinois, Nevada and Vermont, and the state house in Iowa, Michigan, Montana and Kansas. We also hold a tie in the powerful Florida Senate, representing the first time that Republicans have attained a tie in a southern legislative chamber since Reconstruction. Republicans now control or are tied for control in 33 of 99 chambers, and made a net gain of about 85 legislative seats throughout the country in 1992.

STATE LEGISLATIVE CHAMBER RESULTS

We gained control in 9 chambers, tied in 1, and lost 3 for a net gain of control in 7 chambers. We now have control of 32 chambers. In 12 chambers with elections there was no change. We gained 185 seats and lost 108 seats for a net gain of 77 seats.

CHAMBERS GAINED CONTROL

	<u>OLD</u>		<u>NEW</u>		<u>NET CHANGE</u>
Arizona Senate	13R	17D	18R	12D	+5
Idaho Senate	21R	21D	23R	12D	+2 (redistricting)
Illinois Senate	28R	31D	32R	27D	+4
Iowa House	45R	55D	51R	49D	+6
Michigan House	49R	61D	56R	54D	+7
Montana House	39R	61D	53R	47D	+14
Nevada Senate	10R	11D	11R	10D	+1
Vermont Senate	15R	15D	17R	13D	+2
Kansas House	62R	63R	66R	59D	+4

CHAMBERS ATTAINED TIE

Florida Senate	19R	21D	20R	20D	+1
----------------	-----	-----	-----	-----	----

CHAMBERS GAINED SEATS

Alaska House	13R	27D	18R	18D	+5 (2 too close)
Arizona House	33R	27D	35R	25D	+2
Arkansas Senate	4R	31D	5R	30D	+1
Arkansas House	9R	91D	10R	90D	+1
California Senate*	13R	26D	14R	22D	+1
Connecticut House	63R	88D	66R	85D	+3
Florida House	46R	74D	49R	71D	+3
Georgia Senate	11R	45D	15R	41D	+4
Georgia House	35R	145D	53R	127D	+18
Idaho House	56R	28D	50R	20D	+2 (redistricting)
Illinois House	46R	72D	51R	67D	+5
Indiana Senate	26R	24D	28R	22D	+2
Iowa Senate	21R	29D	24R	26D	+3
Kansas Senate	22R	18D	24R	16D	+2
Kentucky Senate	11R	27D	13R	25D	+2
Maine Senate	14R	21D	15R	20D	+1
Maine House	54R	97D	61R	90D	+7
Minnesota Senate	21R	46D	22R	45D	+1
Mississippi Senate	11R	40D	13R	38D	+2

Mississippi House	23R	99D	27R	95D	+4
Missouri Senate	11R	23D	13R	21D	+2
North Carolina House	39R	81D	42R	78D	+3
North Dakota House	58R	48D	64R	32D	+6 (2 und./redist.)
Ohio House	38R	61D	46R	53D	+8
Oregon Senate	10R	20D	14R	16D	+4
Pennsylvania House	96R	107D	98R	105D	+2
Rhode Island Senate	5R	45D	11R	39D	+6
Rhode Island House	12R	88D	20R	80D	+8
South Carolina Senate	13R	33D	16R	30D	+3
South Carolina House	43R	81D	50R	74D	+7
Texas Senate	9R	22D	13R	18D	+4
Utah House	42R	33D	49R	26D	+7
West Virginia Senate	1R	33D	2R	32D	+1
Wisconsin Senate	14R	19D	15R	18D	+1
Wisconsin House	41R	58D	47R	52D	+6
Wyoming House	42R	22D	41R	19D	+2 (redistricting)

CHAMBERS NO CHANGE

Alaska Senate	10R	10D
Connecticut Senate	16R	20D
Delaware Senate	6R	15D
Hawaii Senate	3R	22D
North Dakota Senate**	24R	25D
Oklahoma Senate	11R	37D
Oklahoma House	33R	68D
New Hampshire	13R	11D
Pennsylvania Senate	26R	24D
Tennessee Senate	13R	20D
Texas House	58R	92D
Wyoming Senate	20R	10D

CHAMBERS LOST CONTROL

South Dakota Senate	18R	17D	15R	20D	-3
Vermont House*	75R	73D	66R	82D	-9
Washington Senate	25R	24D	21R	28D	-4

CHAMBERS LOST SEATS

California Assembly	33R	47D	31R	49D	-2
Colorado Senate	23R	12D	21R	14D	-2
Colorado House	38R	27D	35R	30D	-3
Delaware House	24R	17D	22R	19D	-2

Hawaii House	6R	45D	4R	47D	-2
Indiana House	48R	52D	45R	55D	-3
Kentucky House	32R	68D	28R	72D	-4
Massachusetts Senate	15R	25D	9R	31D	-6
Massachusetts House*	38R	121D	31R	128D	-7
Minnesota House	56R	78D	47R	87D	-9
Missouri House	64R	99D	63R	100D	-1
Montana Senate	21R	29D	20R	30D	-1
Nevada Assembly	20R	22D	14R	28D	-6
New Hampshire House*	268R	125D	257R	139D	-11
New Mexico Senate	16R	26D	15R	27D	-1
New Mexico House	21R	49D	19R	51D	-2
New York Senate	35R	26D	34R	27D	-1
New York Assembly	55R	95D	50R	100D	-5
North Carolina Senate	14R	36D	11R	39D	-3
Ohio Senate	21R	12D	20R	13D	-1
Oregon House	32R	28D	31R	29D	-1
South Dakota	45R	25D	41R	29D	-4
Tennessee House	43R	56D	37R	62D	-6
Utah Senate	19R	10D	18R	11D	-1
Washington House	40R	58D	37R	61D	-3
West Virginia House	26R	74D	21R	79D	-5

- * The California Senate had 1 Independent and now has 2 Independents and 2 Vacancies.
 The Vermont House had and still has 2 Independents.
 The Massachusetts House had and still has 1 Independent.
 The New Hampshire House had 2 Independents and now has 3 Libertarians, 1 Independent and 1 Vacancy.
- ** The North Dakota Senate, due to redistricting, changed from 26R and 27D to 24R and 25D with no net loss.

"A" COMMITTEES FOLLOWING ELECTIONS

**AGRICULTURE, NUTRITION, AND FORESTRY
RATIO - 10/8**

LUGAR
DOLE
HELMS
COCHRAN
McCONNELL
CRAIG

 (SEYMOUR)
GRASSLEY

**APPROPRIATIONS
RATIO - 16/13**

HATFIELD
STEVENS

 (GARN)

COCHRAN
 (KASTEN)

D'AMATO
 (RUDMAN)

SPECTER
DOMENICI
NICKLES
GRAMM
BOND
GORTON

**ARMED SERVICES
RATIO - 11/9**

WARNER
THURMOND
COHEN
McCAIN
WALLOP
LOTT
COATS
MACK
SMITH

**BANKING, HOUSING, AND URBAN AFFAIRS
RATIO - 12/9**

_____ (GARN)
D'AMATO
GRAMM
BOND
MACK
ROTH
DOMENICI
KASSEBAUM
SPECTER

**COMMERCE, SCIENCE, AND TRANSPORTATION
RATIO - 11/9**

DANFORTH
PACKWOOD
PRESSLER
STEVENS
_____ (KASTEN)
McCAIN
BURNS
GORTON
LOTT

**ENERGY AND NATURAL RESOURCES
RATIO - 11/9**

WALLOP
HATFIELD
DOMENICI
MURKOWSKI
NICKLES
BURNS
CRAIG
_____ (SEYMOUR)
_____ (GARN)

**ENVIRONMENT AND PUBLIC WORKS
RATIO - 10/7**

CHAFEE
SIMPSON
_____ (SYMMS)
DURENBERGER
WARNER
JEFFORDS
SMITH

**FINANCE
RATIO - 11/9**

PACKWOOD
DOLE
ROTH
DANFORTH
CHAFEE
DURENBERGER
_____ (SYMMS)
GRASSLEY
HATCH

**FOREIGN RELATIONS
RATIO - 11/8**

HELMS
LUGAR
KASSEBAUM
PRESSLER
MURKOWSKI
McCONNELL
BROWN
JEFFORDS

**GOVERNMENTAL AFFAIRS
RATIO - 8/5**

ROTH
STEVENS
COHEN

____ (RUDMAN)
____ (SEYMOUR)

**JUDICIARY
RATIO - 8/6**

THURMOND
HATCH
SIMPSON
GRASSLEY
SPECTER
BROWN

**LABOR AND HUMAN RESOURCES
RATIO - 10/7**

HATCH
KASSEBAUM
JEFFORDS
COATS
THURMOND
DURENBERGER
COCHRAN



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 16, 1992

Scott Morgan, Esquire
1618 Inverness Drive
Lawrence, Kansas 66047

RE: MUR 3309

Dole for President Committee
James L. Hagen, as treasurer

Dear Mr. Morgan:

On October 29, 1991, the Federal Election Commission found reason to believe that the Dole for President Committee ("the Committee") and James L. Hagen, as treasurer, violated 2 U.S.C. §§ 434, 441a(b)(1)(A), 441a(f), and 441b, and 26 U.S.C. § 9035(a).

At your request, on November 10, 1992, the Commission determined to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On the same date the Commission also voted to take no further action with regard to a violation of 2 U.S.C. § 434(b) by the Committee and James L. Hagen, as treasurer, involving the reporting of the attribution of a partnership contribution from Obermayer, Rebmann, Maxwell & Hipple.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

If you have any questions or suggestions for changes in the agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact me at (202) 219-3400.

Sincerely,

Anne A. Weissenborn
Senior Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
)	MUR 3309
Dole for President Committee)	
and James L. Hagen, as treasurer)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that the Dole for President Committee and James L. Hagen, as treasurer, ("Respondents") violated 2 U.S.C. §§ 434, 441a(b)(1)(A), 441a(f), and 441b, and 26 U.S.C. § 9035(a).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

-2-

IV. The pertinent facts in this matter are as follows:

1. The Dole for President Committee is a political committee within the meaning of 2 U.S.C. § 431(4).

2. James L. Hagen is the treasurer of the Dole for President Committee.

3. The Dole for President Committee was the principal campaign committee of United States Senator Robert Dole during the 1988 presidential primary election campaign.

4. During the 1987-88 election cycle Campaign America was a multicandidate political committee within the meaning of 2 U.S.C. § 431(4) and 2 U.S.C. § 441a(a)(4).

5. In 1986 and 1987 Senator Dole served as "honorary chairman" of Campaign America.

6. Pursuant to 2 U.S.C. § 431(8)(A) and 11 C.F.R. § 100.7(a), 26 U.S.C. § 9032(4) and 11 C.F.R. § 9032.4, a contribution includes any gift, subscription, loan, advance, or deposit of money or anything of value made for purposes of influencing a federal election. "Anything of value" includes in-kind contributions. 11 C.F.R. § 100.7(a)(1)(iii).

7. When an individual becomes a candidate, any funds received, loans obtained or disbursements made in connection with his or her campaign prior to becoming a candidate shall be deemed to have been received, obtained, or made as an agent of his or her campaign. 11 C.F.R. § 101.2(b).

8. Funds received and payments made solely for the purpose of determining whether an individual should become a candidate, i.e., for "testing-the-waters," are not contributions

-3-

or expenditures for purposes of the Act. If the individual subsequently becomes a candidate, the funds received and/or expended become contributions subject to the reporting requirements and limitations of 2 U.S.C. §§ 434 and 441a(b). 11 C.F.R. § 100.7(b)(1)(i).

9. Pursuant to 2 U.S.C. § 441a(a)(2)(A), no multicandidate political committee may make contributions to any candidate and his or her authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$5,000.

10. Pursuant to 2 U.S.C. § 441a(f), no political committee may knowingly accept contributions in excess of the limitations established at 2 U.S.C. § 441a(a).

11. In 1986 and 1987 Campaign America sponsored a series of events in the state of Iowa, prior to the registration of the Dole for President Exploratory Committee on March 13, 1987, including the following:

- a. A February 7, 1987, town meeting in Orange City;
- b. A February 12, 1987, town meeting in Dubuque;
- c. A February 22, 1987, town meeting in Des Moines;
- d. A February 23, 1987, breakfast meeting in Davenport.

12. Invitation postcards for the town meetings sponsored by Campaign America used the same format and picture of Senator Dole, and were printed by the same Iowa firm, as were invitation postcards later used by the Dole for President Committee. The Campaign America postcards contained the sentence, "During this

-4-

meeting I would like to hear your views and concerns while sharing some of my own with you regarding our shared Republican future."

13. Campaign America produced a memorandum dated February 18, 1987, which in part discussed "Quad City Issues." Davenport, Iowa, is one of the Quad Cities. The memorandum also included a section entitled "Offer Iowans a Friend in the White House."

14. Campaign America expenditures in 1987 related to the four events in Iowa cited in Section IV, 4, included \$14,684.35 for the town meetings and breakfast meeting, \$10,214.70 in staff expenses, and \$6,522.50 and \$1,476 for staff interstate transportation, for a total of \$32,897.55.

15. Campaign America also made expenditures in Iowa totaling \$8,990.27 for a Campaign America telemarketing program designed in part to create a list of supporters of Senator Dole. The survey data was used with respect to Campaign America events in Iowa in January and February, 1987.

16. Campaign America expenditures in Iowa on behalf of Senator Robert Dole constituted testing-the-waters expenditures totaling \$41,887.82 and became in-kind contributions when he became a candidate.

17. Campaign America made 117 expenditures on behalf of Senator Dole to various towns in New Hampshire in 1986 and 1987 for voter lists. These payments totaled \$3,136.26.

-5-

18. Campaign America made expenditures on behalf of Senator Dole in New Hampshire in 1986 and 1987 for a business telephone, the number of which was later used and paid for by the Dole for President Committee. These payments totaled \$2,223.16.

19. The Campaign America expenditures in New Hampshire on behalf of Senator Robert Dole constituted testing-the-waters expenditures totaling \$5,359.42 and became in-kind contributions when he became a candidate.

20. Campaign America made a total of \$47,247.24 in expenditures on behalf of the Dole for President Committee, thus exceeding the \$5,000 statutory limitation on contributions by \$42,247.24.

21. Pursuant to 2 U.S.C. §§ 441a(b)(1)(A) and 441a(c) and 26 U.S.C. § 9035(a), no candidate for the office of President of the United States, who is eligible under Section 9033 of Title 26 to receive payments from the Secretary of the Treasury, may make expenditures in any one state aggregating in excess of the greater of 16 cents multiplied by the voting age population of the state, or \$200,000.00, as adjusted by changes in the Consumer Price Index. Except for expenditures exempted under 11 C.F.R. § 106.2, expenditures incurred by a candidate's authorized committee(s) for the purpose of influencing the nomination of that candidate for the office of President with respect to a particular state shall be allocated to that state. 11 C.F.R. § 106.2(a)(1).

20. For the 1988 presidential primary elections, the expenditure limitation for the State of Iowa was \$775,217.60. Respondents exceeded this limitation by \$304,065.44.

-6-

21. For the 1988 presidential primary elections, the expenditure limitation for the State of New Hampshire was \$461,000. Respondents exceeded this limitation by \$284,084.46.

22. Pursuant to 2 U.S.C. § 441b, it is prohibited for political committees knowingly to accept contributions from corporate entities.

23. Respondents accepted direct and in-kind contributions totaling \$64,043 from 211 corporate entities; \$7,201 has been refunded. These contributions include two uses of corporate aircraft for which the Committee made reimbursements which were a total of \$3,750 less than the normal and usual charges for the services provided.

24. Pursuant to 11 C.F.R. § 114.9(e), a candidate, a candidate's agent, or a person traveling on behalf of a candidate who uses, in connection with a federal election, an airplane which is owed or leased by a corporation, other than a corporation licensed to offer commercial services for travel, must reimburse the corporation in advance for the costs involved in such transportation.

25. Respondents used the aircraft of 15 corporations for which they made 26 payments totaling \$54,264.85. These payments were not made in advance of the travel involved. Included in this figure is a \$2,475 in-kind contribution from a corporation which accepted a payment which was \$2,475 less than the amount billed for use of the aircraft used by Respondents.

-7-

26. 2 U.S.C. § 441a(a)(1)(A) limits to \$1,000 per election the amount which any individual, partnership, or political committee which is not a multicandidate committee may contribute to a candidate or his or her authorized committee.

27. Respondents knowingly accepted a total of \$239,131.81 in contributions from 418 individuals which exceeded their respective \$1,000 limitations.

28. Respondent knowingly accepted a total of \$4,000 in contributions from three partnerships, P and D Realty Company, Bertram Associates, and Altman Brothers, which exceeded their respective \$1,000 limitations.

29. Respondents knowingly accepted a total of \$8,375 in contributions from seven political committees which exceeded the committees' respective \$1,000 limitations.

30. Pursuant to 11 C.F.R. § 9003.3(a)(1)(iii), presidential candidates are permitted to accept contributions to a legal and accounting compliance fund prior to nomination for use if the candidate becomes a candidate in the general election. Such candidates are also permitted to deposit into such a compliance fund redesignated contributions which exceed the contributors' limitations for the primary election. If the candidate does not continue into the general election, any contributions made with respect to that election must be refunded, redesignated or reattributed within sixty days from the date of the nomination for president by the party of a candidate who is not the nominee.
11 C.F.R. § 102.9(e).

-8-

31. Respondents sought redesignation for, and transferred to, a legal and accounting compliance fund \$102,662.55 in otherwise excessive contributions received for the primary election. They also received \$16,292 in direct contributions to the fund.

32. The Republican Party nominated its candidate for President on August 17, 1988. Therefore, Respondents should have refunded, redesignated or reattributed the contributions placed in the legal and accounting compliance fund within sixty days of that date or no later than October 16, 1988. As of October 16, 1988, \$48,598.55 had not been refunded or redesignated. Respondents have submitted copies of refund checks totaling \$48,748.55 dated January 16 and 17, 1991.

33. 2 U.S.C. § 434 requires that each treasurer of a political committee file reports of receipts and disbursements. A principal campaign committee is required to consolidate in each of its reports the reports submitted to it by any authorized committee. 11 C.F.R. § 104.3(f).

34. Dole for President Committee had eighteen authorized delegate committees, three in Maryland and fifteen in Illinois. As a principal campaign committee, it was responsible for obtaining information on the receipts and expenditures of the delegate committees and for consolidating that information in its reports to the Commission.

35. Respondents failed to report the receipts and disbursements of eighteen delegate committees in consolidated reports.

-9-

V. Respondents knowingly accepted \$42,247.24 in excessive in-kind contributions from Campaign America, in violation of 2 U.S.C. § 441a(f).

VI. Respondents exceeded the primary campaign expenditure limitations for the states of Iowa and New Hampshire by a total of \$588,149.90, in violation of 2 U.S.C. § 441a(b)(1)(A) and 26 U.S.C. § 9035(A).

VII. Respondents knowingly accepted contributions totaling \$64,043 from 211 corporate entities, in violation of 2 U.S.C. § 441b.

VIII. Respondents failed to make advance payments totaling \$54,264.85 for the use of corporate aircraft, in violation of 2 U.S.C. § 441b.

IX. Respondents knowingly accepted excessive contributions totaling \$239,131.81 from 416 individuals, in violation of 2 U.S.C. § 441a(f).

X. Respondents knowingly accepted excessive contributions totaling \$4,000 from three partnerships, in violation of 2 U.S.C. § 441a(f).

XI. Respondents knowingly accepted excessive contributions totaling \$8,375 in contributions from seven political committees, in violation of 2 U.S.C. § 441a(f).

XII. Respondents failed to refund or to obtain redesignations or reattributions for \$48,598.55 in contributions to a legal and accounting compliance fund within sixty days of the date upon which the Republican Party nominated a candidate for the office of President in 1988, in violation of 2 U.S.C. § 441a(f).

\$ 357,797.05
TOTAL EXCESS AND
PROHIBITED CONTRIBUTIONS

-10-

XIII. Respondents failed to report the receipts and disbursements of eighteen delegate committees in consolidated reports, in violation of 2 U.S.C. § 434.

XV. Respondents will refund all outstanding excessive and prohibited contributions.

XIV. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Thousand Dollars (\$200,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

XVI. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

XVI. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

XVII. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement(s) contained in this agreement and to so notify the Commission.

XVIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

-11-

made by either party or by agents of either party, that is not
contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

Date

FOR THE RESPONDENTS:

(Name)
(Position)

Date

COMMITTEE FOR GRASSROOTS RENEWAL

Situation:

Waning participation in grassroots Republican Party politics contributed greatly to the party's disappointing showing in the November 1992 elections. Party officials around the country report fewer volunteers than in past elections.

More dangerous to the Party's long-term prospects, they also report widespread apathy among the traditional Republican base in running for local party offices. Elections for precinct and county party positions typically had only one candidate. As a result, the Party is becoming less broad based than it was in the 1980s. That also means the GOP is left vulnerable to a takeover at the grassroots level by a well-organized special interest group. (see attached articles).

Solution:

Have a broad philosophical cross-section of Republican leaders form an organization whose sole focus is reinvigorating the grassroots of the Republican Party. This group should concentrate on recruiting people to run for local (i.e. precinct) party positions. In other words, participating in local GOP politics needs to be made important again. The goal is to have candidates for every party precinct election in the country. The easiest way to do this is to have party leaders (Governors, Senators, Congressmen, RNC Chairman, state legislators) lending their prestige to attracting a large number of candidates for local party positions. The people elected to these positions in 1993 will control the delegate selection procedures when they're written in 1995 for the 1996 Convention. Strengthening grassroots involvement will not only help our candidates in 1994 and 1996, it will prevent the takeover of the Party by a well-organized special interest group.

Structure:

This organization can be either a political committee (Internal Revenue Code section 527) or a 501 (c)(4) tax exempt. Some work by a 501(c)(3) charitable organization may also be permissible in certain states. As long as there is no participation in elections by funding particular candidates or advocating their election or defeat, federal election contribution limits and reporting requirements would not apply. (Setting up a similar project inside the RNC would be subject to reporting and limitations).

The organization should be led by a board of directors representing the broad philosophies and ideologies of the Republican Party. It should not take positions on issues. Its sole mission should be to recruit people to participate in precinct party elections and conduct grassroots activities.

The only way to reinvigorate the grassroots is by local organizing. As such, the bulk of the resources should be used on: (1) building a field force to organize and recruit, and (2) travel by the party leaders to back up the field force's recruitment efforts.

If this project is not begun in the winter of 1992-93, we will wake up in 1995 with a party that is even smaller in size and vulnerable to take over by a small group that is not representative of the Republican Party that held the White House for the last 12 years and controlled the Senate for six years in the last decade.



DATE: 11-12
PAGE: 4

Religious activists feeling a renewed political calling

By Judy Keen
USA TODAY

The Rev. Jerry Falwell issued an ultimatum this week, giving Bill Clinton 100 days' notice before he decides whether to revive the Moral Majority.

If the president-elect keeps his campaign promises to support homosexual and abortion rights, Falwell said, he'll reopen the organization he founded in 1979 and shut down a decade later after helping bring Ronald Reagan to power.

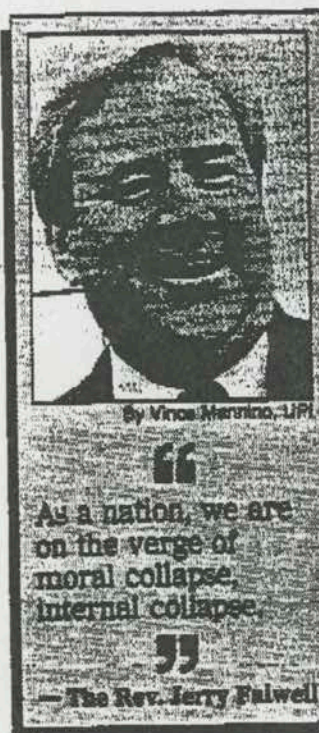
"As a nation, we are on the verge of moral collapse, internal collapse," Falwell said. "We are on the threshold of national and international shame." Falwell's words mark the beginning of a new political crusade by conservative Christian activists. Energized by Clinton's win and the threat they believe it represents, they show signs of being the first GOP faction to regroup.

An opening for newfound Christian activist clout has been created by President Bush's loss, says former GOP strategist Kevin Phillips.

"When the party has seen its centrist power structure made fools of and held up as ineffective and out of touch ... it becomes a lot easier for all these activists to take power. There is no restraining force."

The Christian Coalition, a conservative group formed by broadcaster Pat Robertson, hopes to double its membership to 700,000 in a year.

Activism at the local level by Robertson's 1988 presidential bid has blossomed into real



clout, as demonstrated by activists' much-criticized dominance of the GOP convention.

Now, with the GOP's future up for grabs, conservative Christians want to claim even more power. They hope to return the party to Reagan-era tenets, including strict laws against abortion and restrictions on homosexual rights.

"Look at the exit polling," says GOP pollster Glen Bolger. "White, born-again voters supported Bush probably more strongly than other groups. Religious activists certainly have claim to power in the party."

Already, religious activists wield considerable power over

the GOP in about a third of states, and they're gradually filling state legislative chambers with their candidates.

Though Republicans say they welcome Christian activists, they worry that agenda would shove the party into a corner of narrow issues.

That's exactly the opposite of the broadened coalition GOP leaders feel they need to reclaim the White House.

"I'm more concerned about building the party and building a winning party" than adhering to a strictly conservative ideology, says Alec Poitevint, Georgia GOP chairman.

"The word is inclusion rather than exclusion."

"In all of the 20th century, there have been only two fixed stars in the political firmament of the Republican Party," says Sen. Phil Gramm, R-Texas. "Those have been the pursuit of peace and prosperity."

When the party drifts from those issues, as it did in Bush's campaign, "You either get lost or you lose the American people," says Gramm. "If we guide by those two fixed stars, we don't have to worry about these other groups. They're going to be with us."

Regardless of the popularity of the conservative social stances religious groups espouse, many Republicans say, the GOP's biggest threat as it rebuilds is divisiveness.

Says Bolger: "The hard part is going to be to make sure disparate groups in the Republican Party are talking to each other, instead of screaming at each other."

LOS ANGELES TIMES / WASHINGTON EDITION

MONDAY, OCTOBER 19, 1992

Christian Right Tries to Take Over State GOP

■ **Politics:** Activists are focusing on Assembly races in campaigns largely financed by four businessmen.

By CARLOS V. LOZANO
and RALPH FRAMMOLINO
TIMES STAFF WRITERS

The Christian right is waging an extensive and well-financed fall campaign in California aimed at expanding its power in the Assembly and threatening the Republican Party leadership of moderate Gov. Pete Wilson.

Combining forces with anti-tax and gun-owner groups, religious right activists from San Diego to Sacramento are following up a massive "in pew" voter registration drive by distributing 3.9 million voter guides on "family issues" to more than 15,000 churches statewide.

Their efforts have been largely financed by four wealthy Southern California businessmen who have poured more than \$1 million into the campaigns of conservative candidates. Only the California Medical PAC had contributed more to political campaigns as of June 30. The goal is to wrest control of the state

■ FIRST OF TWO PARTS

Republican Party from Wilson's moderate wing by increasing the number of hard-line conservatives in the Assembly, leaders of the Christian right say. They hope to capture at least eight of 12 key Assembly races in which there are candidates who are backed financially and

otherwise by the religious right. Nine of the 12 seats being sought have no incumbents.

At the very least, the projected victories by religious right-backed Republicans would mean that conservatives, not more-moderate Wilson allies, would hold sway over the Assembly's minority caucus, which can effectively block budget or spending plans that require a two-thirds vote.

But leaders of the religious right are hoping for much more: a sweep by their candidates that would help Assembly Republicans capture at least 38 seats, enough to strike a deal with friendly Democrats and seize some choice committee assignments in the lower chamber. The 80-member Assembly is controlled by Democrats, who hold a 47-to-33 majority.

The religious right is largely ignoring

the state Senate because only half the seats are up for election and the potential for conservative gains are minimal.

"I can't think of another election year where there is so much at stake," said Ralph Reed, executive director of the Virginia-based Christian Coalition, an outgrowth of the Rev. Pat Robertson's 1988 presidential campaign. The coalition, which claims 250,000 members nationwide—11,000 in California—has played a key role in registering like-minded voters and advancing the religious right movement throughout the state.

"If we win the [California] Assembly races, that would be a big blow for Gov. Wilson," Reed said. "The ice would be very thin underneath his seat."

Setting its sights on Assembly and congressional districts represents a new

Please see RIGHT, B4

THE RELIGIOUS RIGHT IN CALIFORNIA

CHRISTIAN COALITION
CONGRESS SCORECARD
102nd Congress
1991-1992

QUESTIONS
PASTORS
ASK
ABOUT
POLITICS

Isn't it time Christians
had an influence on
the direction of
the country?

How To
ELECT
CHRISTIAN
To
PUBLIC
OFFICE

CHRISTIAN
AMERICANS
ARE TIRED
OF GETTING
STEPPED ON.

Dr. Robert

The religious right mostly distributes leaflets at churches. A voter registration drive is being followed up with voter guides to "family issues."

B4 MONDAY, OCTOBER 19, 1992

RIGHT: Christian Activists Seek Gains

Continued from B1

step in California for the religious right, which has captured dozens of school board and city council positions in the past two years, mostly through "stealth" campaigns in which candidates' religious convictions were downplayed or obscured.

But the movement's new efforts have spurred counter campaigns across the state.

"They are not getting a free ride," said Robin Schneider, a member of the California Abortion Rights Action League. "Once people find out who they are, they are politically dead in the water."

People for the American Way Action Fund, a national civil liberties group founded by television producer Norman Lear, released a 19-page report late last month on the political activities of the Christian right in the state and the nation.

"The November elections in California are going to be the ultimate test of how successful the religious right is in its new grass-roots efforts," said Michael Hudson, regional director of the American Way. "Observers all over the country are going to be watching the California elections. If the religious right is successful in November, it's going to step up their efforts in other states."

Christian conservatives are hoping this election will advance a moral agenda that would make abortions illegal, counter the gains of gay rights advocates and halt the sale of sex-oriented magazines from news racks and convenience stores. Their candidates also support the conservative causes of lowering taxes, downsizing government, repealing gun control laws and using state-issued vouchers to send children to private and parochial schools.

Long at odds with conservatives over the abortion issue, Wilson further widened the philosophical and cultural gap with the far right since taking office. He has been chastised for appointing moderate state Sen. John Seymour to the U.S. Senate, approving tax and fee increases to balance the 1991 state budget and, more recently, for signing a compromise bill outlawing job discrimination against gays and lesbians.

Attorney Michael Schroeder, chairman of the California Republican Assembly, a conservative political volunteer group, said a backlash against Wilson is driving the conservative movement.

"In some respects, Pete Wilson has been a greater rallying cry for conservatives than [Democratic Assembly Speaker] Willie Brown," he said. "Willie Brown is a member of the Democratic Party and is not a threat to purge conservatives from the Republican Party."

If the religious right is successful next month, Christian Coalition's Reed said Wilson will be forced to unite with conservatives or pay the political price.

"He's got to not only pay us lip service, he has to answer the policy concerns of the Christian right," Reed said. "If he doesn't, he faces the possibility of being defeated in his reelection bid in 1994."

Wilson's camp downplayed the religious right's influence on Assembly races and its perceived threat to the governor's GOP power base.

"Is there tension in the party between the far right and the moderate factions? Yes," said George Gorton, Wilson's political consultant. "But I think most of the people who are running for office on the Republican slate, if not all, are people that Pete Wilson can work with. Most of them are our candidates."

Gorton said Wilson has done "everything possible" to help elect Republican Assembly candidates such as Redondo Beach Mayor W. Brad Parton, who is running in the 53rd Assembly District, and Dick Daleke, a candidate in the 78th Assembly District race in San Diego County. Both candidates, whom Wilson did not support in the primaries, have received strong financial and campaign support from Christian right groups.

In another attempt to reach out to conservatives, Wilson vetoed a more comprehensive civil rights bill authored by Speaker Brown that included stronger anti-discrimination language protecting gay men and women than the one the governor approved.

But despite Wilson's conciliatory moves, the Christian right does not appear to be appeased.

Another slap was delivered to Wilson recently when state Republican Party Chairman Jim Dignan, a frequent critic of the gov-

ernor, hired hard-line conservative and former Assembly candidate Barbara Alby to conduct a voter outreach program. Alby lost a brutal fight for the Republican nomination in the 5th Assembly District, which covers most of Sacramento County, to Assemblyman B.T. Collins, who Wilson backed in the June primary.

"I believe in God. B.T. believes in the governor," Alby boasted during the campaign.

After her failed campaign, Alby appeared in a voter-registration video distributed to churches statewide.

The tape opens with footage of San Francisco's Gay Freedom Day parade and warns that "homosexuals can have an inordinate impact because they play inside of politics, they understand it and they turn their people out to vote."

"The tragedy is that the people who could run this country, the God-fearing people, are not in politics as they should be. And if they were, this country would not be in trouble as it is today."

Dignan defended his appointment of Alby. "I've known her for eight years," he said. "She's very competent and talented. She has impressive abilities, and she's doing a fine job."

Dignan said there may be some philosophical differences within the state Republican Party but that it is united in its efforts to get all Republican candidates elected this November.

But Assemblyman Collins said the Christian right is determined to take control of the state Republican Party, whose moderate wing has been slow to respond to the religious right movement and now faces the real possibility of being overrun in November.

Wilson was concerned enough about the party's right wing that he boycotted the state Republican convention this year in an effort to divert media attention from the conclave and its battles between moderates and conservatives.

The religious right launched an aggressive political grass-roots effort in California and the nation after former television evangelist Robertson's failed presidential campaign in 1988.

Taking up where the Moral Majority left off, Robertson immediately went to work forming the Christian Coalition to lead the charge of the religious right at the local and eventually state level—with emphasis in California, the country's most populous and economically powerful state—through a built-in network of churches, newsletters and Christian radio and television stations.

Since it was formed in 1989, the coalition—officially nonpartisan—has raised more than \$13 million nationwide to help elect fundamentalist Christian candidates. Robertson was a featured speaker in August at the Republican National Convention, which adopted much of the Christian right's agenda in its party platform.

The coalition is recognized around the country as the leading organizing force for Christian activists, and its California executive director, Sara Hardman, has been appointed vice president of the state Republican Party unit in charge of registering voters, raising money and campaigning at the grass-roots level.

In California, the religious right political cause has been picked up by other groups as well, including the Anaheim-based Traditional Values Coalition, the California Pro-Family Council and the Coalition on Revival.

Critics say that although they support the right of Christian right activists and candidates to engage in politics, they find some of their tactics to be anything but Christian.

"By their own acknowledgment, the religious right operates most effectively in the shadows," the American Way report says. "For a movement that finds its roots in the church, the religious right's message seems oddly harsh, and the movement's messengers seem all too willing to resort to the low blow."

Through their grass-roots efforts, religious right activists claim to control 34 to 36 of the 58 county Republican central committees in California. The committees raise money, endorse candidates and arrange for get-out-the-vote efforts.

In another Bay Area county, Grimstead said, religious right candidates won 17 of 25 central committee seats. "I'm not even going to mention the name of the county yet," Grimstead said. "I'm waiting to see how long it takes before the liberals realize that this Bay Area central committee was captured by pro-life Christians."

But the most impressive showing was in 1990 in Wilson's own backyard—San Diego.

Christian activists captured 60 of 90 lower-level positions—mostly school board and city council seats—throughout San Diego County by conducting stealth or low-profile campaigns that downplayed their links to the religious right. Candidates restricted their leaflet efforts to church parking lots and contacted voters by using church directories.

"It's not a question of stealth or deception," Reed said in defense of the campaign strategy. "It's a question of wisdom and savvy. There is a growing level of sophistication and maturity in the Christian community over how to play the hardball game of politics."

"The Moral Majority always used to hold news conferences to let the media know what it was doing.

And it always got beat up," Reed said. "We don't do that."

Reed said the coalition's long-range goal is "to see Christians have a voice in government that is commensurate to their numbers in the electorate," which he estimated at about 24 million nationwide.

Another example of the religious right's growing political strength is its ability to wage big money campaigns. Four wealthy businessmen aligned with fundamentalists together have pumped more than \$1 million into the campaigns of right-wing candidates and causes in the first six months of 1992.

They are: Howard Fieldstead Ahmanson Jr., who contributed through Irvine-based Fieldstead & Co., a corporate name in which he performs philanthropy; Robert S. Hurt, owner of Container Supply Co. of Garden Grove, which makes decorative tins and plastic containers; Roland and Lila Hinz, whose Daisy/Hi-Torque Publications in Mission Hills publishes dirt bike magazines, and Edward G. Alsiniger III of Camarillo, who owns Salem Communications, a Christian radio network.

Less than half of their contributions went directly to candidates; the bulk of the money went to political action committees, which in turn passed it along to right wing candidates. The committees include Family PAC, Allied Business PAC, Citizens for Responsible Representation, California Pro-Life Council PAC, Pro-Life Council of Orange County and Free Market PAC.

None of the four men would return phone calls, but Ahmanson's wife said his religious convictions are the basis for his political activities and pro-business attitude. An employee of Hurt's downplayed Hurt's religious concerns and said that although the subject of religion does come up when the businessmen consider supporting candidates, their main concern is for the economy.

Reed of the Christian Coalition minimized the significance of the

campaign contributions.

"Everybody has a right to get involved and put their money where they want," he said. "I don't think \$1 million is a lot of money in California."

But Steve Sheldon, son of the Rev. Sheldon and executive director of the Anaheim-based Traditional Values Coalition, said Ahmanson and his friends have played a major role in furthering the religious right cause in California.

"Finances are very important to any movement, whether you're campaigning for office or fighting muscular dystrophy," he said.

Despite its growing strength in California, the religious right has suffered some setbacks this year.

In addition to losing the bitterly contested primary race against Collins in the 5th Assembly District in the Sacramento area, Christian activists also failed to capture the nomination in the 75th Assembly District primary, which covers northern San Diego County. Connie Youngkin, an Operation Rescue member who was jailed twice for protesting outside abortion clinics, lost by a few hundred votes to Poway Mayor Jan Goldsmith, another moderate backed by Wilson.

In Ventura County, Allen Gugenheim lost an expensive campaign to moderate Oxnard Mayor Nao Takasugi for the Republican nomination in the 37th Assembly District. Takasugi also was supported by Wilson.

Republican voters also removed a conservative Christian majority from the county's Republican Central Committee, which had been taken over by a carefully orchestrated "sneak attack" in 1990.

"They were ousted once their platform was exposed," said Bob Larkin, a moderate Central Committee member. "Ventura County is one of the first counties to swing the votes back to reasonable and responsible Republicans away from the Christian right."

"They turned off a lot of voters, and that turned off funds just like turning off a spigot," he said. "We usually raise about \$25,000 to \$30,000. But this year we're bankrupt."

Larkin said that when new committee members take office in January, he is confident that the committee will recoup its losses.

There also are signs that the various Christian right groups throughout the state are not entirely united.

"What we have is a disorganized [effort] trying to work together, and a lot of us have big egos," said Grimstead of the Coalition on Revival. "We're trying to move toward a D-Day effect with the united forces, but it's going to be several years before we're a threat to the liberals."

Nonetheless, Reed predicts that the Christian right will continue to strengthen regardless of what happens in November. Reed said that after Robertson's 1988 presidential loss and the scandals involving Jimmy Swaggart and Jim Bakker, the national media declared the religious right dead.

"The public pundits wrote the premature obituary of the religious right," he said. "Now they have found that we are very much a permanent part of the political infrastructure of America. And we aren't going to go away."

Times staff writer Eric Bailey in Orange County contributed to this story.

Next: The major California political contributors to the religious right.

The Money Trail

THE BUSINESSMEN

Four California businessmen contributed the following total donations to candidates, political action committees, the state Republican Party and initiatives from Jan. 1 through Sept. 30.

- **Howard Fieldstead Ahmanson Jr.**
Fieldstead & Co.
\$775,364

Ahmanson is the son of the founder of Home Savings and has been a donor to conservative Republican campaigns and evangelical Christian causes.

- **Robert Hurtt Jr.**
Container Supply Co.
\$842,547

Hurtt's Orange County company makes decorative tins and buckets.

- **Edward G. Atsinger III**
Salem Communications
\$93,626

Atsinger, of Camarillo, owns 18 Christian radio stations in California and around the country.

- **Roland Hinz**
Daisy/Hi-Torque Publications
\$124,825

Hinz's business, based in Mission Hills, publishes motocross and dirt bike magazines.

- **Total: \$1,536,151**

Of this figure, slightly more than \$1 million went to candidates, either directly or through political action committees and other groups.

THE PACS

The businessmen gave the following contributions to these and other intermediaries, which then disbursed most of the funds to conservative Republican candidates.

- **Allied Business PAC**
\$785,000.

The four businessmen have been the only contributors to this PAC, which has spent \$550,000 on candidates so far.

- **Family PAC**
\$85,290

- **California Pro-Life Council**
\$73,489 (All from Ahmanson)

- **Citizens for Responsible Representation**
\$60,000 (All from Ahmanson)

- **College Republican PAC**
\$10,000 (All from Ahmanson)

- **California Gun Owners Campaign Fund**
\$10,000 (All from Hurtt)

- **Traditional Values Coalition**
\$2,200

Religion and Politics Join Forces

HOW DID THE RELIGIOUS RIGHT GET INTO POLITICS?

The religious right launched an aggressive grass-roots political effort in California and the nation after former television evangelist Pat Robertson's failed presidential campaign in 1988. Taking up where the Moral Majority left off, Robertson immediately went to work forming the Christian Coalition to organize the religious right at the local and state levels—with particular emphasis in California. This was done through a built-in network of churches, newsletters and Christian radio and television stations.

WHAT GAVE IMPETUS TO THEIR CAUSE?

U.S. Supreme Court decisions deeply disturbed Christian fundamentalists. These decisions included the court's 1982 ruling that declared school prayer in the classroom unconstitutional, the 1969 declaration that prosecution for possession of obscene materials was unconstitutional and the court's 1973 *Roe vs. Wade* decision legalizing abortion.

WHAT ARE THEIR POLITICAL GOALS?

Christian conservatives hope that the November elections will advance a moral agenda that would make abortions illegal, counter the gains of gay rights advocates and curb the sale of sex-oriented magazines and pornography. Their candidates also support the conservative causes of lowering taxes, downsizing government, repealing gun control laws and using state-issued vouchers to send children to private and parochial schools.

WHAT IS A FUNDAMENTALIST CHURCH?

Evangelical and fundamentalist churches see themselves as Bible-centered fellowships that adhere to the Christian gospel more directly than churches that are more Catholic or liberal in their faith and worship.

HOW MANY CHRISTIANS ARE EVANGELICAL OR FUNDAMENTALIST?

Statistics on the number of evangelical and fundamentalist churches in California are difficult to obtain. The National Assn. of Evangelicals said its membership nationwide includes 50,000 churches with 15 million members. Many of these 50,000 churches are associated with 77 Protestant denominations.

THE CANDIDATES

The 12 conservative Republican Assembly candidates listed received a total of about \$695,000 either directly from the four businessmen or through the PACs and organizations named above.

- **District 10:** Sacramento, San Joaquin, Republican Larry Bowler, who is running against Democrat Katherine L. Albani. \$71,528

- **District 25:** Fresno, Madera, Stanislaus, Tuolumne, Republican Barbara Keating-Edh, who is running against Democrat Margaret Snyder. \$82,971

- **District 34:** Inyo, Kern, San Bernardino, Republican Kathleen Honeycutt, who is running against Democrat Joe Green. \$25,420

- **District 44:** La Canada-Flintridge, Pasadena, South Pasadena, Sunland-Tujunga, Republican William E. Hoge, who is running against Democrat Jonathan S. Fuhman. \$61,311

- **District 53:** South Bay, Republican Redondo Beach Mayor W. Brad Parton, who is running against Democrat and attorney Debra Bowen. \$103,500

- **District 56:** North Long Beach and Lakewood, Republican Phil Hawkins, who is opposed by incumbent Democrat Bob Eppler. \$25,377

- **District 68:** Riverside, San Diego, Republican Ray Haynes, who is running against Democrat Patsy Hockersmith. \$40,500

- **District 68:** Orange County, Republican Curtis L. Pringle, who is running against Democrat Linda Kay Rigney. \$35,140

- **District 69:** Central Orange County, Republican Jo Ellen Allen, versus incumbent Democrat Tom Umberg. \$50,250

- **District 73:** Orange County, San Diego, Republican Bill Morrow, opposed by Democrat Lee Walker. \$47,189

- **District 76:** North San Diego County, Republican Dick Daleke, versus incumbent Democrat Mike Cotch. \$94,200

- **District 77:** San Diego County, El Cajon, Republican Steve Baldwin, who is running against Democrat Tom Connolly. \$57,400

Sources: Secretary of state's office and campaign finance statements

Research by Ralph Frammoine

GOTV

THEY'RE on a MISSION from GOD

*Using Churches as Recruitment
Offices, Christian Fundamentalists
are Having Remarkable Success in
Their Campaign to Take Over Local
Offices and the GOP in California*

by Vince Blitski

The congregation at the Midway Baptist fundamentalist church beamed as their pastor asked Steve Baldwin—a faithful congregant—to deliver his “testimonial.” Baldwin was running for a San Diego state Assembly seat, and could count among his strong supporters such evangelical heavyweights as Pat Robertson and Oliver North—who had given the novice candidate a \$500 contribution. Every Sunday Baldwin stumped at a different church, reminding the flock about the decay of traditional morality and the need for Christians to join in the fight against the citadel of corruption that is Sacramento. But—as his primary win in June demonstrated—fundamentalists weren't his only supporters. The thirty-something office seeker drew broader backing by campaigning tirelessly, knocking on doors and standing on busy street corners holding a sign that said “Axe the bureaucrats, cut taxes now.”

A property manager who had never held elected office, Baldwin needed all the help he could get. Moderate Gov. Pete Wilson (R) had pulled out all the stops to smash the upstart, whose Christian right movement had already wreaked havoc on the Republican Party. In a highly unusual move for a California governor, Wilson personally intervened in the primary by endorsing and fundraising for Baldwin's opponent.

The stakes were high. “This was a race that everyone in the state was watching,” says Baldwin's campaign manager Pete Kanelos. “It was a sign of where the party was headed: in the direction of the moderates, or Ronald Reagan.”

Steve
BALDWIN

Republican for Assembly

A TRANSCENDING RESURRECTION

Baldwin's victory—combined with wins by almost all the other Christian-right backed candidates—was indeed a watershed in California politics. The unprecedented success at the polls is ushering in a new era of Christian Right populism—spawned by fundamentalist churches and fueled by pro-life, anti-tax, and pro-gun groups. Bruce Herschensohn—a Jewish opponent of defense cuts who shares a number of social views with Christian activists—won the GOP nod for the U.S. Senate; H.L. Richardson—a legend in Christian Right circles—is gunning for the congressional seat held by Democratic powerhouse Vic Fazio; and 11 of the 13 state Assembly hopefuls sponsored by the fundamentalist network beat out their Wilson-backed opponents in the primary.

In keeping with its trend-setting role, California is blazing the fundamentalists' return-trail to the political Holy Land. "California is super-important on a national level," emphasized Sara Divito Hardman, a born-again Christian and director of the Christian Coalition of California. "The way California goes, the rest of the country goes."

The resurgence of this brand of populism in Oregon, Colorado, Virginia, North Carolina, Texas and other states is somewhat surprising. Only a few years ago, the movement was in precipitous decline, with the failure of Pat Robertson's presidential bid, the adulterous confessions of Jimmy Swaggart and the ignominious imprisonment of Jim Bakker.

For his own part, Baldwin remembers his early Christian Right days without much sentimentality. Fresh out of college, he flocked to Washington with thousands of others in the early 1980s and became an insider in the high-powered, right-wing circles of Cong. Newt Gingrich (R-GA) and then-White House adviser Oliver North. But Baldwin eventually concluded that this Washington-based, top-down, televangelist-inspired strategy was bankrupt. If Christians were to deliver Heaven on Earth, he decided, they would have to do it from the bottom up, with a grassroots movement. "Out of the pew and into the voting booth" would become a motto for the new Christian populism.

"I don't know why Reagan excited so many of us young Christian conservatives," says Baldwin. "We just got burned out with the phoniness and cynicism in Washington. So we returned home and started doing some good."

TODAY THE PARTY, TOMORROW...

The new Christian populism in California actually began manifesting itself in 1988. A group of Republicans had gathered for a meeting of the Sacramento chapter of the California Republican Assembly—the party's largest volunteer group—when all hell broke loose. Some 200 fundamentalists stormed the meeting in an attempt to force CRA to endorse Pat Robertson for president. The police were called in to put an end to the shoving and shouting, but the fundamentalists soon began taking control of the influential association.

"We started seeing new people joining the CRA from the desert area and Sacramento," recalls Barbara Chioda, the former CRA president who resigned in protest. "At first we made fun of it, like they were on a mission from God. The fundamentalists would stop you in

the hallway and ask if you were reborn. But soon we realized there was no way of stopping it."

After capturing CRA, fundamentalists would further stun moderate Republicans in 1991 by gaining control of the party's central committees in 36 of 58 counties and capturing nine of the 11 top state party positions. Behind these coups were a small group of conservative state legislators who entered into a marriage of convenience with fundamentalists. The key to their success was rousing the sleeping mass of church-goers in small towns and suburbs and making them the foot soldiers (i.e., phone bankers, precinct walkers) in God's new grassroots political army.

Deirdre Holliday—one of about 60 Christian right-backed candidates elected to local office in San Diego County since 1990, in what has been called the "San Diego Surprise"—typifies the movement's populist spirit. A mother of four from suburban Vista California, the 41-year old Holliday turned to God when trying to decide if she should run for the school board. "I told the Lord that if he wanted me to run, he should change the night of the School Board meeting from Wednesday," she says. Holliday got her answer when the meetings

were changed to Thursday, and after campaigning almost exclusively in churches—where she gave speeches during Sunday services—she won by 81 votes.

The San Diego Surprise sent shock waves through the established political order, and mainstream Republicans reacted with extreme defensiveness, tagging fundamentalists as "stealth candidates" to suggest they were nothing but Christian zealots with hidden agendas. But while a number of fundamentalist candidates certainly have avoided proselytizing before general audiences and focused their get-out-the-vote efforts through carefully targeted churches, the moderate Republicans

deny a self-evident truth: An enduring subset of the electorate approves of the fundamentalists' anti-government views.

Assembly nominee Baldwin readily admits that religion informs his politics: "My interpretation is that God will wipe out everything on Earth," he declares, referring to Armageddon. "Revelations says that Judgement Day will come like a thief in the night. I just can't predict when, so my motivation is to work for the present." CRA President Michael Schroeder explains the political potency of such a philosophy:

"The moderates call us stealth candidates, but we are no different from them. They talk to voters who support them, and we talk to the congregations."

HOW DEEP THE WELL-SPRING?

As in the case of Jerry Brown's presidential run this year, fundamentalists positioned themselves as outsiders fighting a bloated and unresponsive government. "Baldwin won because voters knew that he was someone they could believe in," contends campaign manager Kanelos. "[They know] he's not going to represent special interests." While Baldwin's opponent had most of the money, Kanelos points out that the fundamentalist had a much bigger volunteer base of about 200 precinct captains: "We ran a grassroots movement of people who believed in taking back Sacramento from its anointed leaders and high-paid consultants."

"We are not right-wing
extremists, . . . We are
middle-Americans,
and we are
looking for pro-family
Democrats to join us."

GET OUT THE VOTE

One appeal of the Christian right to disenchanted voters lies in its romanticism. "We just want a return to wholesomeness," insists Hardman of the Christian Coalition. To return to "traditional family values," the Christian right has declared war on abortion, homosexuality, gun control, welfare, taxes, immigration, regulation, the Endangered Species Act and public education. In this view, advocates of these Satanic-like policies have conspired to undermine the America of our founding fathers.

Complex social and economic problems are reduced to a question of individual morality, of living by the Ten Commandments. "We need to change the welfare system," says Hardman in a classic example of reductionist thinking. "Mothers get more money for having more babies. They can make a good living if they have five kids."

Not all fundamentalists, however, are content with living by the Ten Commandments. A more vengeful sect of fundamentalists—known as "reconstructionists"—are beginning to embrace the Old Testament and its harsh moral codes as a blueprint for 20th Century American life. "The offenses of murder, adultery, idolatry and homosexuality all get the death penalty in the Old Testament," says Rev. Mike Roberts of the New Life Christian Fellowship, a fundamentalist church in San Diego County that Holliday attends. "More and more fundamentalists are moving to this position. It's a small but growing movement."

As reconstructionism takes hold, so does the Christian right's clout. Building on the momentum from the San Diego Surprise, the Christian right put together a formidable coalition for the 1992 primaries that included CRA, the Traditional Values Coalition, the California Pro-Life Council, the California Tax-Limitation PAC, the National Rifle Association, the Gun Owners of California and Pat Robertson's Christian Coalition. With 350,000 dues-paying members and 200 chapters

nationwide, the Christian Coalition is fast becoming the Christian right's most powerful weapon for registering and informing voters.

The near sweep of the CRA-backed primary candidates for the California Assembly this year was heralded as a major defeat for "liberal" Pete Wilson by his Christian critics. And it set the stage for a possible Republican takeover of the Assembly in November, with perhaps half of those members coming from the ranks of the Christian right.

While the moderate Republicans are just beginning to fight back, Democrats are taking great joy in the nasty Republican party feud. "The party is in more disarray than it has been in for 20 years," says state Democratic Political Director Bob Mulholland. "That's good news for us." The way Mulholland sees it, success in American politics is about winning over swing voters, who these days are concerned most of all about the recession. "The Christian ideologues want to put people in jail for having an abortion. But 95 percent of the voters don't belong to these fundamentalist groups. They don't care if people pray three times a day."

But the Democrats had better beware as well. Fundamentalists have already set their sights on converting Reagan Democrats with their populist message of wholesome living. "We are not right-wing extremists," insists Hardman, whose Christian Coalition hopes to register 250,000 new Californians, Republican and Democrat alike. "We are middle-Americans, and we are looking for pro-family Democrats to join us." ♦

Vince Blotfeld is news editor at S.F. Weekly (San Francisco) and has written about politics for numerous periodicals. This article was originally published in the California Republic.

Balancing On The Ethical Tightrope

It takes more than honesty and integrity to walk the ethical tightrope. You need to know the *laws* of government ethics. Turn to the 1992 *COGEL Blue Book*, THE resource guide and information standard in the ethics industry.

NEW:

- ★ Directory of administrative agencies, legislative ethics committees, judicial conduct organizations and legislative bill tracking offices
- ★ Restrictions for disposing of excess campaign funds
- ★ Actual contributions and expenditures in recent campaigns for statewide constitutional offices



UPDATED TABLES:

- ★ Prohibitions for campaigners, elected officials and lobbyists
- ★ Reporting requirements and penalties for campaign finance, financial disclosure and lobbying
- ★ A look at the ins and outs of administration agencies
- ★ Number per jurisdiction of registered lobbyists, lobbyist employers and annual expenditures reported

Approx. 250 pp. Order #: C-023-91 \$59*

Electronic format (dBase 3+ on 3 1/4" or 5 1/4" disks). 12 data files with more than 1,200 fields of data. (Includes a printed copy of the *Blue Book*.) Order #: E-023-92. \$189*



Order today (specify format):

1-800-800-1910 or for faxed orders: 606-231-1858.
Order Dept., The Council of State Governments, Iron Works Pike, P.O. Box 11910, Lexington, KY 40578-1910.

*The *Blue Book* is produced by the Council on Governmental Ethics Laws (COGEL) and The Council of State Governments. State officials and COGEL members receive a 30% discount. **COGEL**

11.06.92 05:20 PM *OTPA/RLU

PO1

11-6-92

Senator -

Something I put together
and thought you might
enjoy - Congratulations on
your quick action!

Groge Picler

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

of pages **6**

To Bob Dole	From G. Picler
Dept./Agency Sen.	Phone # 401-3669
Fax # 224-3163	Fax # 401-1871
NSN 7540-01-317-7368 5009-101 GENERAL SERVICES ADMINISTRATION	

8/4 -
271-1000

From the desk of George Pieler
November 6, 1992

Bringing the "Loyal Opposition" Into Focus

In the wake of the disastrous November 3 election--which **was** a disaster, despite glimmers of hope in State legislative gains and minimum Senate losses--there is an urgent need to establish a course of action, a set of guiding principles, and a common agenda for political action (legislative or otherwise). Already a multitude of potential coalitions, think-tanks, ex-Administration officials and party leaders are vying for attention and for the right to define a new agenda, with a real risk of scattering our forces and remaining "divided and conquered" for the foreseeable future. Thus far the most obvious step towards getting off the dime and defining a strategy--formally announcing opposition and suggesting principles to define a policy program--has **only** been taken by Bob Dole, on the day after the election.

Others will no doubt follow the lead taken by Senator Dole, but the urgent need is not to have a multiplication of centers of opposition, but to **unite** whatever centers emerge behind some common principles and goals. There will always be wide divergence of purpose within the party, but the key to success--the key lacking in recent years--has been to bind the party together with certain core principles, while allowing different factions (pro-life, pro-choice, free-market, moral values) to market their own particular interests within a common framework defined by those core principles (e.g., low taxes, federalism, judicial restraint). **Without** a common core of principle, as we have seen dramatically this year, the center does not hold, and the party is easily splintered from all directions.

The following discussion attempts to define (1) some suggested core principles, (2) a few key initiatives that could dramatize those principles and dominate an opposition policy/legislative agenda, and (3) some key resources and mechanisms that may be needed to advance **any** agenda in a national government where both branches are dominated by the same party. The focus here is exclusively on domestic policy, since that is where the political problems have been most acute, although there is a strong case for a similar analysis of foreign policy as well.

I. Core Principles

o Limit the size of government. This embraces not just low taxes, but also limits on spending at all levels of government, **and**

a commitment to reduced regulation as well as restraint on an overly-activist judiciary (and legal system!). It is a principle that in all its manifestations has traditionally served the party well, and one that has been too effectively coopted by our opponents in light of the failures of the outgoing administration. However it is defined in terms of legislative initiatives, this one is **critical** to any attempt to reunite the party and regain public trust.

o Government as mediator. This is suggested as a new principle, but it really carries the notion of limited government one step further by defining the **role** of government in the way that is most likely to protect individual rights, **reduce the power of special interests**, and reconcile a devotion to free-market principles with a proper concern for programs and policies that "help those left behind". A government that does things **for** people is as likely to do things **to** people; a government that **mediates** (between citizens and, e.g., criminal elements, foreign enemies, competing economic, class, or ethnic interests) is more capable of maintaining the public trust and minimize interference in peoples' lives. Defining government's role as mediation is consistent with a strong national defense, an active but prudent world role, means-tested reform of entitlements, color-blind civil rights laws, enterprise zones, legal reform, and any number of other solid, traditional moderate-to-conservative issues.

o Federalism/subsidiarity. This entails the traditional notion of states' prerogatives, but also opens the door to supporting initiatives and reforms at the local level, embracing all forms of local government, from town councils to park districts to school boards. The principle is simply this: a governmental function should be tackled by the unit of government closest to the citizens governed, so long as it is within the **capacity** of that unit of government (town councils cannot provide national defense, but they can provide police protection). This principle has the virtue of bringing together local, state, and national candidates on common themes and issues. It embraces the role of states as innovators or laboratories innovative approaches to government, but also brings into play the incipient revolution in local governance (downsizing units of government, eliminating redundancy, decentralizing, privatizing), which may prove to be one of the key political developments of the 1990s.

o Separation of powers/preserving the Constitution. This principle becomes increasingly important with the entire Federal government unified under a single party, and it aptly focuses attention on that concentration of power and the potential for abuse it brings, whether in budgeting (pork and special interests), regulation, using powers of investigation, or matters of ethics. Proper areas of scrutiny might include undue influence over IRS activities (especially from the Hill), executive and legislative perks, and (most of all) the lack of accountability to the citizen implicit in undivided Federal government, particularly in the post-Perot era.

II. Defining Issues

The goal here is not a comprehensive issue or legislative agenda, but to establish a few **key** issues that embody many of the principles discussed above, and which have enough popular appeal to be revisited, again and again, in an effort to redefine the popular image of the party. The two issues suggested here are chosen in order to address particular problems the party has faced in recent years: forfeiting the economic initiative, and embodying concern for 'family values' in a mainstream, innovative domestic initiative. The issues are:

o A tax limitation constitutional amendment. Tax limitation measures continue to be popular state and local ballot initiatives, just as tax increase referenda continue to have a tough time. The virtues of a comparable Federal initiative are obvious: it is a way to reclaim the tax issue in a way that provides a much more ironclad guarantee of tax restraint, and it enables the party to begin to bury, once and for all, the disastrous legacy of the 1990 so-called budget deal. **It must be absolutely clear that the 1990 deal was indefensible, both as politics and policy, and there can be no hedging in distancing the party from that particular albatross.** This does not require express repudiation, but repudiation implied by an aggressive anti-tax, anti-deficit agenda. It is seldom remarked that the key failure of the 1990 deal was not that it raised taxes, but that it **raised the deficit more substantially than any single initiative in recent years.** The 1990 deal left entitlements untouched, failed to take advantage of a huge retrenchment in defense spending to reduce the deficit, and promulgated the largest domestic spending increase in many year: all this ON TOP of throwing away the tax issue. For those who care about the deficit (like Perot), this deal was the biggest fiscal disaster of this century--even aside from any consideration of its political consequences.

The budget deal may also have seriously undermined the case for a balanced budget constitutional amendment, by dramatizing in all-too-vivid fashion the potential for abuse in implementing and observing so-called institutional restraints on Federal budgeting. For this reason, and because of the popular appeal of tax limits, a tax limitation amendment is recommended as a superior initiative to push: it can be drafted free from the ambiguity implicit in many versions of the balanced budget amendment, and it puts the burden of deficit reduction where it should be (primarily, although perhaps not exclusively): on spending restraint.

o School choice/vouchers. This issue has obvious appeal, and has already been latched on to by most (if not all) of the leading contenders for the 1996 nomination. Public support for school vouchers has risen as high as 70% in recent polls, and the issue is particularly attractive to minorities, lower-income families, and young parents--critical constituencies for the years ahead. It is

the cornerstone of meaningful education reform, both in the cause of school improvement and world competition, and in the interest of promoting the primacy of the family, helping parents find an educational program that comports with their moral values, and strengthening the links between family, community, and school. This is a touchstone issue for the 1990's, and it cannot be raised too often, either in legislative votes or policy statements. It also heightens the focus on the hold special interests (e.g. the NEA) have on the dominant party, appeals strongly to Reagan Democrats, and has considerable potential for expanding the party base (there is a lot of bipartisan support, and in many state legislatures the chief voucher proponents are Democrats).

The issue can be formulated for legislative action in many ways, ranging from Federal grants to support for State and local demonstrations to tax credits to conversion of existing Federal education programs to a voucher format. The point is to agree on a formulation, push it repeatedly, and link up with state and local activists working on the issue.

III. Resources and mechanics

With all Federal institutions under single-party control, all the official instruments for measuring, analyzing, and defining policy options and issues also rest in the hands of the dominant party. These include the budget- and revenue-estimating capabilities of the Treasury, OMB, CBO, Joint Tax Committee, and the analytical and statistical functions of the Commerce and Labor Departments, as well as the Joint Economic Committee. There are many others as well. The point is, for the first time in many years there is no power or mechanism to hold these institutions accountable for accuracy, fairness, or nonpartisanship (not that they have been held very accountable anyway!).

While there is no clear remedy for this--the media are not going to help--some effort has to be made. A few suggestions:

- o Create, or contract for "shadow" entities that have mainstream credibility and which can do independent estimates to counter the "official" ones where necessary, scrutinize and oversee CBO, OMB etc. with a view to surfacing fraud and dishonesty, and hold the "unified" government accountable. Express linkage with the Loyal Opposition would probably be advisable, but the ideal model should be something the Shadow Open Market Committee which second-guesses the Federal Reserve (but MUCH more aggressive and media-savvy).

- o Perot's armies. If there is anything that stirred up these citizens, it was official arrogance, lack of accountability, and abuse of government for self-interested partisan purposes. These citizens could be marshalled in some way to create "watchdog" citizen or grassroots groups to expose fraud perpetrated on the

American taxpayer by misuse of the analytical powers of the executive and legislative branches.

Networking and linkage. As a corollary to all of the above, it could prove extremely valuable to create, for the first time, close, firm coordination between national lawmakers, state and local officials and candidates, and the vast pool of think-tanks, academics, and policy-oriented bodies (not excluding certain interest groups) that support limited government, free markets, and innovative policies at all levels of government.

There are many mechanisms that could be utilized in this regard, including electronic networking (Perot-type town meetings at all levels of government), close coordination of media events and grassroots activities with key votes in Congress, and aggressive media outreach on a long-term, strategic basis (laying the groundwork for our issues before they reach a critical point). These and many other ways could be imagined to link up a common agenda at all levels of government, bolstering the linkage between grassroots party development and the national leaders and national agenda.



Leader,

Attached is small business fact
sheet as well as my letter to the
President outlining rationale.

Also extra copy of speech we
discussed

ZTN



THE SECRETARY OF THE TREASURY
WASHINGTON

August 31, 1992

MEMORANDUM FOR THE PRESIDENT

FROM: NICHOLAS F. BRADY

SUBJECT: Tax Initiative for Small Business

I recommend that the Bush Administration put forward a major tax initiative for small business, and make that initiative a center piece of the fall campaign, for the following reasons:

- (1) The numbers and American values. There are 15 million small businesses. Small business also symbolizes traditional American values, such as independence and opportunity. A comprehensive small business initiative will therefore reach a broad audience.
- (2) Jobs and the economy. Jobs are the public's primary concern -- small business created two-thirds of all net new jobs during the 1980's; this trend will accelerate during the 1990's.
- (3) The impact. The tax laws have a major impact on small business.
 - (a) They should be changed to help finance small business, and help small business create new jobs.
 - (b) We are suffocating small business with hyper-complex tax laws that make no sense. Consistent with the Administration's regulatory reform agenda, these laws can be greatly simplified to reduce the burden and compliance costs imposed on small business.
- (4) The Contrast with Clinton. A Bush plan for small business would provide the most stark contrast between our economic policies and Clinton's economic policies. The Clinton plan would shackle the small businesses that create most new jobs for Americans -- we plan to unleash small business to reach its full potential.
 - (a) Most of the tax rate increases in Clinton's 22 page plan would be paid by small business owners. In contrast, our proposals will reduce taxes on small business.
 - (b) Clinton's play-or-pay health insurance would double the payroll tax on small business. In contrast, our health care proposals will reduce health care costs for small business.

- 2 -

- (c) Clinton's new mandates (e.g., worker training, parental leave, environmental and health rules) would bury small business under a mountain of new costs and paper work. **In contrast**, our tax, deregulation and tort reform initiatives will unshackle small business.
- (5) Paying for the package. The initiative won't "cost" more than \$25 - 30 billion over five years -- we should propose financing the entire effort with specific reductions in government spending.
- (6) The Package: Fairness, tax incentives, and simplification. The package should include four elements:
 - (a) **Permit Deduction of Health Insurance Premiums for Self-Employed Individuals.** The self-employed should be treated the same way as large companies -- they should be entitled to deduct 100% of their health insurance costs.
 - (b) **Access to Capital and Tax Reductions.** The tax law should be changed to help small business gain access to capital and reduce the tax costs of doing business. Specific proposals could include:
 - (i) Capital incentives, such as the complete elimination of all capital gains taxes on start-up businesses.
 - (ii) Investment incentives, such as immediate write-offs for annual investments of up to \$25,000 in capital equipment (the current limit is \$10,000).
 - (c) **New Incentives to Start Businesses and Create Jobs.** The tax law should be changed to help small businesses get started and create new jobs. Specific proposals could include:
 - (i) Permit the immediate write-off of up to \$2,500 of the front end costs of organizing a new business. (Under current law, these expenses must be capitalized.)
 - (ii) Provide small, start-up businesses with an income tax credit for hiring additional employees.

- 3 -

- (d) **Simplification.** The tax law should be dramatically simplified for small business. These changes would allow small businesses to spend their funds on productive efforts, not lawyers and accountants. (Examples include: repeal of the Alternative Minimum Tax for small business; simplified inventory and depreciation methods; and pension simplification.)

A more detailed description of these options, and their revenues costs, will be available later this week.

- (7) **Highlights Other Initiatives.** The small business initiative would also be a way to focus on other actions the Bush Administration has taken during the past four years, and actions the Administration is taking, to improve the business climate for small business.
 - (a) For example, the Treasury Department has issued payroll tax and passive loss regulations that have received widespread praise.
 - (b) Outside the tax area, the Department is taking initiatives to increase bank lending to small businesses. Undoubtedly, other Departments have similar initiatives under way.

TREASURY NEWS



Department of the Treasury

Washington, D.C.

Telephone 202-622-2960

AS PREPARED FOR DELIVERY
EMBARGOED UNTIL 12:10 PM CDT
OCTOBER 23, 1992

CONTACT: DESIREE TUCKER-SORINI
202-622-2910

Remarks by
The Honorable Nicholas F. Brady
Secretary of the Treasury
before the
ECONOMIC OUTLOOK CONFERENCE
MIDDLE TENNESSEE STATE UNIVERSITY
Murfreesboro, Tennessee
October 23, 1992

Thank you, Joe [Rodgers]. It is a great pleasure to be here in Murfreesboro, and I appreciate you inviting me to join you for this conference.

As we look at the world at the turn of the 21st century, economic and political borders have blurred. Our national economy has been transformed from a self-sufficient and isolated continent to an island in the world archipelago -- an island whose prosperity is affected directly and dramatically by developments across the oceans. It no longer makes sense to think in purely domestic terms; there is no longer a clear distinction between domestic and foreign policy. Trade negotiations affect domestic employment; education policy affects future competitiveness; peace in the Middle East means secure energy sources to fuel domestic production; and investment from abroad means jobs for Americans.

We must change as the world around us changes and to do so, we must understand the nature of the profound economic transition through which America and the world are passing. There are two separate and distinct elements at work: a series of significant but **temporary** disruptions that will pass through the system, but more important, a structural and **permanent** change in the organization of world economic competition -- in some ways greater than any since the Industrial Revolution of the 19th century.

First, let me give you some examples of the significant but temporary disruptions:

NB - 2034

- o The victory in the Cold War will bring immeasurable benefits to the world economy. But the benefits of peace did not come without cost: this country now shows the strain of having carried the burden of the free world's defense for almost 50 years. In this country alone, the Defense Department has estimated the shift to a peace-time economy has meant the loss of over 1.6 million jobs in the last three years. Without these job losses, the unemployment rate today would be more than a full percentage point lower than it is. Peace has its price.

We have made adjustments at war's end before. Indeed, at war's end in the first Truman Administration gross national product **fell 19%** in a single year. This puts our economy's current growth rate of over 2% in perspective. The good news is that during Truman's **second** term, after the restructuring was in hand, the economy grew by almost 25% in four years.

- o Second, the volume of debt in every segment of American society over the last four years has been at historically high levels. Those levels, however, are at last beginning to decline as businesses strengthen their balance sheets and as the baby boomers become the parents of the 1990s, watching their budgets, saving for their retirement and their kids' education. Reducing the country's debt sets the stage for renewed growth in the long term -- even though it has meant significantly slower growth in the short term.
- o Third, economic growth has been hindered by a banking system weakened by Third World Debt, failed savings and loans, and tax law changes in the '80s that first caused overbuilding and then a decline in real estate values. But the Third World Debt crisis is now behind us, the S&L cleanup nearly complete, and real estate markets are improving. And banks are more profitable and liquid than they have been in decades.
- o Fourth, American industry has been restructuring over the last several years. Having taken steps to become more productive, American industry is now more competitive. As evidence, in 1988, our trade deficit in goods and services was almost \$102 billion; it had declined to only \$11.7 billion last year. We are winning the battle for exports.

- o Fifth, the money supply -- which provides the financing for the country's growth -- has been at the bottom of the Fed's targets for most of the past three years. And in recent months, M2 growth has been negative or flat.
- o Finally, we have seen restrained world growth. We are doing better economically than Germany, Japan, the U.K. and other trading partners. That may provide little satisfaction to Americans -- but it is a fact.

Each of these six conditions has formed a significant brake on economic growth, but when added together, their combined effect is greater than the sum of their parts. By undermining business and consumer attitudes, they have created an additional, independent restraint on growth and added to concerns about this country's prospects.

But even as each of these temporary disruptions is resolved, we must still come to terms with the long-term transformation of economic competition that technology has made possible. Twenty years ago most businesses could find their customers on a road map; today they need a world map. This has affected our businesses and daily work. Let me give you some examples:

- o In today's world, where goods flow freely across national borders, businesses are not bound to a particular country by the dictates of geography. Increasingly, companies seek to source their components and locate their factories wherever production needs can be met most efficiently. For example, the Hewlett Packard personal computer is designed and marketed in Palo Alto, and engineered in Grenoble, France. Components are made in Malaysia; it is assembled in Singapore, and 50% of sales are in the United States.
- o What is more, information and intellectual capital have become increasingly important parts of the production process. New businesses are created that depend less on tangible physical capital and more on skills and know-how. These new businesses are becoming leading industries of the new world: Microsoft, for example, has a total stock market value of \$22 billion; Amgen, a leading biotechnology company, has a stock market value of \$9 billion; and McCaw Cellular's is \$5 billion. The government cannot create these new businesses, it does not have that capability.

- o Improvements in transportation combined with new information and communication systems have dramatically shortened the transportation "pipeline" for goods, allowing companies to maintain "just-in-time" inventory methods even with far flung suppliers. An aircraft factory in Central California can fax a parts order to a supplier in Leeds, England and receive the components the next day.
- o Capital moves around the world at the touch of a keyboard -- without government approval -- to wherever it will bring the highest return, whether that is Athens, Tennessee, or Athens, Greece. To put the mobility in perspective, each day in excess of \$1.5 trillion of transactions are settled through the New York Federal Reserve Bank.

These changes have transformed the economic order that has existed through most of our lives. This is understandably unsettling to us all. Vigorous international competition has caused some of our nation's most well-known companies to restructure, not only General Motors, but also Xerox, IBM, AT&T and others.

American workers go to the parts shelf and see labels that concern them. As George Shultz recently remarked:

I saw a snapshot of a shipping label for some integrated circuits produced by an American firm. It said, "Made in one or more of the following countries: Korea, Hong Kong, Malaysia, Singapore, Taiwan, Mauritius, Thailand, Indonesia, Mexico, Philippines. The exact country of origin is unknown."

Americans worry about what a label like that says about their own future. But those who try to convince Americans that they should fear the new economic world of free trade and change are wrong. Most of the industries that are giving America its leadership in this new world economy -- industries like pharmaceuticals, software, telecommunications, aerospace, and computers -- thrive on trade. If competition is the lever with which a country will increase its productivity in the 21st Century, trade is the fulcrum.

The fact is that in the U.S. exports will create millions of new and better jobs -- which have paid, on average, 17% more than the average wage. As other countries increase their standard of living, they will buy more high-value-added products from the U.S. For example, that is why the U.S. has increased its exports to Mexico from \$14 billion to \$33 billion over the last four years.

The fact is, Americans do best when the competition is tough -- we do best by being more creative, more entrepreneurial, more innovative. And in tomorrow's world innovation will be a major source of the future's attractive, high-paying jobs. In this we Americans are fortunate. Innovation and change -- that's our heritage -- from that summer's day in 1776 when we established a new theory of government to the most recent flight of the space shuttle Atlantis. Americans are uniquely well positioned to succeed in the modern world of the 21st century.

For that reason, the goal of the Bush Administration during the next four years will be -- as it has been -- not to evade change, but to face it; not to stand in place, but to advance. Our single-minded goal is to create high-value jobs in the United States. To achieve this goal, we should do the following things.

First, we must continue the spectacular success we have had over the last four years in opening free and growing markets for our exports. In the 1980s, growth was fueled largely by debt and consumption; in the 1990s, growth must come instead from exports and investment. U.S. merchandise exports have increased by about \$195 billion over the last 5 years, and every billion dollars in exports supports about 20,000 new jobs. Simple math indicates that this growth in exports accounts for almost 4 million new jobs.

A week ago, President Bush approved the North American Free Trade Agreement. NAFTA will link us with our neighbors to the North and South to create a single market of over 360 million people with a total output of \$6-1/2 trillion. This newly unified market will provide an unparalleled engine for growth and jobs. Yet if it hadn't been for President Bush's initiative and constant urging, this agreement would never have been signed. Nothing could provide a clearer example of the President's understanding of the new global economy.

Second, two-thirds of the jobs created in the United States are created by small businesses. Only 11% of the workforce works for the Fortune Five Hundred companies. We must not shackle the 4 million smaller firms that are creating the new jobs workers need during this transition. The infant industries of today will be the job generators of tomorrow.

To this end, President Bush recently announced a comprehensive five-year, \$20 billion initiative which includes lowering the corporate tax rate for small businesses; making up to \$2500 in small business start-up costs tax deductible; increasing equipment expensing; and reducing paperwork burdens that fall heavily on small businesses.

Ensuring America's economic leadership will also mean adopting policies that foster savings and reduce the cost of capital to encourage investment. It means running the government so inflation and interest rates remain low and today, short-term interest rates and inflation are at their lowest in decades. It means reducing the capital gains tax to spur investment. And it means reducing unnecessary regulatory restrictions and correcting the excesses of our legal system.

But let me give you an example of what having an attractive investment environment can mean. BMW, with the whole world to choose from, recently decided to locate its first plant outside Germany in South Carolina. In the words of BMW "the exports we plan from the U.S. factory, will strengthen BMW's global competitiveness." Imagine German car models made by Americans sold to Europeans and Japanese.

Finally, we must invest in America's future. Investment in education, as well as in technology and in research, is the key to increasing our workers' productivity. More than that, education is the guarantee of job security. Our grandfathers may have worked at a single job their entire lives. Today's employee will, on average, have had five different careers by the time of retirement. Education will be the key to a productive future. If, as students, American workers have learned how to learn, they will have laid the foundation for a lifetime of new skills.

So America's workforce must be the best educated to remain the most productive. That means fixing our education system -- by implementing President Bush's plan to develop schools that are more accountable, to expand parental choice, and to encourage states to set meaningful education standards.

As we transform our economy, we will not leave out those who must retrain as they shift from one career to another late in life. The Administration's Worker Adjustment and Youth Skills initiatives will triple the funding currently provided for re-training.

And finally, investing in America's future means providing affordable health care for all Americans, while controlling its rising costs. That is why President Bush, in February, proposed a plan for comprehensive health reform, to make health care more accessible by making health insurance more affordable. The President's plan will not lead to rationing of health care and leaves health care choices in the hands of the people, not the bureaucrats.

These objectives recognize the interconnection between foreign affairs and domestic policy; they deal with the dynamic changes in the way the world does business; and they emphasize individual initiative rather than fuel the engine of big government.

Some will say that this agenda is wrong. Competition, they will tell you, both at home and abroad, is destructive -- trade saps jobs, choice guts schools, incentives to invest help only the rich. But it is they who are wrong. All they offer -- dressed up in the latest jargon -- are the tired remedies of protectionism, increased taxes, and government direction. They are the newest members of the Flat Earth Society, failing to understand the world around them.

We cannot hold on to the old world, and we should not want to. We know what we must do to succeed in the new world economy. After all, the field of play is our native one: creating, risking, competing, achieving. With optimism, energy and commitment, America can remain what it has always been: the ark of the world's liberty and the engine of its prosperity. The next American Century can be as bright and brilliant as the last.

Thank you.

###

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

September 23, 1992

Encouraging Entrepreneurial Capitalism:
Strengthening Small Businesses

FACT SHEET

President Bush announced today a comprehensive program for strengthening our Nation's small businesses, including a five-year, \$20 billion initiative to reduce capital costs directly and to reduce the paperwork burdens that fall heavily on small businesses.

The initiative includes:

- Reducing the lowest corporate tax rate for small businesses from 15 percent to 10 percent;
- Increasing the current equipment expensing limit from \$10,000 to \$25,000;
- Eliminating capital gains taxes on newly-issued small business stock;
- Permitting the immediate write-off of up to \$2,500 of the front-end costs of starting a new business; and
- Simplifying the tax laws so that most small businesses can file their returns on one or two pages.

I. **Helping Small Businesses Get Started**

The Administration has proposed tax policies and innovative programs to give incentives for entrepreneurship.

A. **Expanding Tax Incentives to Start Small Businesses**

• Reducing Capital Gains.

Today the President proposed to eliminate the capital gains tax on small business start-ups. Under the President's proposal, capital gains earned from qualified investments held for five years in certain small business corporations would qualify for a 50

-2-

percent exclusion. In addition, for each additional year the investment is held, the exclusion is increased by ten percent. Investments held for ten years or more will be exempt from capital gains taxation. The proposal would cover investments in small businesses with up to \$10 million in assets or receipts.

- Expensing Start-Up Costs.

The President also proposed to permit the immediate write-off of up to \$2,500 of the initial costs of organizing a new business. (Under current law, allowable business start-up expenditures must be capitalized and amortized over at least five years.) Direct expensing of a portion of these costs will reduce the cost of capital necessary to start a business.

The new write-off provisions would be applicable to expenditures made after December 31, 1992 to start up a business that has less than \$500,000 in sales in its first full year of operation.

- B. Providing Additional Assistance to Entrepreneurs

- Facilitating Equity Investments.

The President recently signed legislation authorizing the SBA to guarantee new equity-type investments in Small Business Investment Companies (SBICs). The SBICs would, in turn, use the proceeds to make equity investments in small businesses.

- Providing Micro-Loans.

The Small Business Administration (SBA) is implementing a \$45 million program to offer unsecured micro-loans of up to \$25,000 to small businesses.

II. Helping Small Businesses Reduce the Cost of Capital

President Bush today proposed a five-point initiative to reduce the cost of capital and simplify the tax code for small businesses. In addition to reducing or eliminating the capital gains tax on newly-issued small business stock and permitting the immediate write-off of up to \$2,500 of the initial costs of starting a small business, the President proposed to:

-3-

- A. Reduce the corporate tax rate for small businesses from 15 percent to 10 percent. The President proposed to reduce the tax rate on the first \$50,000 of a corporation's taxable income from 15 percent to 10 percent. The proposed new corporate tax rate would become effective on January 1, 1993.
- B. Increase the current expensing limit from \$10,000 to \$25,000. Under current tax law, a small business may deduct up to \$10,000 of the cost of business or income-producing equipment in the year it is placed in service. The President proposed to increase the maximum allowable deduction from \$10,000 to \$25,000. This \$25,000 maximum would be reduced for each dollar of eligible equipments' cost above \$200,000. Thus, no expense deduction would be allowed when the cost of eligible equipment exceeds \$225,000.
- C. Simplify the tax laws so that most small businesses can file their returns on one or two pages. This includes:

• **AMT Relief for Business Tax Preferences**

Under the President's proposal, certain business preferences and adjustments arising from qualifying small corporations (including adjustments for depreciation, depletion, intangible drilling costs and other expenses) would no longer be subject to alternative minimum tax. In addition, active participants in qualifying unincorporated businesses would not be required to include these preferences and adjustments in determining their individual AMT.

• **Inflation-adjusted inventory accounting rules**

Taxpayers with gross receipts under \$10 million could elect to use an inflation-adjusted FIFO (First In, First Out) method of accounting for inventory. Inventories would be indexed using inflation adjustment factors based on an overall price index, such as the Consumer Price Index, to eliminate the effects of inflation from the determination of taxable income.

• **Exemption from uniform capitalization rules**

The President's proposal exempts taxpayers with gross receipts under \$10 million from the uniform rules governing capitalization of direct and indirect costs associated with the production of property. In addition, very small producers (those with gross

-4-

receipts under \$1 million) would be required to capitalize only direct costs attributable to production activities, and could expense all indirect costs associated with their production activities. This will permit small businesses to avoid making costly and burdensome cost allocations solely for the purpose of computing tax liability.

- **Exemption from long-term contract rules**

Under current law, taxable income from long-term contracts is determined under the percentage of completion method (PCM) of accounting.

The President proposes to expand the current exemption from the PCM requirements to any long-term contract being performed by a contractor with average gross receipts under \$10 million.

- **Pension rule simplification**

The President proposed several changes to simplify pension rules and expand pension options for small businesses, including:

- **Permitting small businesses with less than 100 employees that have no pension plan to sponsor a Small Business Model Retirement Plan for its employees. An employer who sponsors a Small Business Model Retirement Plan must contribute one percent of pay to an account for each participating employee.**

Employees could elect to defer a portion of his or her compensation to the account, up to a maximum of \$3,000. To encourage employees to elect deferrals, the employer must make a matching contribution to the first 3 percent of compensation that an employee elects to defer, plus 50 percent of elective deferrals representing between 3 percent and 5 percent of the employee's compensation.

- **Repealing certain family aggregation rules that apply for pension plan purposes;**
- **Permitting certain tax-exempt employers (including trade associations and credit unions) to adopt Section 401(k) retirement plans for their employees; and**

-5-

- Eliminating the special aggregation rules that apply to retirement plans for self-employed individuals.

III. Helping Small Businesses Get Access to Credit

A. Providing Assistance Through the SBA.

- In 1992 the Administration provided a record \$6 billion in loan authority to permit the SBA to guarantee small business loans.
- Under the New England Lending and Recovery Project, the SBA restructures small business loans held by the FDIC as a result of bank failures.

B. Encouraging Bank Lending.

- The Administration has worked with bank regulators and conducted extensive meetings with bankers, examiners, and borrowers nationwide to increase the availability of funds. Earlier this month, Treasury Secretary Brady met with top banking industry executives to encourage a strong focus on small business lending.
- The Administration has also worked with bank regulators in issuing over 30 regulatory changes to increase credit availability.

C. Opening Up Equity Markets to Small Business.

The President's regulatory review and moratorium has led to a series of small business initiatives by the Securities and Exchange Commission, including:

- Allowing issuers of "seed capital" offerings to issue up to \$1 million per year in securities and be exempt from SEC registration requirements;
- Raising from \$1.5 million to \$5 million the ceiling on Regulation A limited public offerings, using simplified disclosure procedures; and
- Fostering investment by mutual funds in small businesses.

-6-

D. Providing Disaster Assistance.

More than \$2 billion in loan authority has been provided this fiscal year to help small businesses recover from the effects of devastating natural disasters, including Hurricanes Andrew and Iniki and the Los Angeles riots. The SBA has streamlined the application process.

IV. Helping Small Businesses Expand Employment and Increase Productivity

A. Supporting Innovative Research.

The Administration supports or has proposed a number of measures to increase investment in research and development, including:

- Making the Research & Experimentation tax credit permanent; and
- Doubling the percentage of Federal R&D budget that is set aside for small business under the Small Business Innovation Research (SBIR) program from 1.25 percent to 2.5 percent.

Today President Bush directed agencies participating in the SBIR program to implement a Commercialization Assistance Project. The project will place participating small businesses in contact with established companies to improve the skills necessary to access credit.

B. Improving the Quality of Our Workforce.

The President has proposed to revolutionize American education through his America 2000 program, and to streamline, expand and improve the accountability of Federal job training programs.

C. Reforming Our Legal System.

President Bush has proposed and supported legislation to reform our civil justice system, particularly in the areas of product liability and tort law, to encourage early settlement of disputes, adopt the "Loser Pays" rule to require the loser to pay the winner's legal fees in certain circumstances, and to limit excessive punitive damage awards.

-7-

D. Expanding and Opening Foreign Markets.

The Small Business Administration and the Department of Commerce have provided information, counseling, training and financing to thousands of small businesses who seek to export their products to new markets overseas.

E. Creating Enterprise Zones

President Bush has proposed to create enterprise zones in inner cities and rural areas that suffer from a lack of economic opportunities for their residents. A number of tax incentives would be provided for enterprise zone workers, investors and businesses, including an employee wage credit, expensing of certain stock investments, and an exclusion of most capital gains.

V. Clearing Away the Regulatory Maze

The Administration has announced several reforms that will reduce the costs and burdens imposed on small businesses in complying with the Federal tax system.

A. Reducing the Costs of the Payroll Tax System.

Several initiatives will reduce administrative costs for the more than 3.5 million small employers who must report employment taxes, including:

- Permitting up to 75 percent of all employers to make payroll tax deposits once a month, and to make those deposits electronically;
- Creating a new simplified Federal employment tax form for small businesses;
- Establishing a single wage reporting system to eliminate duplicate filing of Form W-2 and other payroll tax information; and
- Allowing employers to verify employees' tax identification numbers by telephone.

B. Reduce Other Tax-Related Burdens.

Additional reforms will allow:

- Deductibility of Preparation Fees. On April 1, 1992, the IRS released a ruling allowing more than 16 million sole proprietors, including farmers, to

-8-

deduct business-related tax preparation fees as a business expense rather than as a limited itemized deduction.

- Joint Federal-State Filing. The IRS is working with States on a pilot program for the joint electronic filing of Federal and State tax returns. In 1992, the IRS implemented this program State-wide in South Carolina and on a more limited basis in six other States. The IRS expects to add additional States during the coming year.
- Educational Initiatives for Small Businesses. In the past year, the IRS has informally contacted over 150,000 small businesses having difficulty complying with Federal tax deposit requirements. The IRS is now working with these taxpayers, outside the formal audit and enforcement context, to address compliance concerns.

VI. Helping Small Businesses Provide for Their Workers

Small businesses need help in providing benefits that will give their employees economic security. These benefits include:

A. Affordable Health Care.

Eighty five percent of workers and dependents without health insurance work for firms with fewer than 100 employees. The President's Comprehensive Health Reform Plan would:

- Allow small employers to form Health Insurance Networks to give small employers the purchasing clout of a large group;
- Require insurers to offer insurance to all small groups if they sell health insurance to any small groups. Insurers would also be required to offer insurance to all members of the group and could no longer exclude particular individuals who the insurer thought would have high medical expenses;
- Ensure affordable insurance rates for small groups with one or more very sick individuals, initially through rate limitations and, over time, through risk-pooling; and

-9-

- Permit the self-employed to deduct 100 percent of their health care insurance premiums as opposed to the 25 percent they currently are permitted to deduct.

B. Tax Incentives for Family Leave Policies.

President Bush has proposed to provide tax credits to businesses with fewer than 500 employees that adopt non-discriminatory leave policies related to childbirth, adoption or serious family health problems. The employer would be eligible for a tax credit equal to 20 percent of the cash wages that the employer provided (or would have provided) to the employee during the period of family leave, up to a maximum of \$20 of credit per business day and a maximum of \$1,200 of credit per employee per year. The employer must continue to provide health benefits and other employment protections and benefits to employees on family leave.

C. Retirement Security.

- In July 1992, the President signed legislation increasing pension portability and enhancing retirement security for workers who change jobs by permitting workers to rollover their accrued pension benefits directly into another retirement plan or an Individual Retirement Account.
- The President also proposes to:
 - Reduce and simplify the administrative requirements for pension plans offered by small employers to encourage them to extend coverage to those not currently covered;
 - Permit tax-exempt institutions and state and local governments to establish 401(k) retirement savings plans for their employees; and
 - Simplify the rules for administering 401(k) plans and repealing special tax breaks that discourage retirement savings.

TOM C. KOROLOGOS
PRESIDENT

MEMO

Sen. Dale -

As we
discussed -
not a BAD
idea!

Tom

TIMMONS AND COMPANY, INCORPORATED

1850 K STREET, N.W., WASHINGTON, D.C. 20006

(202) 331-1760

MEMORANDUM

To: Tom Korologos
Timmons & Company

From: Herb Schmertz
The Schmertz Company, Inc.

Date: November 11, 1992

This is a document that Dole should introduce as an Omnibus Bill the first day the Senate reconvenes.

Putting People First

*A National
Economic Strategy
for America*

Governor Bill Clinton

SUMMARY

During the 1980s, our government betrayed the values that make America great: providing opportunity, taking responsibility, rewarding work. While the rich got richer, the forgotten middle class — the people who work hard and play by the rules — took it on the chin. . They paid higher taxes to a government that gave them little in return. Washington failed to put people first.

No wonder our nation has compiled its worst economic record in fifty years.

Our political system isn't working either. Washington is dominated by powerful interests and an entrenched bureaucracy. Americans are tired of blame. They are ready for a leader willing to take responsibility.

My national economic strategy puts people first by investing more than \$50 billion each year for the next four years while cutting the deficit in half. These investments will create millions of high-wage jobs and help America compete in the global economy. They include:

- Putting America to work by rebuilding our country, converting from a defense to a peacetime economy, revitalizing our cities, encouraging private investment, and opening up world markets.

- Rewarding work by providing tax fairness to working families, ending welfare as we know it, providing family leave and cracking down on deadbeat parents.

- Supporting lifetime learning by bringing parents and children together, improving schools, training high school graduates, offering every American the chance to borrow money to go to college and serve our nation, and retraining workers.

- Providing quality, affordable health care by radically controlling costs, reducing paperwork, phasing in universal access to basic medical coverage, and cracking down on drug manufacturers and insurance companies.

- Revolutionizing government by cutting 100,000 federal jobs, eliminating wasteful spending, limiting special interests, stopping the revolving door from public office to private lobbying, and reforming campaign finance and practices.

To pay for these investments and reduce our national deficit, I will save nearly \$300 billion by cutting spending, closing corporate tax loopholes, forcing the very wealthy to pay their fair share of taxes, and implementing rigorous health care cost control. My plan will cut the deficit in half within four years, and assure that the deficit continues to fall each year after that.

TABLE OF CONTENTS

Introduction.....	1
Putting America to Work.....	3
Rewarding Work and Families.....	8
Lifetime Learning.....	10
Quality, Affordable Health Care.....	13
A Revolution in Government.....	16
Table 1: Investments and Savings.....	19
Table 2: Deficit Projections.....	20
Table 3: Breakdown of Savings.....	21

PUTTING PEOPLE FIRST

It's time to put people first.

That is the core of my national economic strategy for America. And that will be the fundamental idea that guides my Presidency.

America is the greatest nation on earth. But for more than a decade our government has been rigged in favor of the rich and special interests. While the very wealthiest Americans get richer, middle-class Americans pay more to their government and get less in return. Our government has betrayed the values that make us great — providing opportunity, taking responsibility and rewarding hard work.

For twelve years, the driving idea behind American economic policy has been cutting taxes on the richest individuals and corporations and hoping that their new wealth would "trickle down" to the rest of us.

This policy has failed.

The Republicans in Washington have compiled the worst economic record in fifty years: the slowest economic growth, slowest job growth, and slowest income growth since the Great Depression. During the 1980s the wealthiest one percent of Americans got 70 percent of the gains. By the end of the decade, American CEOs were paying themselves 100 times more than their workers. Washington stood by while quick-buck artists brought down the Savings and Loan industry, leaving the rest of us with a \$500 billion bill.

While the rich cashed in, the forgotten middle class — the people who work hard and play by the rules — took it on the chin. They worked harder for lower incomes and paid higher taxes to a government that failed to produce what we need: good jobs in a growing economy, world-class education, affordable health care, and safe streets and neighborhoods. The working poor had the door of opportunity slammed in their face.

Ten years ago, Americans earned higher wages than

anyone else in the world. Now we're tenth, and falling. In Europe and Japan our competitors' economies grew three and four times faster than ours — because their leaders decided to invest in their people and our government did not.

In the emerging global economy, everything is mobile: capital, factories, even entire industries. The only resource that's really rooted in a nation — and the ultimate source of all its wealth — is its people. The only way America can compete and win in the 21st Century is to have the best educated, best trained workforce in the world, linked together by transportation and communication networks second to none.

I believe in free enterprise and the power of market forces. I know economic growth will be the best jobs program we'll ever have. But economic growth does not come without a national economic strategy to invest in people and meet the competition. Today we have no economic vision, no economic leadership and no economic strategy.

Our political system has failed us, too. Washington is dominated by powerful interests and an entrenched bureaucracy. Too many public officials enter the revolving door and emerge as high-priced influence peddlers. Too often those we elect to lead seem to respond more quickly to special interests than to the real problems of real people.

No wonder all of us have had enough. Our government doesn't work. People who pay the bills but get little value for their dollar have no voice in Washington. They are tired of hearing politicians blame each other. They are eager for someone to take responsibility and ready for a leader who will challenge all of us to be Americans again.

The strategy outlined in the pages that follow is not all-inclusive. There are many other crucial challenges that await the next President: healing the divisions that threaten our society, restoring law and order to our streets and communities, protecting a woman's right to choose, launching a war on AIDS, leading the world in protecting our environment, and securing our interests and human rights around the globe.

But we will reach our goals only if we focus on our

country's greatest resource. That is why putting people first is the heart and soul of my national economic strategy — and the key to the American future.

My strategy puts people first by investing more than \$50 billion each year over the next four years to put America back to work — the most dramatic economic growth program since World War II. My strategy recognizes that the only way to lay the foundation for renewed American prosperity is to spur both public and private investment. To reclaim the future, we must strive to close both the budget deficit and the investment gap.

These investments will create millions of high-wage jobs and provide tax relief to working families. They will also help move people from welfare to work, provide lifetime learning, and ensure affordable health care coverage for every citizen.

To pay for these investments and reduce our national deficit, I will save more than \$360 billion by cutting spending, closing corporate tax loopholes, requiring the very wealthy to pay their fair share of taxes, and implementing rigorous health care cost controls. My plan will cut the deficit in half within four years, and assure that the deficit continues to fall each year after that.

No American will agree with all the details of my plan. But you have a right to know what I'll do and where I stand.

PUTTING AMERICA TO WORK

Putting people first demands, above all, that we put America back to work.

For the last twelve years Washington has penalized hard work and sold out American families. As the recession sends working families into poverty, the Republicans throw up their hands instead of rolling up their sleeves.

The results have been devastating. Record numbers of

Americans are unemployed and millions more must settle for insecure, low-wage, no-benefit jobs. Small businesses — which create most of the new jobs in this country — are starved for capital and credit. Washington continues to grant tax deductions for outrageous executive pay and reward American corporations who move their plants and jobs overseas.

The corrupt do-nothing values of the 1980s must never mislead us again. Never again should the government reward those who speculate in paper, instead of those who put people first. Never again should we sit idly by while the plight of hard-working Americans is ignored. Never again should we pass on our debts to our children while their futures slide silently through our fingers.

My national economic strategy will reward the people who work hard creating new jobs, starting new businesses and investing in our people and our plants here at home. To restore economic growth, we need to help free enterprise flourish, put our people back to work and learn again how to compete. My plan would:

- Shut the door on the "something for nothing" decade by:
 - Making the wealthiest Americans pay their fair share in taxes;
 - Ending tax breaks for American companies that shut down their plants here and ship American jobs overseas;
 - Eliminating deductions for outrageous executive pay;
- and
 - Cracking down on foreign companies that prosper here and manipulate tax laws to their advantage.
- Rebuild America. The 1980s saw the concrete foundations of the United States crumble as the investment gap widened between America and our global competitors. By the decade's end, Japan and Germany were investing more than 12 times what we spend on roads, bridges, sewers and the information networks and technologies of the future. No wonder they threaten to surpass America in manufacturing by 1996. No wonder we are slipping behind

To create millions of high-wage jobs and smooth our transition from a defense- to a commercial-based economy, we will rebuild America and develop the world's best communication, transportation and environmental systems. As a prominent part of our commitment to put people first, we will create a Rebuild America Fund, with a \$20 billion Federal investment in each year for four years, leveraged with state, local, private sector and pension fund contributions. User fees such as road tolls and solid waste disposal charges will help guarantee these investments.

Just as constructing interstate highways in the 1950s ushered in two decades of unparalleled growth, creating the concrete foundations of the 21st century will help put Americans back to work and spur economic growth. States and localities will be responsible for project development and management. The creation of large predictable markets will stimulate private industry to invest in these new markets and create new high-wage jobs.

We will focus on four critical areas:

— Transportation, including renovation of our country's roads, bridges and railroads; creation of a high-speed rail network linking our major cities and commercial hubs; development of "smart" highway technology to expand the capacity, speed and efficiency of our major roadways; and development of high-tech short-haul aircraft.

— A national information network to link every home, business, lab, classroom and library by the year 2015. To expand access to information, we will put public records, databases, libraries and educational materials on line for public use.

— Environmental technology to create the world's most advanced systems to recycle, treat toxic waste and clean our air and water. Funds will also be directed to the development of new, clean, efficient energy sources.

— Defense conversion to ensure that the communities and millions of talented workers that won the Cold War don't get left out in the cold. Many of the skills and technologies required to rebuild America are similar to those now used in our defense industries. We will encourage

companies that bid on projects to rebuild America to contract work to, or purchase, existing defense facilities; order the Pentagon to conduct a national defense jobs inventory to assist displaced workers; and provide special conversion loans and grants to small business defense contractors.

- Investing in communities. While America's great cities fall into disrepair, the Republicans in Washington continue to ignore their fate. Private enterprise has abandoned our cities, leaving our young people with few job prospects and declining hopes. To restore urban economic vitality and bring back high-paying jobs to our cities, I will:

- Target funding and Community Development Block Grants to rebuild America's urban roads, bridges, water and sewage treatment plants and low-income housing stock, stressing "ready to go" projects. Require companies that bid on these projects to set up a portion of their operations in low-income neighborhoods and employ local residents.

- Create a nationwide network of community development banks to provide small loans to low-income entrepreneurs and homeowners in the inner cities. These banks will also provide advice and assistance to entrepreneurs; invest in affordable housing, and help mobilize private lenders.

- Fight crime by putting 100,000 new police officers on the streets. We will create a National Police Corps and offer unemployed veterans and active military personnel a chance to become law enforcement officers here at home. We will also expand community policing, fund more drug treatment, and establish community boot camps to discipline first-time non-violent offenders.

- Create urban enterprise zones in stagnant inner cities, but only for companies willing to take responsibility. Business taxes and federal regulations will be minimized to provide incentives to set up shop. In return, companies will have to make jobs for local residents a top priority.

- Ease the credit crunch in our inner cities by passing a more progressive Community Reinvestment Act to prevent "redlining"

and require financial institutions to invest in their communities.

- Encouraging private investment in America. Ten years ago, the United States spent about \$400 more per person than Japan in capital investment. Today the Japanese invest more than twice as much in their nation as we do. We must either change directions or continue to slide.

To help American business create new jobs and compete in the global economy, we must dramatically increase private investment. My plan would:

- Provide a targeted investment tax credit to encourage investment in the new plants and productive equipment here at home that we need to compete in the global economy.

- Help small businesses and entrepreneurs by offering a 50 percent tax exclusion to those who take risks by making long-term investments in new businesses.

- Make permanent the research and development tax credit to reward companies that invest in groundbreaking technologies.

- Create a civilian research and development agency to bring together businesses and universities to develop cutting-edge products and technologies. This agency will increase our commercial research and development spending, and focus its effort in crucial new industries such as biotechnology, robotics, high-speed computing, and environmental technology.

- Opening up world markets. Because every \$1 billion in expanded American exports will create 20,000 to 30,000 new jobs, we will move aggressively to open foreign markets to quality American goods and services. We will urge our trading partners in Europe and the Pacific Rim to abandon unfair trade subsidies in key sectors like ship building and aerospace — and act swiftly if they fail to respond. We will:

- Pass a stronger, sharper "Super 301" trade bill. If other nations refuse to play by our trade rules, we'll play by theirs.

- Seek more open markets for American products by

negotiating a free trade agreement with Mexico that ensures a more level playing field and protects basic worker rights and environmental standards.

— Create an Economic Security Council, similar in status to the National Security Council, with responsibility for coordinating America's international economic policy.

— Reform the office of the U.S. Trade Representative by issuing an executive order banning trade negotiators from cashing in on their positions by serving as representatives of foreign corporations or governments. We must transform this office into a corps of trade experts whose primary aim is to serve their country, not sell out for lucrative lobbying paychecks from foreign competitors.

REWARDING WORK AND FAMILIES

Putting our people first means honoring and rewarding those who work hard and play by the rules. It means recognizing that government doesn't raise children — people do. It means that we must reward work, demand responsibility and end welfare as we know it.

The Republicans who run the federal government have abandoned working families. Millions of Americans are running harder and harder just to stay in place. While taxes fall and incomes rise for those at the top of the totem pole, middle-class families pay more and earn less. Wages are flat, good jobs have become scarce, and poverty has exploded. Health care costs have skyrocketed, and millions have seen their health benefits disappear.

Today almost one of every five people who works full time doesn't earn enough to support his or her family above the poverty line. Deadbeat parents owe \$25 billion in unpaid child support, and have left millions of single-parent families in poverty.

In the 1980s the Republicans once again used welfare as a wedge to divide Americans against each other. They silently hacked away

at the programs that keep disadvantaged children healthy and prepare them for school. They talked about "family values," but increased the burden on American families.

My national economic strategy will strengthen families and empower all Americans to work. It will break the cycle of dependency and end welfare as we know it. It includes:

- Expanding the Earned Income Tax Credit. To ensure that no one with a family who works full-time has to raise their children in poverty, we will increase the Earned Income Tax Credit to make up the difference between a family's earnings and the poverty level. The credit will also be expanded for part-time workers, giving them a greater incentive to work.

- Middle class tax fairness. Virtually every industrialized nation recognizes the importance of strong families in its tax code; we should, too. We will lower the tax burden on middle class Americans by forcing the rich to pay their fair share. Middle class taxpayers will have a choice between a children's tax credit or a significant reduction in their income tax rate.

- Welfare-to-work. We will scrap the current welfare system and make welfare a second chance, not a way of life. We will empower people on welfare with the education, training and child care they need for up to two years so they can break the cycle of dependency. After that, those who can work will have to go to work, either by taking a job in the private sector or through community service.

- Family and medical leave. Parents should not have to choose between the job they need and the family they love. I will immediately sign into law the Family and Medical Leave Act. This bill will give American workers the right to take 12 weeks of unpaid leave in order to care for a newborn child or sick family members — a right enjoyed by workers in every other advanced industrial nation.

- Child support enforcement. We will crack down on

deadbeat parents by reporting them to credit agencies, so they can't borrow money for themselves when they're not taking care of their children. We'll use the Internal Revenue Service to collect child support, start a national deadbeat databank, and make it a felony to cross state lines to avoid paying support.

LIFETIME LEARNING

Putting people first demands a revolution in lifetime learning, a concerted effort to invest in the collective talents of our people. Education today is more than the key to climbing the ladder of opportunity. It is an imperative for our nation. Our economic life is on the line.

Government fails when our schools fail. For four years we have heard much talk about "the Education President" but seen no action by government to close the gaps between what our people can achieve and what we ask of them. Washington shows little concern as people pay more and get less for what matters most to them: educating their children.

Millions of our children go to school unprepared to learn. The Republicans in Washington have promised — but never delivered — full funding of Head Start, a proven success that gives disadvantaged children a chance to get ahead. And while the states move forward with innovative ways to bring parents and children together, Washington fails to insist on responsibility from parents, teachers, students — and itself.

The 1980s witnessed the emergence of immense education gaps between America and the world, and among our own people. Test scores went down while violence in the schools went up. Too many children did bullet drills instead of fire drills, and too many teachers were assaulted. High school graduates who chose not to go to college saw their incomes drop by 20 percent. While college tuition and living costs skyrocketed, the Republicans tried to slash assistance for middle class

families. By the decade's end, nearly one of every two college students was dropping out, most because they simply could no longer afford it.

In an era when what you earn depends on what you learn, education too often stops at the schoolhouse door. While our global competitors invest in their people, American companies spend seven of every ten dollars for employee training on those at the top of the corporate ladder. Top executives float on golden parachutes to a cushy life while hard-working Americans are grounded without the skills they need.

My national economic strategy for America will invest in our people at every stage of their lives. It will put children first by dramatically improving the way parents prepare their children for school, giving students the chance to train for jobs or pay for college, and providing workers with the training and retraining they need to compete in tomorrow's economy.

The main elements include:

- Parents and Children Together. We will inspire parents to take responsibility; and empower them with the knowledge they need to help their children enter school ready to learn. As we do in my state, we will help disadvantaged parents work with their children to build an ethic of learning at home that benefits both parent and child. We will fully fund programs that save us several dollars for every one we spend — Head Start, the Women, Infants and Children (WIC) program, and other critical initiatives recommended by the National Commission on Children.

- Dramatically improve K-12 education. We will overhaul America's public schools to insure that every child has a chance for a world-class education. We will establish tough standards and a national examination system in core subjects like math and science, level the playing field for disadvantaged students, and reduce class sizes. We will give every parent the right to choose the public school his or her child attends, as we have done in Arkansas. In return, we will demand that parents work with their children to keep them in school, off drugs and

headed toward graduation.

- Safe Schools Initiative. We will provide funds for violence-ridden schools to hire security personnel and purchase metal detectors. We will help cities and states use community policing to put more police officers on the streets in high-crime areas where schools are located.

- Youth Opportunity Corps. To help teenagers who drop out of school, we will help communities open centers that give dropouts a second chance. Teenagers will be matched with adults who care about them, and given a chance to develop self-discipline and skills.

- National Apprenticeship Program. As President, I will bring business, labor and education leaders together to develop a national apprenticeship system that offers non-college bound students training in a valuable skill, with the promise of a good job when they graduate.

- National Service Trust Fund. To give every American the right to borrow money for college, we will scrap the existing student loan program and establish a National Service Trust Fund. Those who borrow from the fund will be able to choose how to repay the balance: either as a small percentage of their earnings over time, or by serving their communities for one or two years doing work their country needs as teachers, law enforcement officers, health care workers, or peer counselors helping kids stay off drugs and in school.

- Worker retraining. We will require every employer to spend 1.5 percent of payroll for continuing education and training, and make them provide the training to all workers, not just executives. Workers will be able to choose advanced skills training, the chance to earn a high school diploma, or the opportunity to learn to read. And we will streamline existing programs by combining the confusing array of publicly-funded training schemes.

QUALITY, AFFORDABLE HEALTH CARE

The American health care system costs too much and does not work. Instead of putting people first, the government in Washington has favored the insurance companies, drug manufacturers, and health care bureaucracies. We cannot build the economy of tomorrow until we guarantee every American the right to quality, affordable health care.

Washington has ignored the needs of middle class families and let health care costs soar out of control. American drug companies have raised their prices three times faster than the rate of inflation, forcing American consumers to pay up to six times more than Canadians or Europeans for the same drugs. Insurance companies routinely deny coverage to consumers with "pre-existing conditions" and waste billions on bureaucracy and administration. Twelve years ago Americans spent \$249 billion on health care. This year we'll spend more than \$800 billion.

Health care costs are now the number one cause of bankruptcy and labor disputes. They threaten our ability to compete, adding \$700 to the cost of every car made in America. Our complex system chokes consumers and providers with paper, requiring the average doctor to spend 80 hours a month on paperwork. It invites fraud and abuse. We spend more on health care than any nation on earth and don't get our money's worth.

Our people still live in fear. Today almost 60 million Americans have inadequate health insurance — or none at all. Every year working men and women are forced to pay more while their employers cover less. Small businesses are caught between going broke and doing right by their employees. Infants die at rates that exceed countries blessed with far fewer resources. Across our nation older Americans live in fear that they will fall ill — and lose everything or bankrupt their children's dreams trying to pay for the care they deserve.

America has the potential to provide the world's best, most advanced and cost-effective health care. What we need are leaders who are willing to take on the insurance companies, the drug companies, and

the health care bureaucracies and bring health care costs down.

My health care plan is simple in concept but revolutionary in scope. First, we will move to radically control costs by changing incentives, reducing paperwork and cracking down on drug and insurance company practices. As costs drop, we will phase in guaranteed universal access — through employer or public programs — to basic medical coverage. Companies will be required to insure their employees, with federal assistance in the early years to help them meet their obligations. Health care providers will finally have incentives to reduce costs and improve quality for consumers. American health care will make sense.

My plan will put people first by guaranteeing quality, affordable health care. No American will go without health care, but in return everyone who can must share the cost of their care. The main elements include:

- National spending caps. The cost of health care must not be allowed to rise faster than the average American's income. I will scrap the Health Care Financing Administration and replace it with a health standards board — made up of consumers, providers, business, labor and government — that will establish annual health budget targets and outline a core benefits package.
- Universal coverage. Affordable, quality health care will be a right, not a privilege. Under my plan, employers and employees will either purchase private insurance or opt to buy into a high-quality public program. Every American not covered by an employer will receive the core benefits package set by the health standards board.
- Managed care networks. Consumers will be able to select from among a variety of local health networks, made up of insurers, hospitals, clinics and doctors. The networks will receive a fixed amount of money for each consumer, giving them the necessary incentive to control costs.
- Eliminate drug price gouging. To protect American

consumers and bring down prescription drug prices, I will eliminate tax breaks for drug companies that raise their prices faster than Americans' incomes rise.

- Take on the insurance industry. To stand up to the powerful insurance lobby and stop consumers from paying billions in administrative waste, we need to streamline the industry. My health plan will institute a single claim form and ban underwriting practices that waste billions to discover which patients are bad risks. Any insurance company that wants to do business will have to take all comers and charge every business in a community the same rate. No company will be able to deny coverage to individuals with pre-existing conditions.

- Fight bureaucracy and billing fraud. To control costs and trim the "paper hospital," my plan will replace expensive billing, coding and utilization review functions with a simplified, streamlined billing system. Everyone will carry "smart cards" coded with his or her personal medical information. We will also crack down on billing fraud and remove incentives that invite abuse.

- Core benefits package. Every American will be guaranteed a basic health benefits package that includes ambulatory physician care, inpatient hospital care, prescription drugs, and basic mental health. The package will allow consumers to choose where to receive care and include expanded preventive treatments such as pre-natal care, mammograms and routine health screenings. We'll provide more services to the elderly and the disabled by expanding Medicare to include more long-term care.

- Equal costs. All businesses, regardless of size, will pay a set amount per person they employ. This system, known as "community rating," will protect small businesses and spread the risk evenly among all companies.

A REVOLUTION IN GOVERNMENT

We cannot put people first and create jobs and economic growth without a revolution in government. We must take away power from the entrenched bureaucracies and special interests that dominate Washington.

We can no longer afford to pay more — and get less — from our government. The answer for every problem cannot always be another program or more money. It is time to radically change the way government operates — to shift from top-down bureaucracy to entrepreneurial government that empowers citizens and communities to change our country from the bottom up. We must reward the people and ideas that work and get rid of those that don't.

It's long past time to clean up Washington. The last twelve years were nothing less than an extended hunting season for high-priced lobbyists and Washington influence peddlers. On streets where statesmen once strolled, a never-ending stream of money now changes hands — tying the hands of those elected to lead.

Millions of hard-working Americans struggle to make ends meet while their government no longer fights for their values or their interests. Washington deregulated the Savings and Loan industry and then tried to hide when it collapsed, leaving taxpayers to foot the bill. Political action committees and other special interests funnel more than \$2.5 million every week to Congress, giving incumbents a 12-1 financial advantage over challengers.

During the 1980s the White House staff routinely took taxpayers for a ride to play golf or bid on rare stamps. High-level executive branch employees traded in their government jobs for the chance to make millions lobbying their former bosses. Experts estimate that nearly one of every two senior American trade officials has signed on to work for nations they once faced across the negotiating table.

This betrayal of democracy must stop.

To break the stalemate in Washington, we have to attack

the problem at its source: entrenched power and money. We must cut the bureaucracy, limit special interests, stop the revolving door, and cut off the unrestricted flow of campaign funds. The privilege of public service -- ought to be enough of a perk for people in government.

I will take the following steps:

- Staff reductions. I will reduce the White House staff by 25 percent and challenge Congress to do the same.
- Eliminate 100,000 unnecessary positions in the bureaucracy. I will cut 100,000 federal government positions through attrition.
- Cuts in administrative waste. I will require federal managers and workers to achieve 3 percent across-the-board administrative savings in every federal agency.
- Cut wasteful government spending programs. To get rid of spending programs that no longer serve their purpose, I will eliminate taxpayer subsidies for narrow special interests, reform defense procurement and foreign aid, and slash boondoggle projects.
- Line item veto. To eliminate pork-barrel projects and cut government waste, I will ask Congress to give me the line item veto.
- Special interest tax. To help put government back in the hands of the people, I will ask Congress to eliminate the tax deductions for special interest lobbying expenses. I will also urge Congress to close the "lawyers' loophole," which allows lawyer-lobbyists to disguise lobbying activities on behalf of foreign governments and powerful corporations.
- Stop the revolving door. I will require all my top appointees to sign a pledge that, if they work in my Administration, they will refrain for five years after leaving office from lobbying government agencies within their responsibilities. I will require senior officials to pledge never to become registered agents on behalf of any foreign

government. I will then challenge members of Congress to do the same.

- Lobbyists. I will push for and sign legislation to toughen and streamline lobbying disclosure. The new law will require all individuals and groups to register with the Office of Government Ethics within 30 days after contacting a federal official, lawmaker or lawmaker's aide. Lobbyists will be required to report twice a year on their contacts and expenses. I will instruct the Justice Department to strictly enforce disclosure laws and collect fines.

- Campaign finance reform. I will push for and sign strong campaign finance legislation to cap spending on House and Senate campaigns; cut political action committee (PAC) contributions in any race to the legal limit for individuals of \$1,000; lower the cost of air time so that TV becomes an instrument of education, not a weapon of political assassination; and require lobbyists who appear before a Congressional committee to disclose the campaign contributions they've made to members of that committee.

INVESTMENTS AND SAVINGS

(in billions of dollars)

NEW INVESTMENTS

	1993	1994	1995	1996
Putting America to work	28.3	34.6	35.4	35.4
Rewarding work and families	3.5	5.5	6.5	7.0
Lifetime learning	10.1	14.25	17.27	21.7
Total	41.9	54.35	59.17	64.1

NEW SAVINGS

Spending Cuts	26.09	32.42	36.81	44.98
Entitlement Reform	0.6	1.0	1.0	1.8
Tax Fairness	19.8	22.7	23.9	25.3
Closing Corporate Loopholes	11.3	14.4	15.3	17.3
Total	57.79	70.52	77.01	89.38

DEFICIT PROJECTIONS

(in billions of dollars)

	1993	1994	1995	1996
Current deficit*	323.0	268.0	212.0	193.0
Clinton Plan: moderate growth	295.7	243.0	174.0	141.0
Clinton Plan: strong growth	282.6	207.02	125.54	75.84

*Based on Congressional Budget Office growth assumptions.

BREAKDOWN OF SAVINGS

(in billions of dollars)

	1993	1994	1995	1996
SPENDING CUTS				
Defense cuts				
(beyond Bush)	2.0	8.5	10.5	16.5
Intelligence cuts	1.0	1.5	1.5	1.5
Administrative savings	2.0	5.0	6.5	8.5
100,000 federal workers	2.0	4.3	4.5	4.5
Cut White House staff by				
25 percent	0.01	0.01	0.01	0.01
Reform debt financing	0.0	2.0	2.0	2.0
Cut Congressional				
staff by 25 percent	0.1	0.1	0.1	0.1
Line-item veto to cut				
pork barrel projects	3.8	2.0	2.0	2.0
Reform Defense Department				
procurement management	5.7	0.0	0.0	0.0
Reform Defense Department				
inventory system	2.3	2.5	2.5	2.5
Create comprehensive				
federal agency energy				
conservation program	0.0	0.85	0.85	0.85
Reducing overhead on				
federally-sponsored				
university research	0.73	0.76	0.79	0.82
Streamline USDA field				
offices	0.035	0.075	0.13	0.14
Special purpose HUD				
grants	0.12	0.12	0.13	0.13
Index nuclear waste disposal				
fees for inflation	0.02	0.04	0.06	0.08
RTC management reform	4.0	4.0	4.5	4.6
End taxpayer subsidies for				
honey producers	0.02	0.02	0.0	0.0
Consolidate overseas				
broadcasting system	0.08	0.18	0.26	0.27
Freeze spending on				
federal consultants	0.17	0.19	0.21	0.21
Consolidate social service				
programs	0.0	0.27	0.27	0.27
Reform foreign aid pipeline	2.0	0.0	0.0	0.0
Total	26.09	32.42	36.81	44.98



NATIONAL
POST ELECTION
SURVEY

Handwritten notes:
11/3/92
11/3/92
11/3/92

COMMISSIONED BY
CITIZENS UNITED

CONDUCTED BY
FABRIZIO, MCLAUGHLIN & ASSOCIATES
ON
NOVEMBER 3, 1992

Methodology

This survey of political attitudes was conducted among actual voters nationally on the night of Tuesday, November 3rd by Fabrizio, McLaughlin & Associates.

All interviews were conducted by professionally trained interviewers via telephone. Interview selection was random within predetermined election units. These election units were structured to statistically correlate with actual voter distribution in post Presidential elections. This survey of 800 actual voters has an accuracy of +/- 3.46% at the 95% confidence interval.

KEY POINTS

- * *Self-identified Conservatives still outnumber self-identified Liberals by greater than a 3 to 2 ratio, with a plurality of voters describing themselves as moderates.*
- * *Voters voted over concerns about jobs and the economy by nearly a 2 to 1 margin over lower taxes or reduced government spending.*
- * *Clinton won convincingly among those voting based upon jobs and the economy, losing only among those voting based on taxes and spending.*
- * *To the extent that these voters had an opinion, they opposed DC statehood by a substantial margin.*
- * *At present, George Bush is seen as best representing conservative principles and beliefs.*
- * *Despite conventional wisdom, these voters see reducing taxes and government spending as the primary goal of conservatives.*
- * *At this time, Jack Kemp and Dan Quayle are the front runners for the Republican nomination.*
- * *Comparatively, Clinton/Gore would have lost a sizable portion of their votes had these voters known about their planned tax and spending increases, Gore's support of homosexual adoptions, and his support of elimination of automobile use.*
- * *Had Perot not been a candidate, Bush would have garnered slightly more of his vote than Clinton.*
- * *Had Jack Kemp been the Republican nominee, it appears that Clinton still would have won, but Perot would have placed second with Kemp placing third.*
- * *These voters believe that the media treated Ross Perot least fairly.*
- * *By an overwhelming majority, these voters believe that Tom Foley should step aside as House Speaker and allow someone new to reform Congress.*

KEY DATA

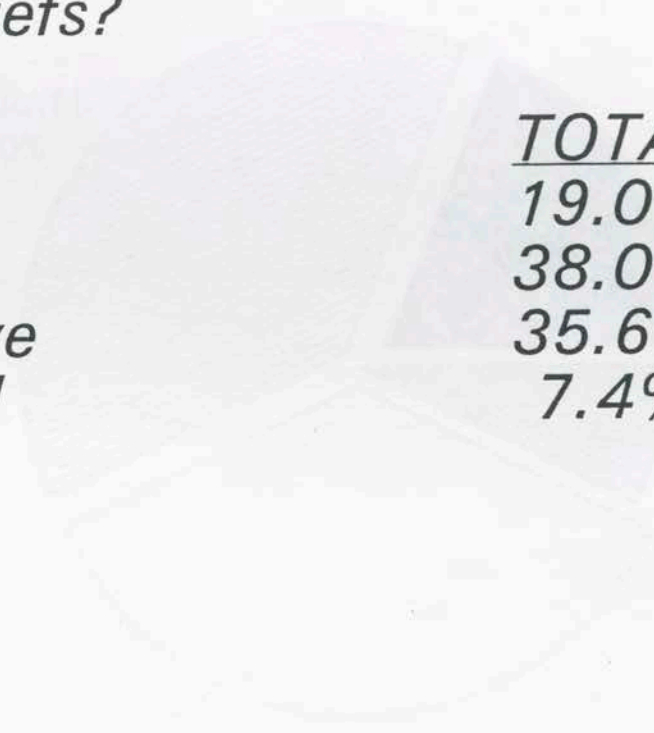
Q.2: If you were to label yourself, would you say you were a Liberal, a Moderate, or a Conservative in your political beliefs?

	TOTAL
Liberal	19.0%
Moderate	38.0%
Conservative	35.6%
DK/Refused	7.4%

2. POLITICAL BELIEFS

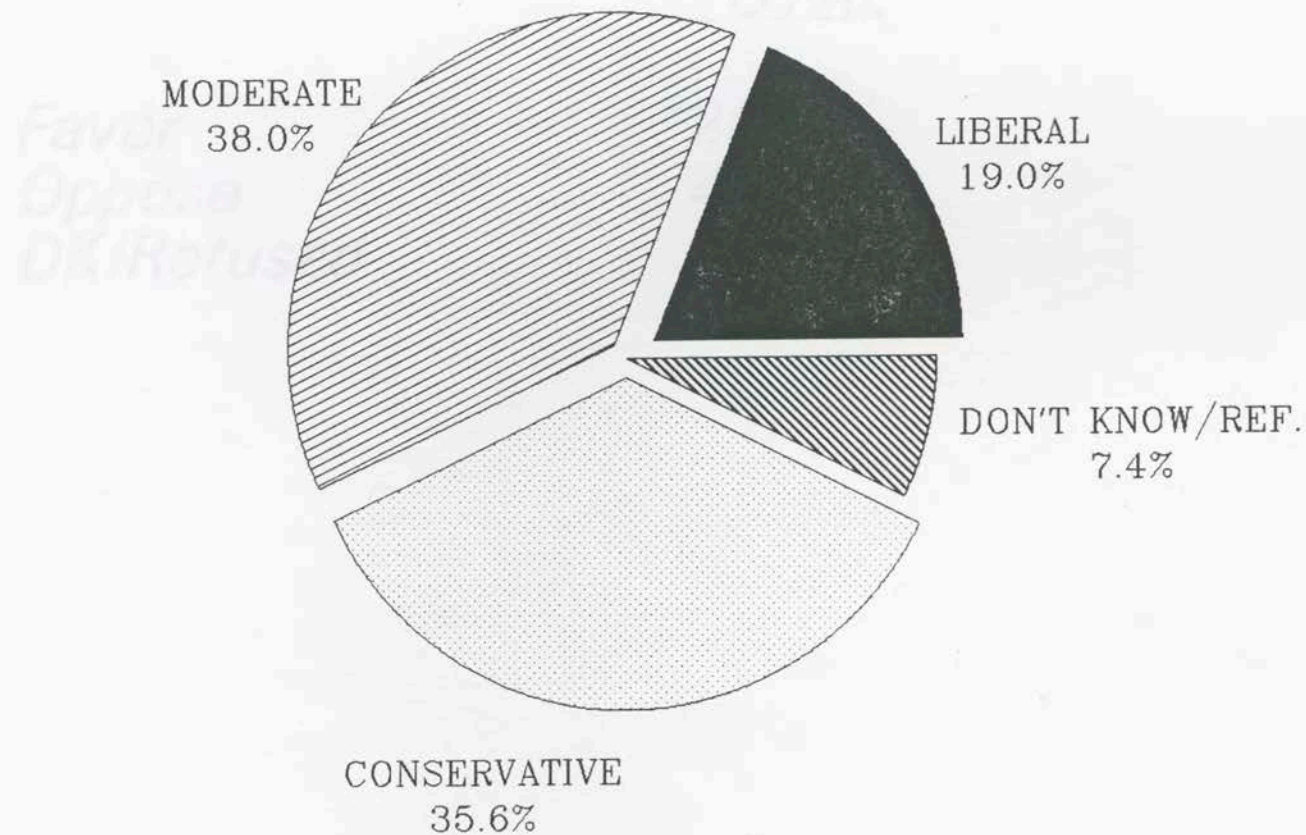
AMONG ALL RESPONDENTS

Q.2: *If you were to label yourself, would you say you are a Liberal, a Moderate, or a Conservative in your political beliefs?*



<i>Liberal</i>	<u>TOTAL</u>
<i>Moderate</i>	19.0%
<i>Conservative</i>	38.0%
<i>DK/Refused</i>	35.6%
	7.4%

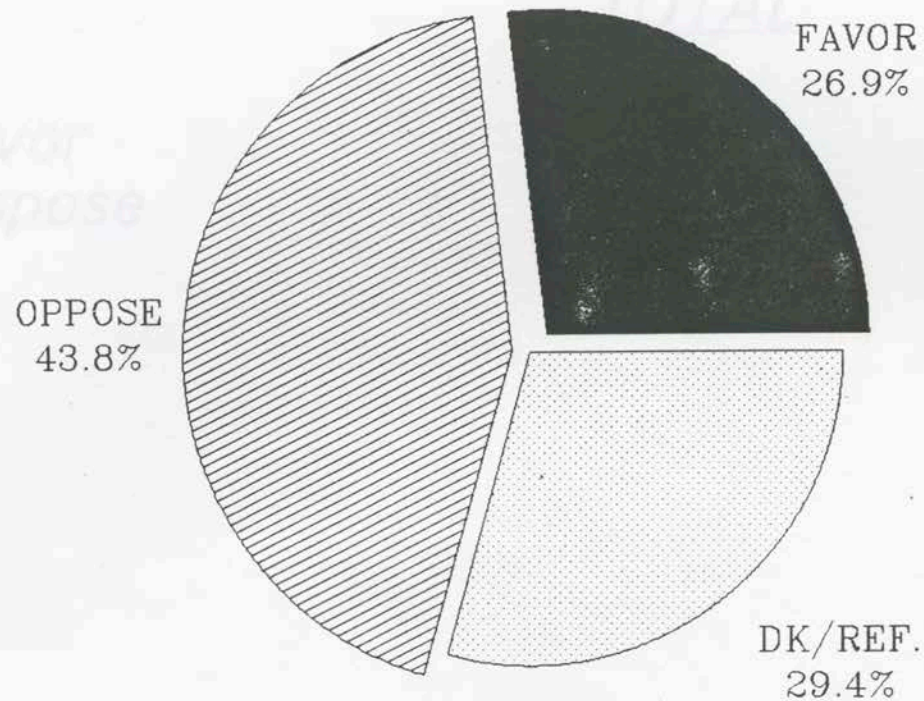
Q.2 POLITICAL BELIEFS AMONG ALL RESPONDENTS



Q.6 Do you favor or oppose making Washington D.C. a state?

	<u>TOTAL</u>
<i>Favor</i>	26.9%
<i>Oppose</i>	43.8%
<i>DK/Refused</i>	29.4%

Q.6 OPINION OF D.C. STATEHOOD AMONG ALL RESPONDENTS

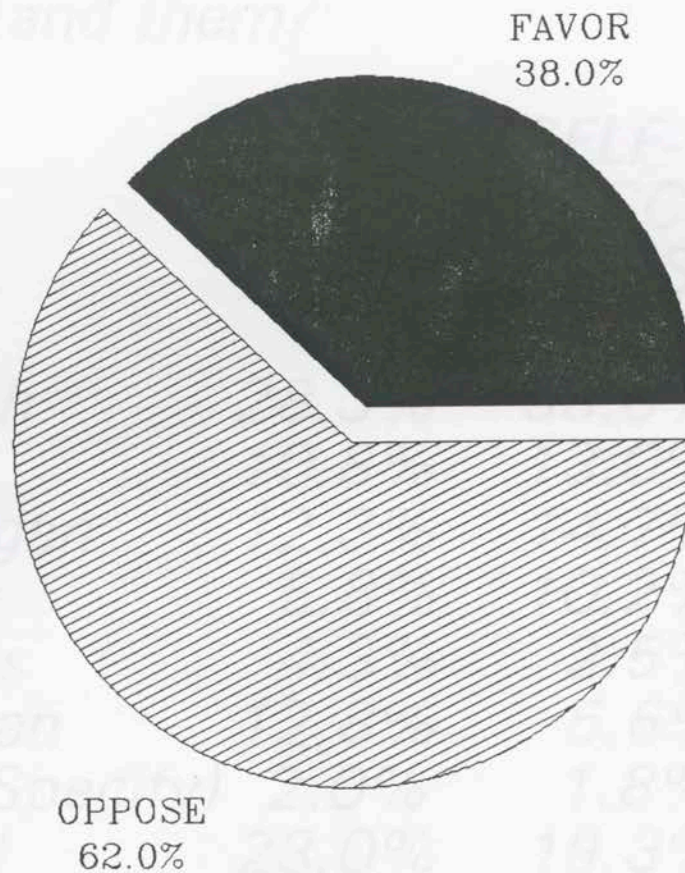


Q.6

*Do you favor or oppose making Washington
D.C. a state?*



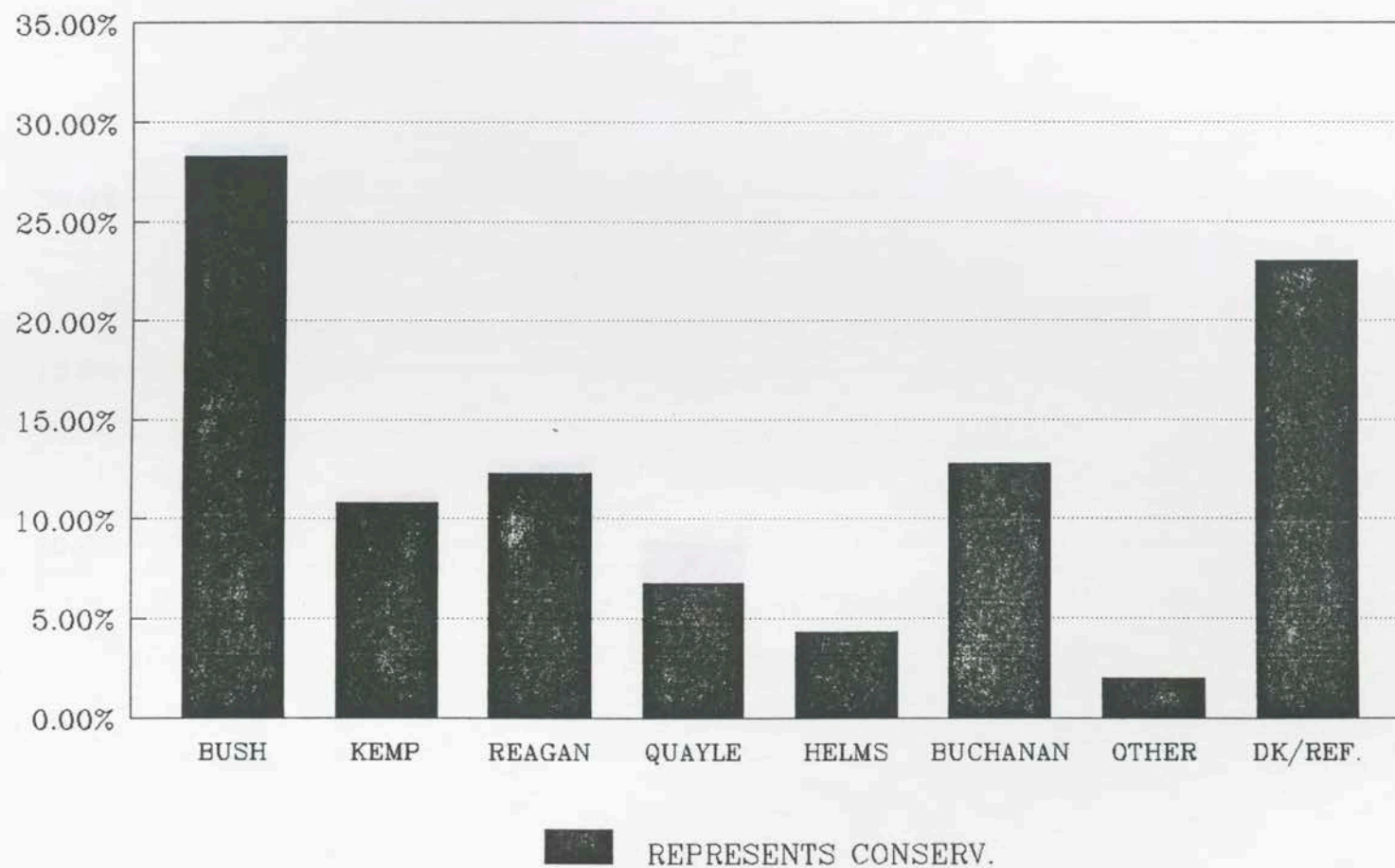
Q.6 OPINION OF D.C. STATEHOOD AMONG RESPONDENTS WITH OPINION



Q.7 From the following list who in your opinion best represents conservative beliefs and principles as you understand them?

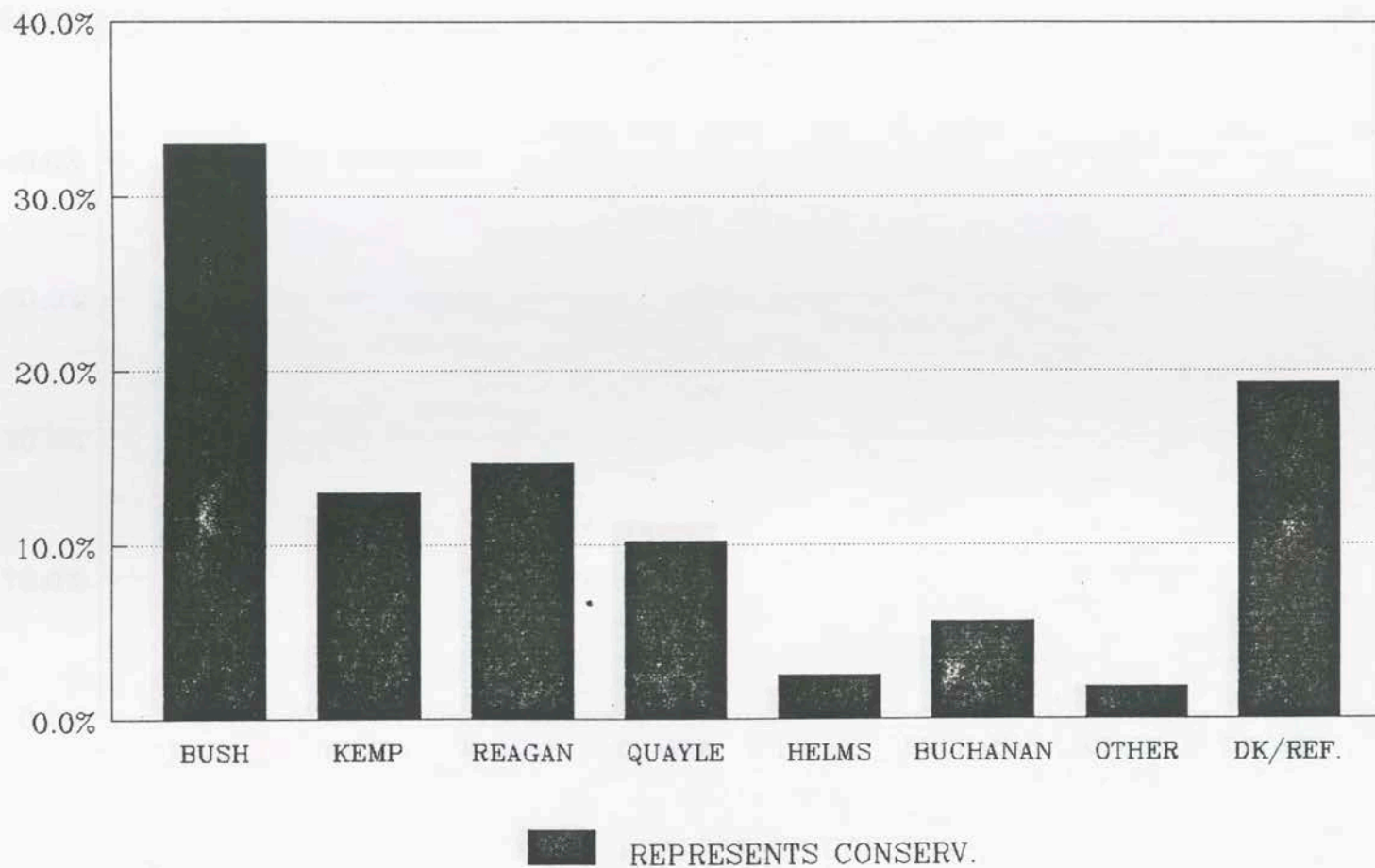
	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>George Bush</i>	28.3%	33.0%	39.5%
<i>Jack Kemp</i>	10.8%	13.0%	14.2%
<i>Ronald Reagan</i>	12.3%	14.7%	14.8%
<i>Dan Quayle</i>	6.8%	10.2%	13.6%
<i>Jesse Helms</i>	4.3%	2.5%	1.9%
<i>Pat Buchanan</i>	12.8%	5.6%	5.6%
<i>Other ____ (Specify)</i>	2.0%	1.8%	1.9%
<i>DK/Refused</i>	23.0%	19.3%	8.6%

Q7 REPRESENTS CONSERVATIVES: AMONG ALL RESPONDENTS



REPRESENTS CONSERV. BELIEFS/PRINCIPLES

Q7 REPRESENTS CONSERVATIVES: AMONG SELF-DESCRIBED CONSERVATIVES

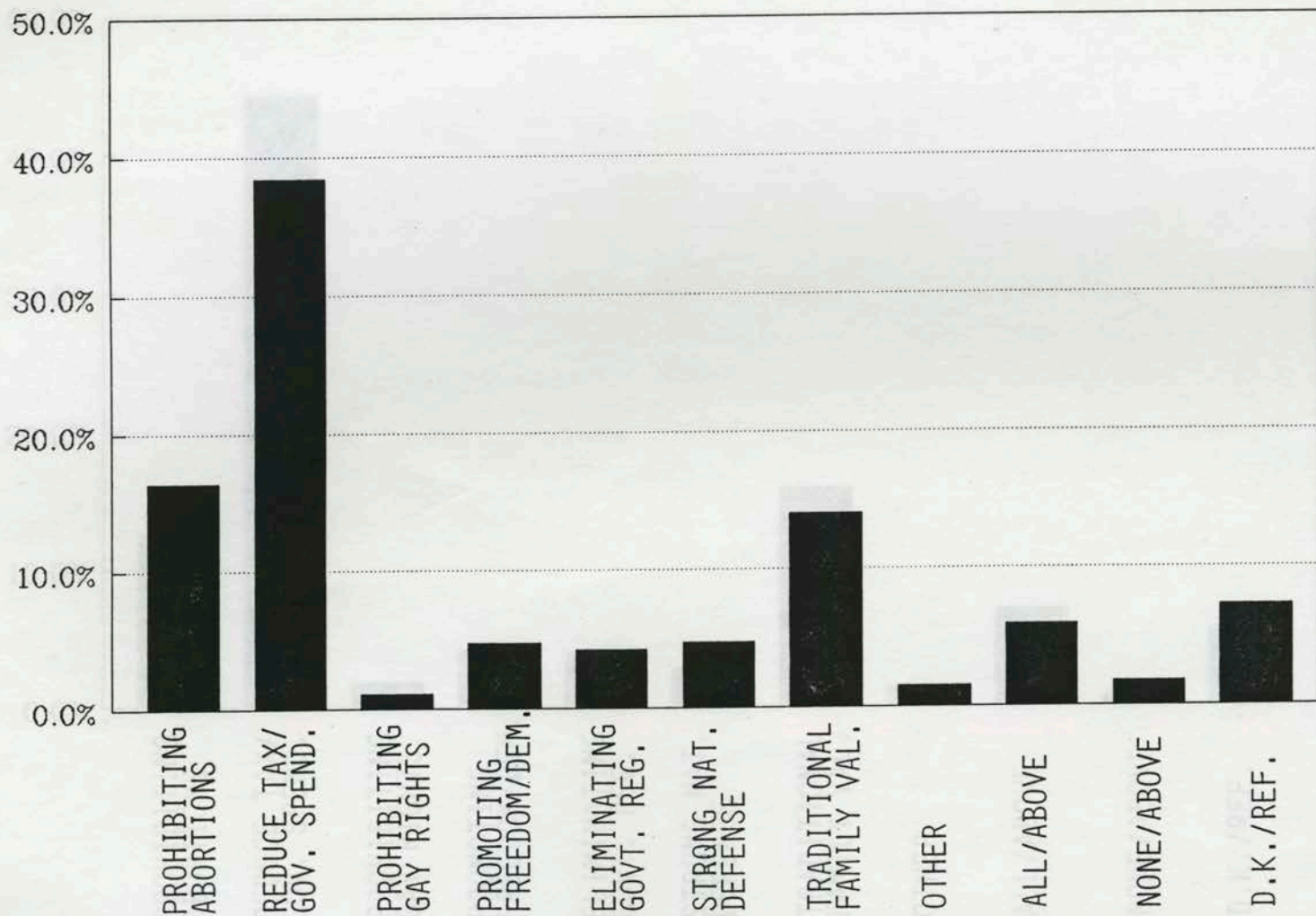


REPRESENTS CONSERV. BELIEFS/PRINCIPLES

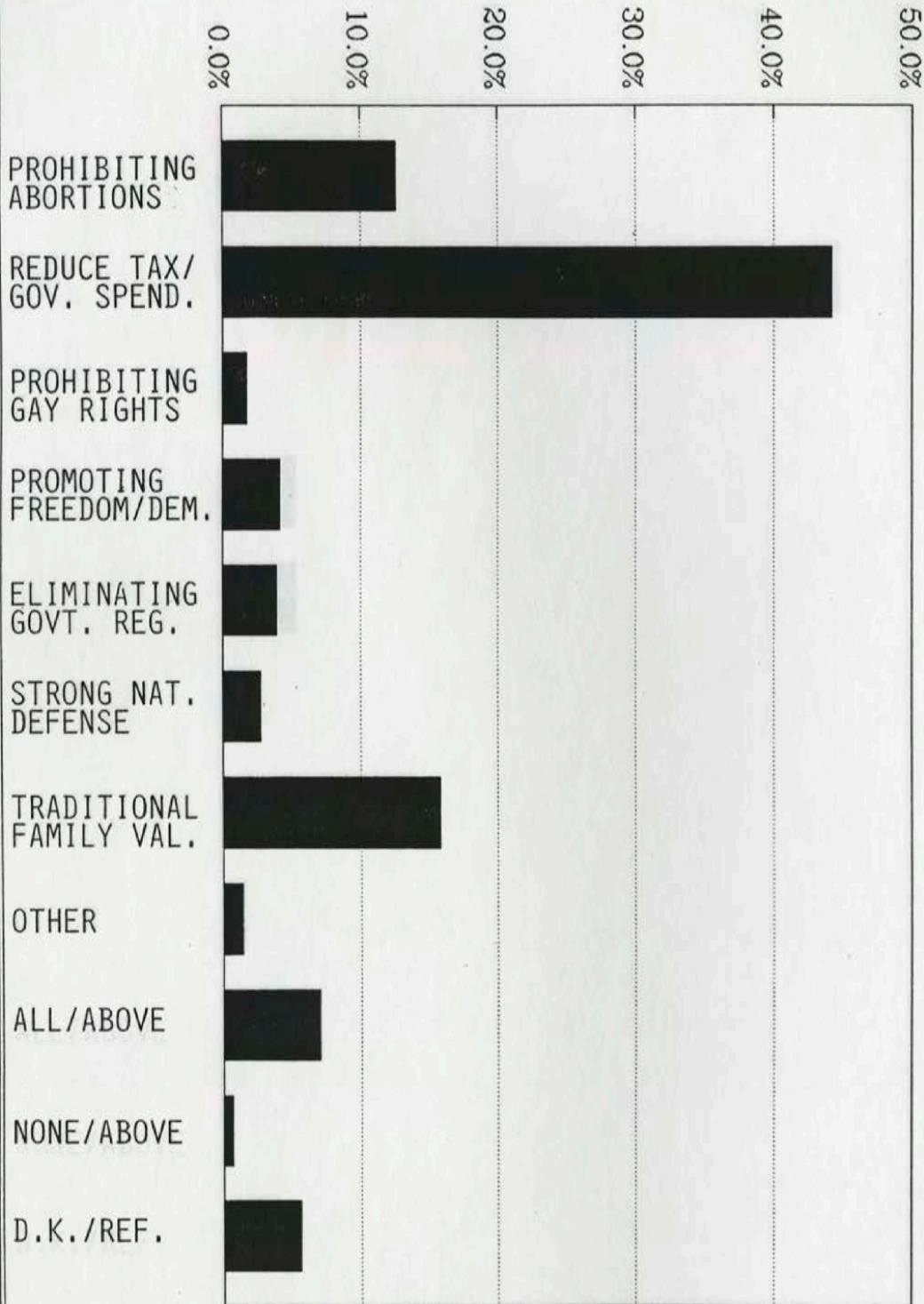
Q.8 From what you've seen and heard, which of the following seems to be the most important goal to conservative candidates for public office? (rotate choices)

	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>Prohibiting abortion</i>	16.4%	12.6%	12.3%
<i>Reducing taxes/govt spend.</i>	38.4%	44.2%	45.1%
<i>Prohibiting Gay rights</i>	1.1%	1.8%	0.6%
<i>Promoting freedom/democracy</i>	4.8%	4.2%	5.6%
<i>Eliminating govt. reg.</i>	4.3%	3.9%	5.6%
<i>Promoting strong defense to defeat communism</i>	4.8%	2.8%	2.5%
<i>Promoting trad. family val.</i>	14.0%	15.8%	14.2%
<i>Other _____ (specify - vol.)</i>	1.5%	1.4%	1.9%
<i>All of above (vol.)</i>	5.9%	7.0%	7.4%
<i>None of above (vol.)</i>	1.8%	0.7%	0.6%
<i>DK/Refused</i>	7.3%	5.6%	4.3%

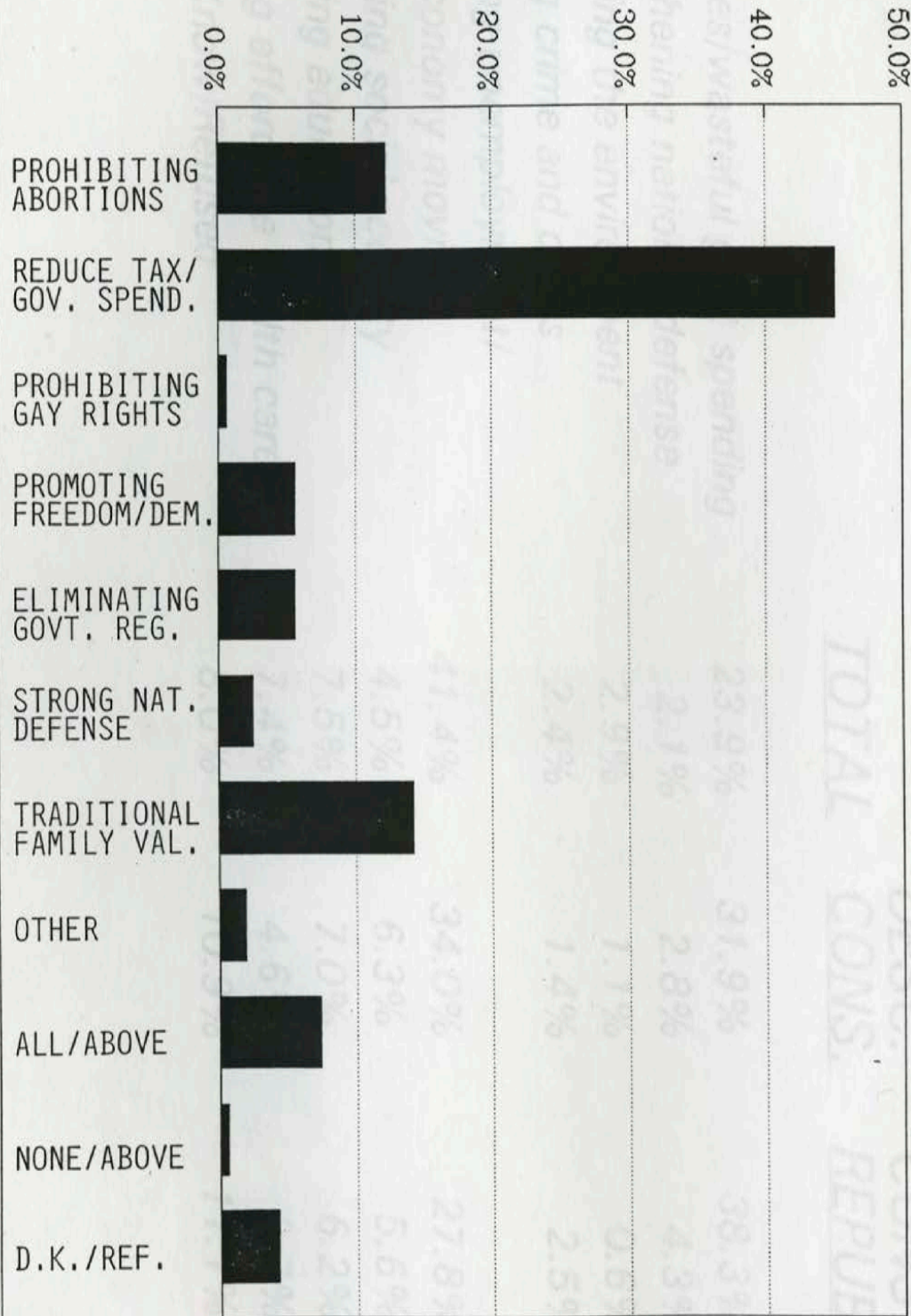
Q.8 TOP CONSERVATIVE GOAL AMONG ALL RESPONDENTS



Q.8 TOP CONSERVATIVE GOAL AMONG SELF-DESCRIBED CONSERVATIVES

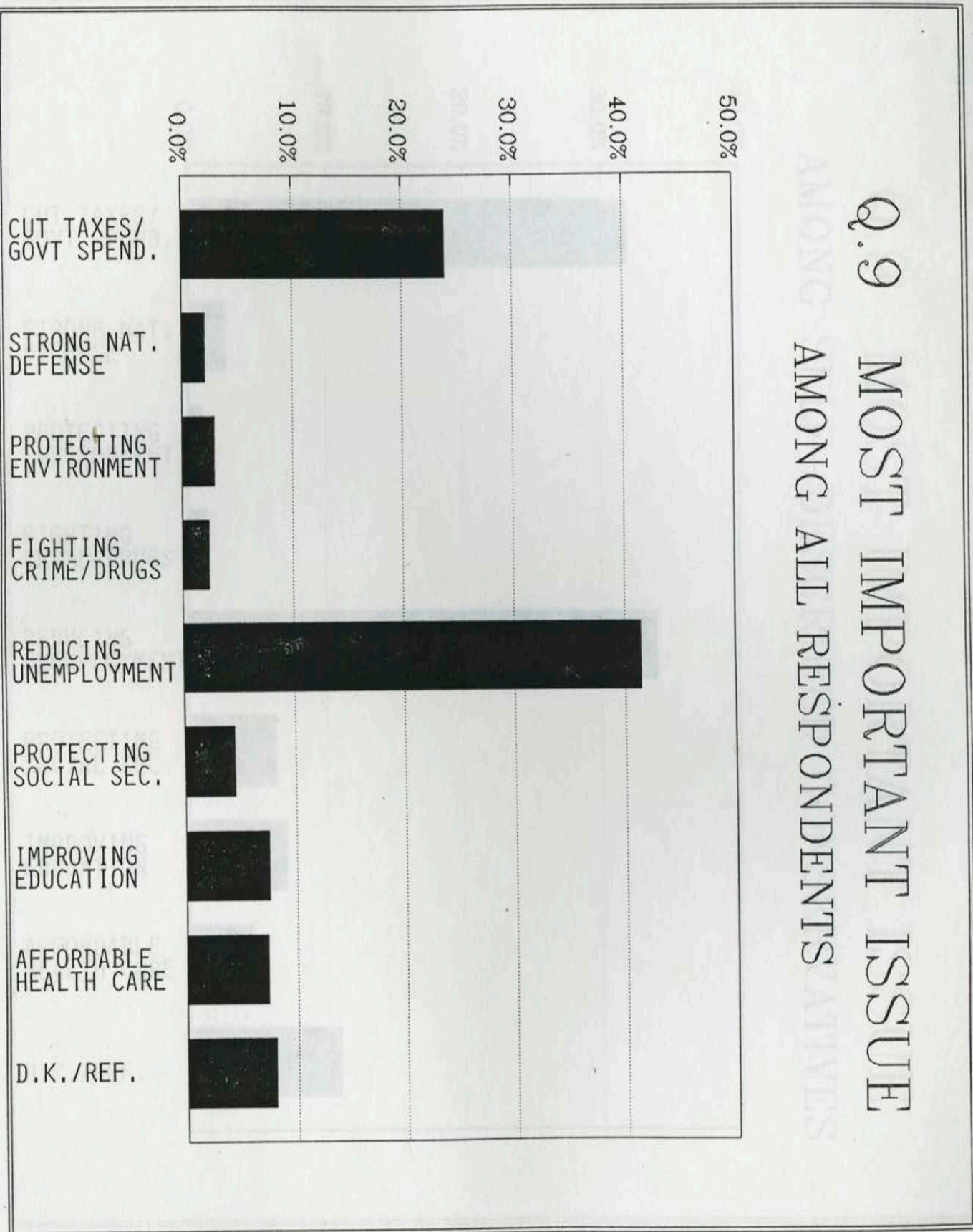


Q.8 TOP CONSERVATIVE GOAL AMONG CONSERVATIVE REPUBLICANS

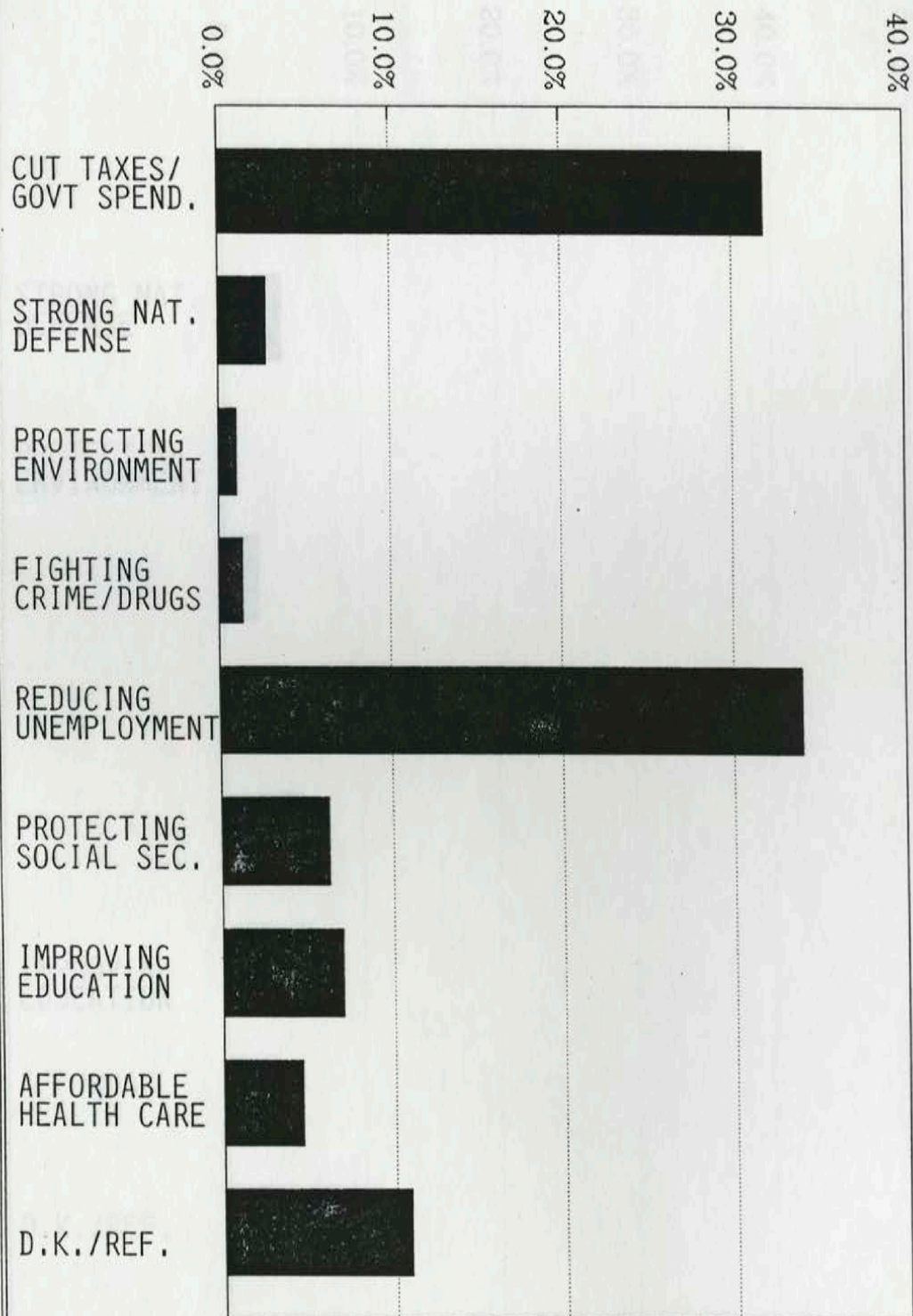


Q.9 *From the following list, which issue was personally most important to you in casting your vote for President?*

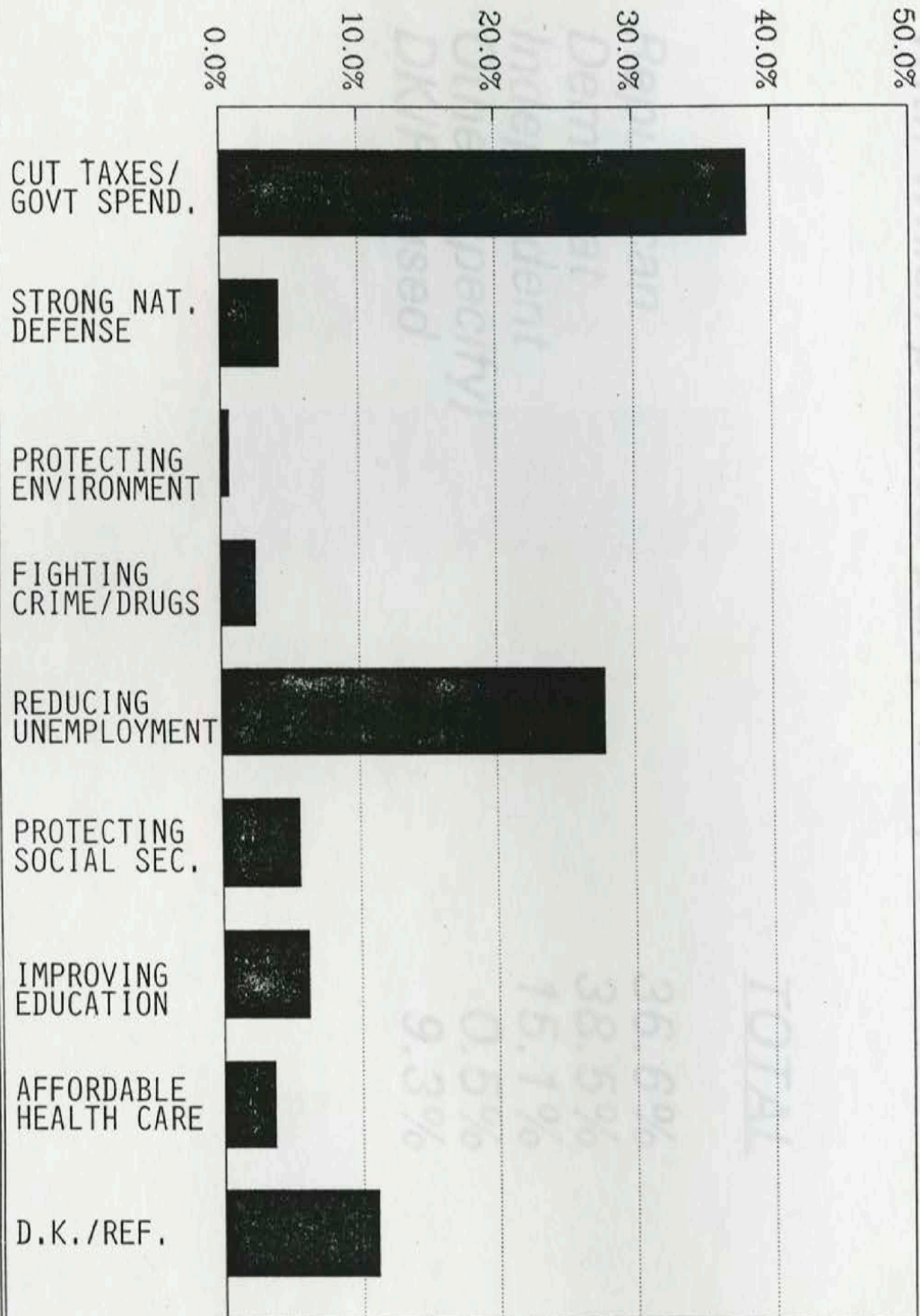
	<u><i>TOTAL</i></u>	<u><i>SELF-DESC. CONS.</i></u>	<u><i>CONS. REPUBS.</i></u>
<i>Cut taxes/wasteful govt spending</i>	23.9%	31.9%	38.3%
<i>Strengthening national defense</i>	2.1%	2.8%	4.3%
<i>Protecting the environment</i>	2.9%	1.1%	0.6%
<i>Fighting crime and drugs</i>	2.4%	1.4%	2.5%
<i>Reducing unemployment/ get economy moving</i>	41.4%	34.0%	27.8%
<i>Protecting social security</i>	4.5%	6.3%	5.6%
<i>Improving education</i>	7.5%	7.0%	6.2%
<i>Providing affordable health care</i>	7.4%	4.6%	3.7%
<i>Don't Know/Refused</i>	8.0%	10.9%	11.1%



Q.9 MOST IMPORTANT ISSUE AMONG SELF-DESCRIBED CONSERVATIVES

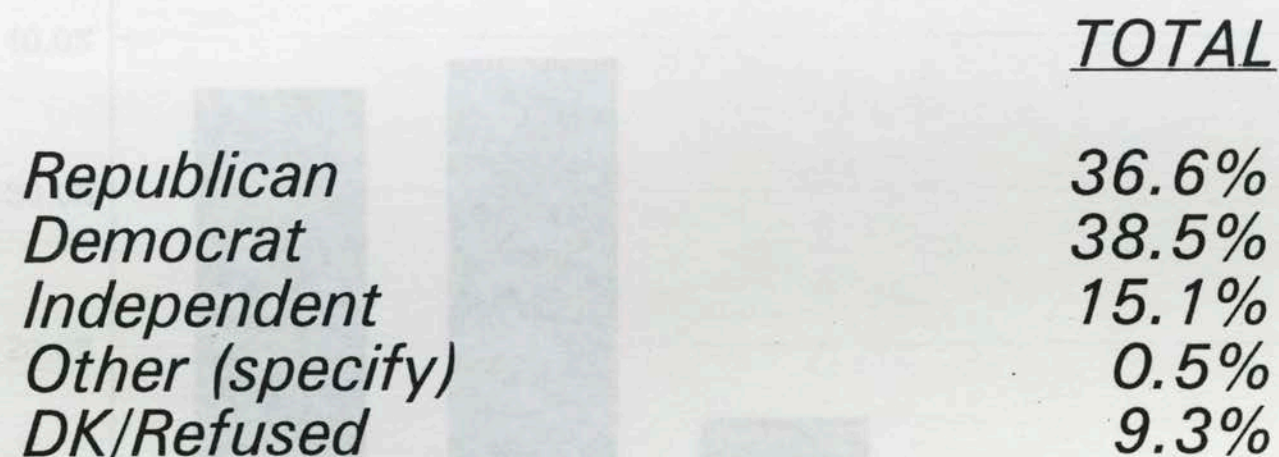


Q.9 MOST IMPORTANT ISSUE AMONG CONSERVATIVE REPUBLICANS

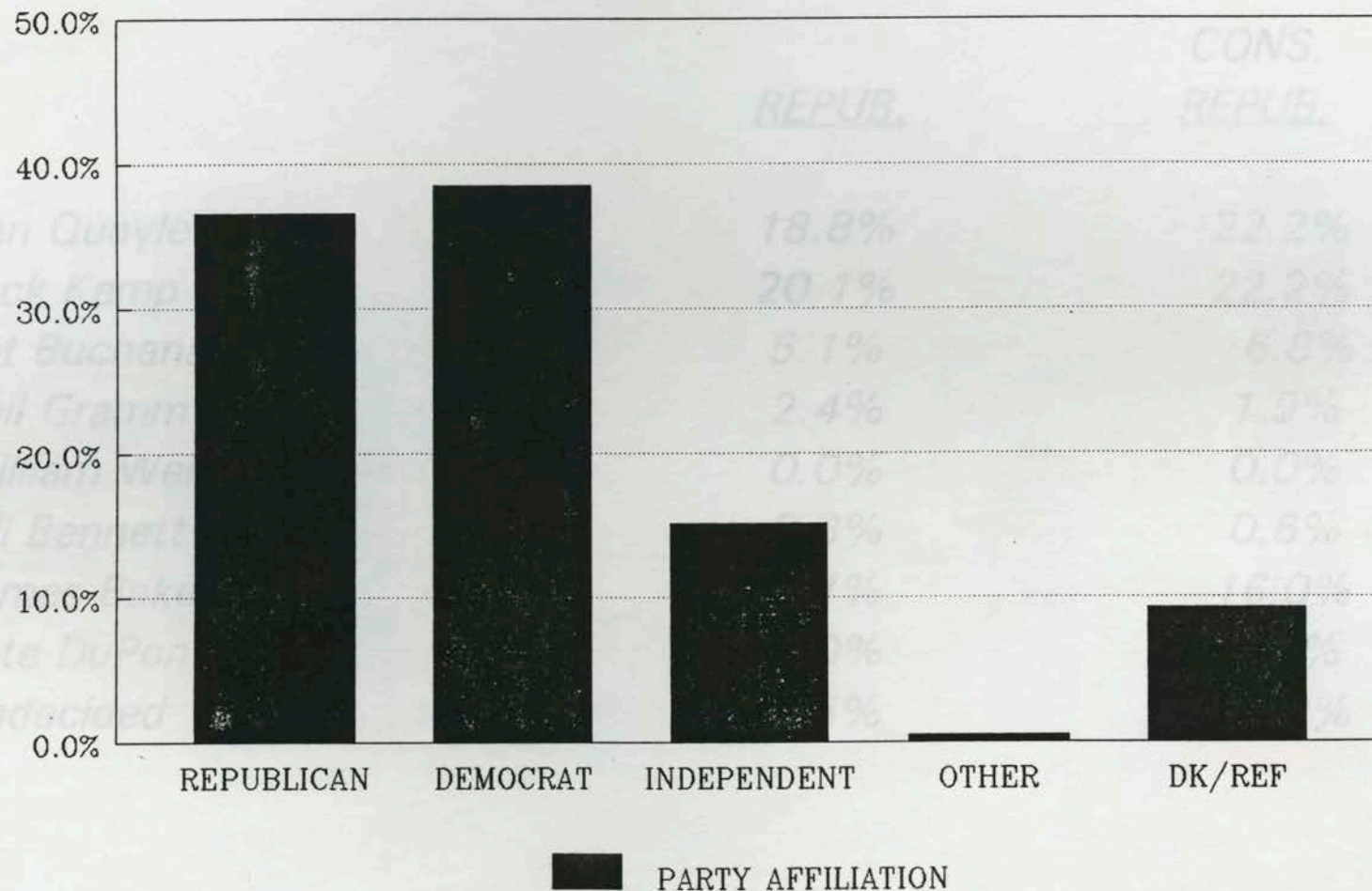


Q. 10 PARTY AFFILIATION
AMONG ALL RESPONDENTS

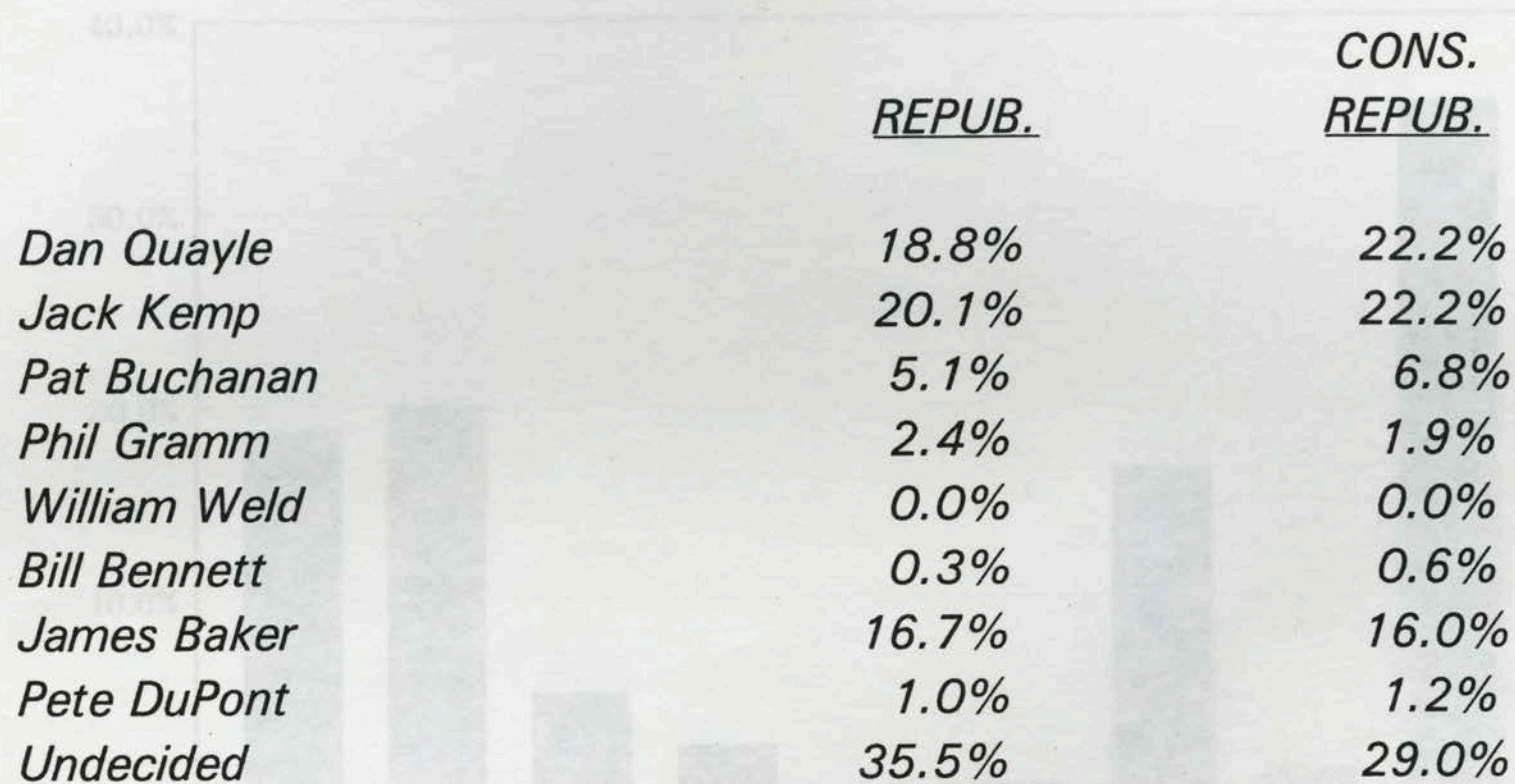
Q. 10 *With which political party are you affiliated?*



Q.10 PARTY AFFILIATION AMONG ALL RESPONDENTS

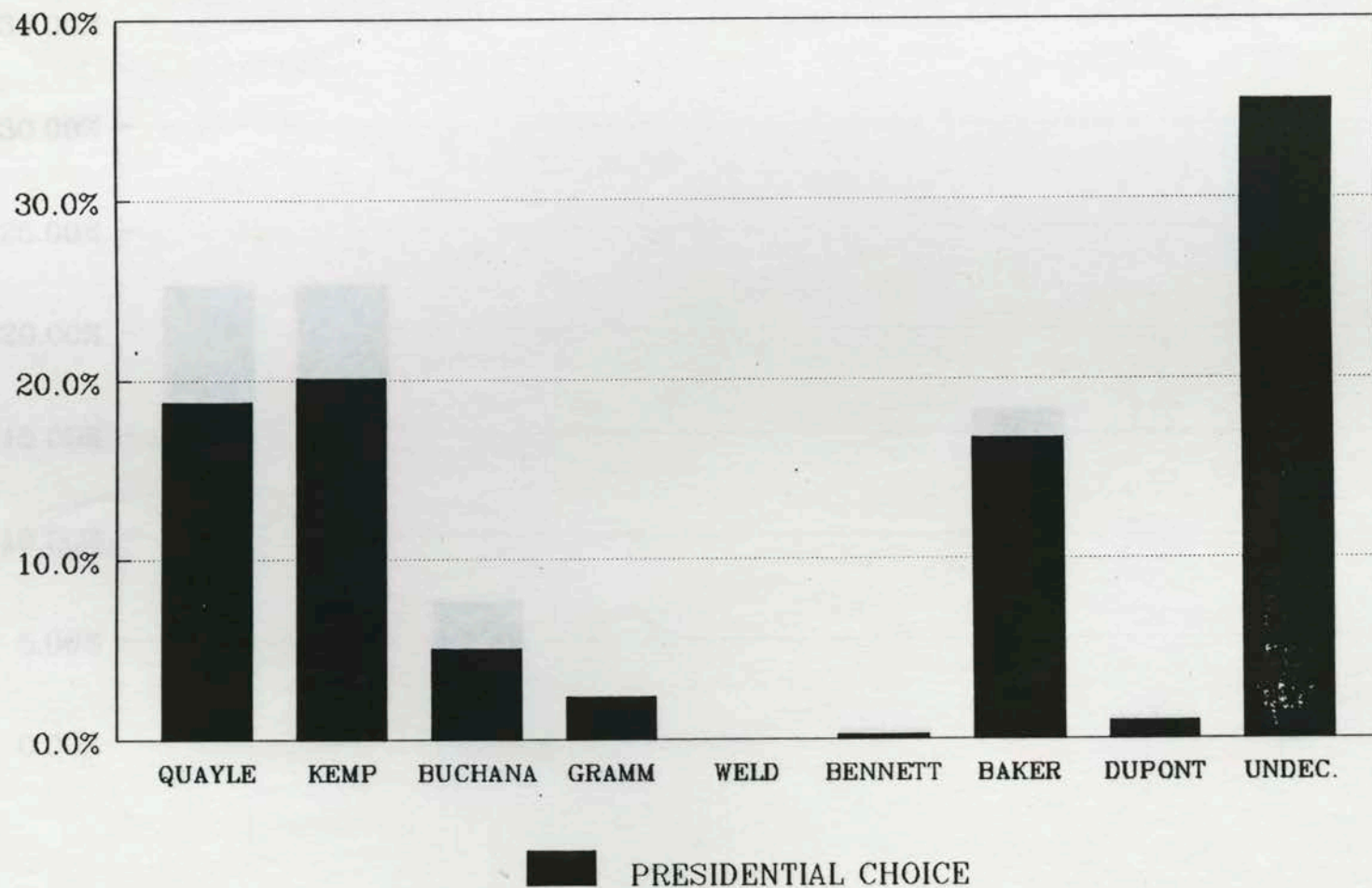


Q.11 *Regardless of how you voted today, who would be your first choice for the Republican Presidential Nomination in 1996?*

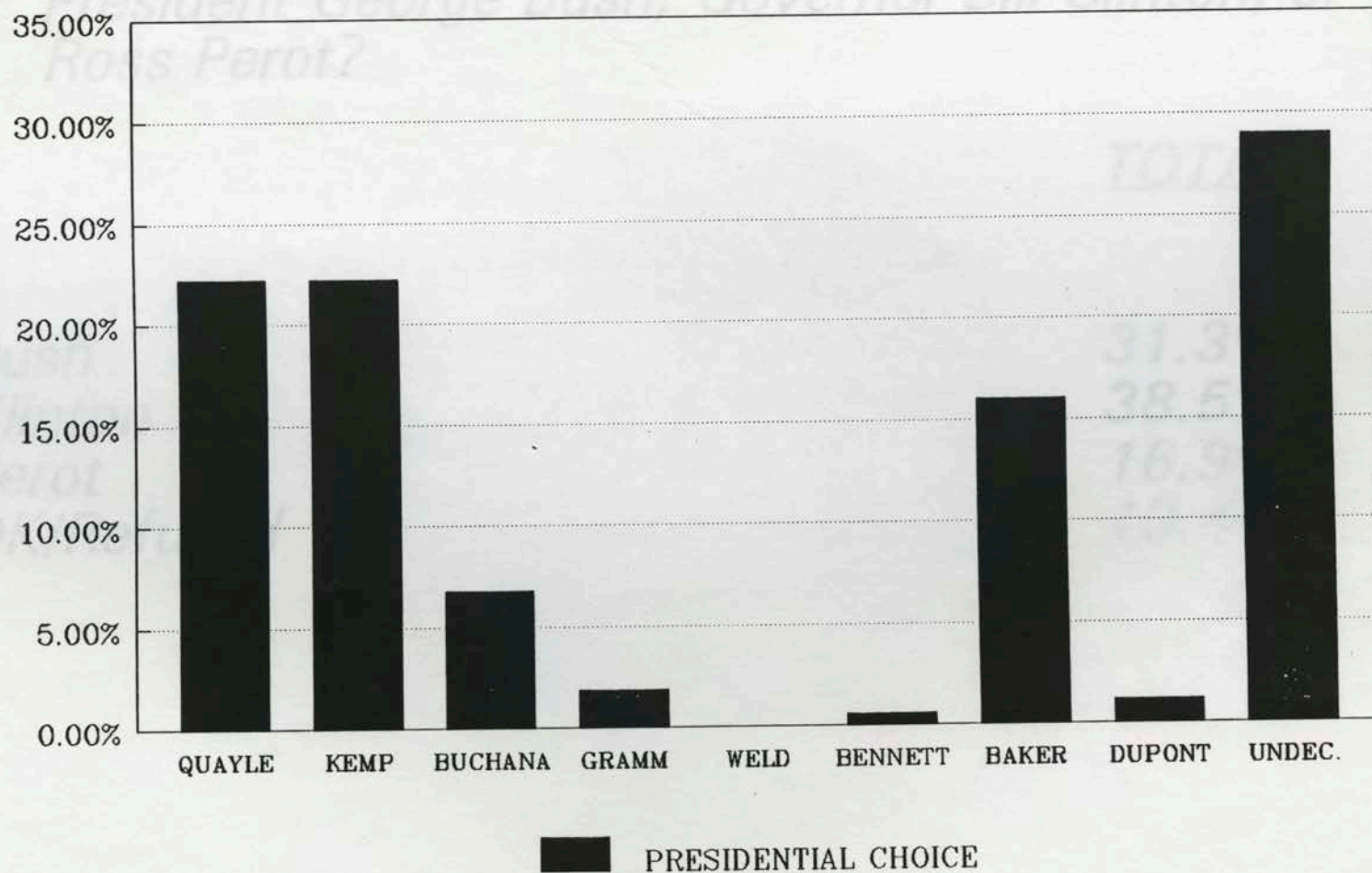


	<u>REPUB.</u>	<u>CONS. REPUB.</u>
<i>Dan Quayle</i>	18.8%	22.2%
<i>Jack Kemp</i>	20.1%	22.2%
<i>Pat Buchanan</i>	5.1%	6.8%
<i>Phil Gramm</i>	2.4%	1.9%
<i>William Weld</i>	0.0%	0.0%
<i>Bill Bennett</i>	0.3%	0.6%
<i>James Baker</i>	16.7%	16.0%
<i>Pete DuPont</i>	1.0%	1.2%
<i>Undecided</i>	35.5%	29.0%

Q11 '96 PRESIDENTIAL CHOICE AMONG ALL REPUBLICANS



Q11 '96 PRESIDENTIAL CHOICE AMONG CONSERVATIVE REPUBLICANS



Q.12 *In today's Presidential election did you vote for President George Bush, Governor Bill Clinton, or Ross Perot?*

Bush
Clinton
Perot
DK/Refused

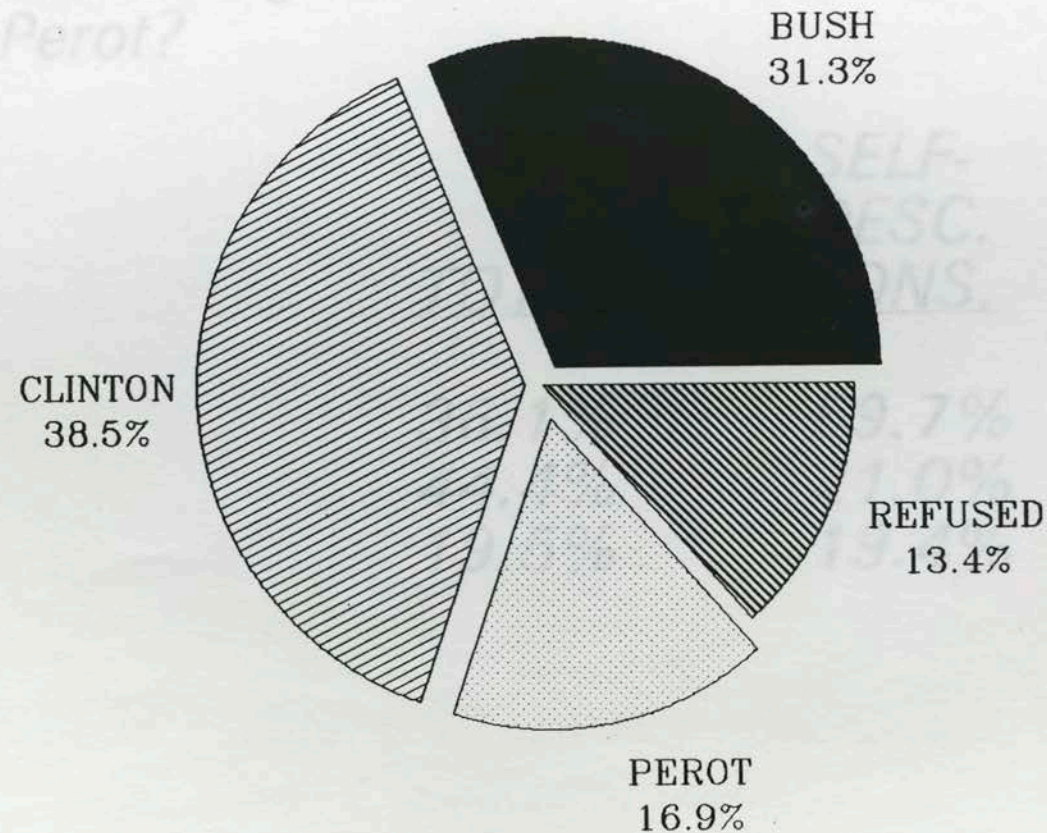


TOTAL

31.3%
38.5%
16.9%
13.4%

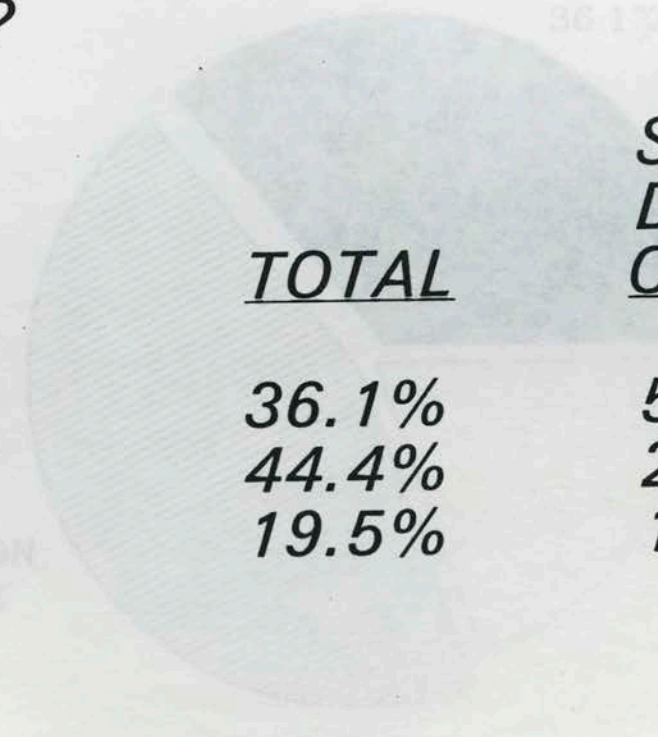
Q.12 1992 PRESIDENTIAL VOTE AMONG ALL RESPONDENTS

Q.12 In today's Presidential election did you vote for President George Bush, Governor Bill Clinton, or Ross Perot?



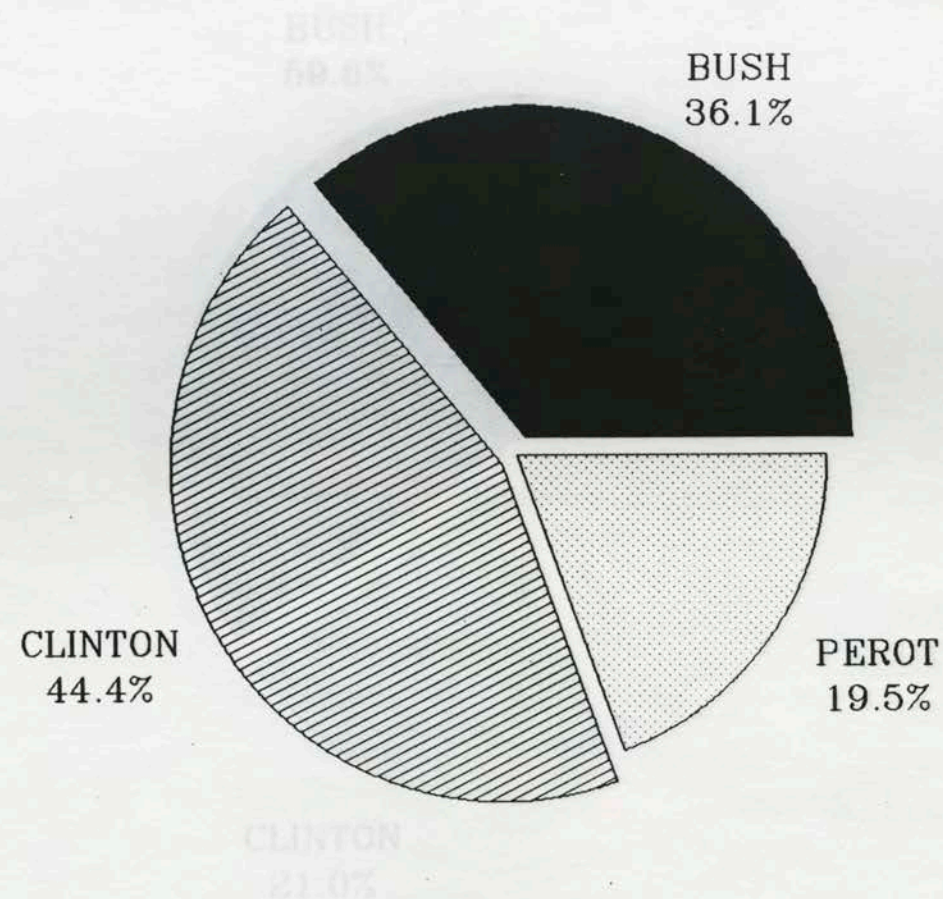
Q.12 1992 PRESIDENTIAL VOTE
 AMONG RESPONDENTS WITH OPINION

Q. 12 *In today's Presidential election did you vote for President George Bush, Governor Bill Clinton, or Ross Perot?*

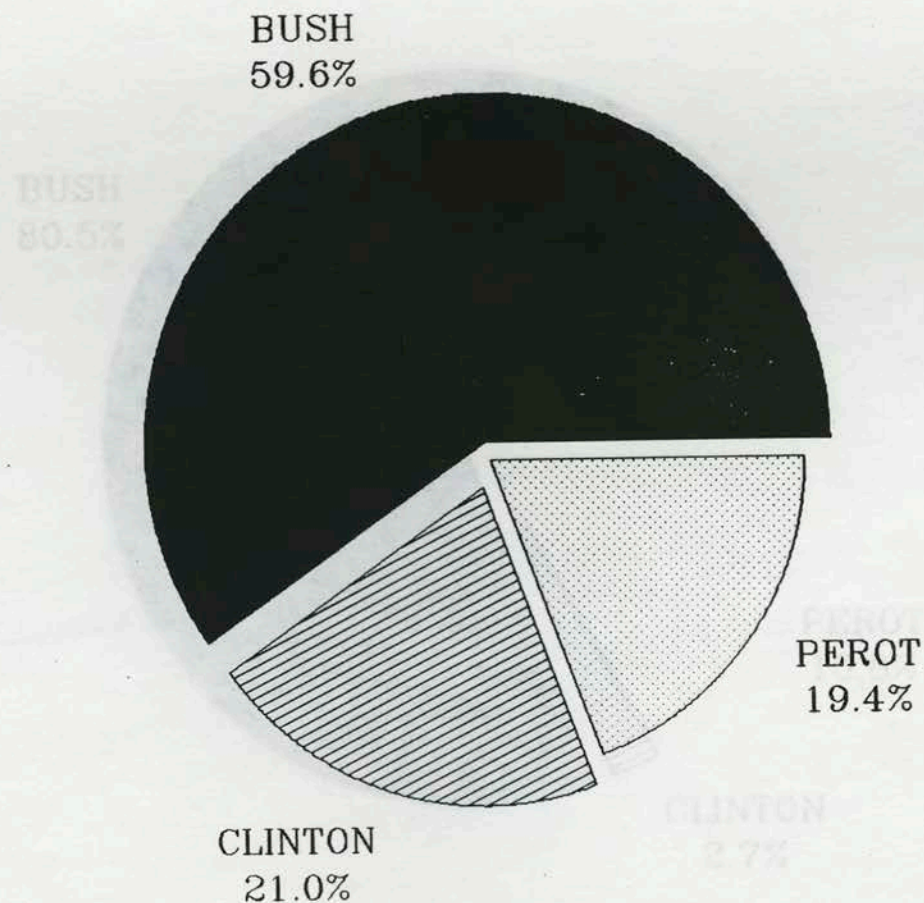


	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>Bush</i>	36.1%	59.7%	80.5%
<i>Clinton</i>	44.4%	21.0%	2.7%
<i>Perot</i>	19.5%	19.4%	16.8%

Q.12 1992 PRESIDENTIAL VOTE AMONG RESPONDENTS WITH OPINION

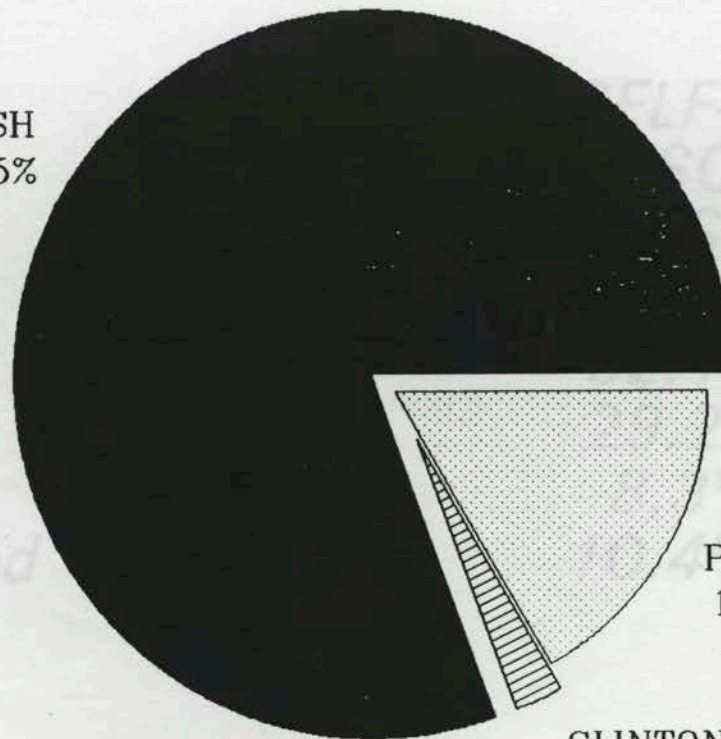


Q.12 1992 PRESIDENTIAL VOTE AMONG CONSERVATIVES W/OPINION



Q.12 1992 PRESIDENTIAL VOTE AMONG REPUB. CONS. W/OPINION

BUSH
80.5%

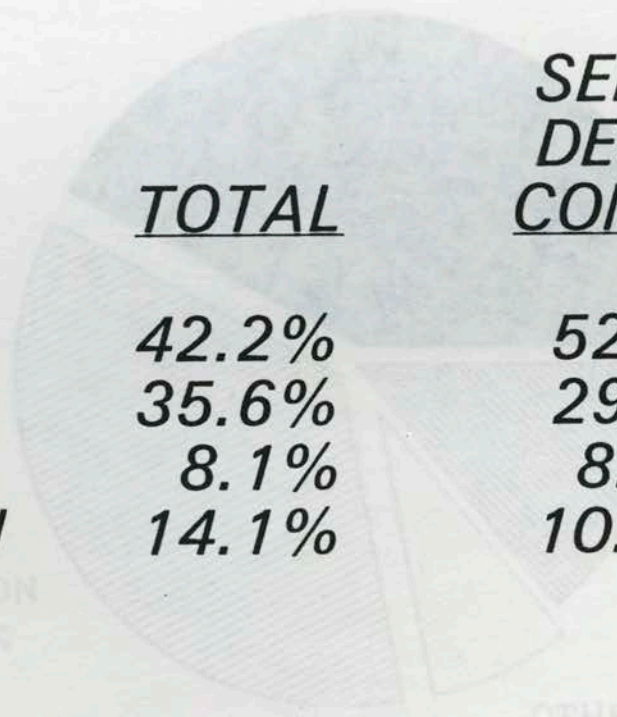


PEROT
16.8%

CLINTON
2.7%

Q.23 VOTE BUSH/CLINTON

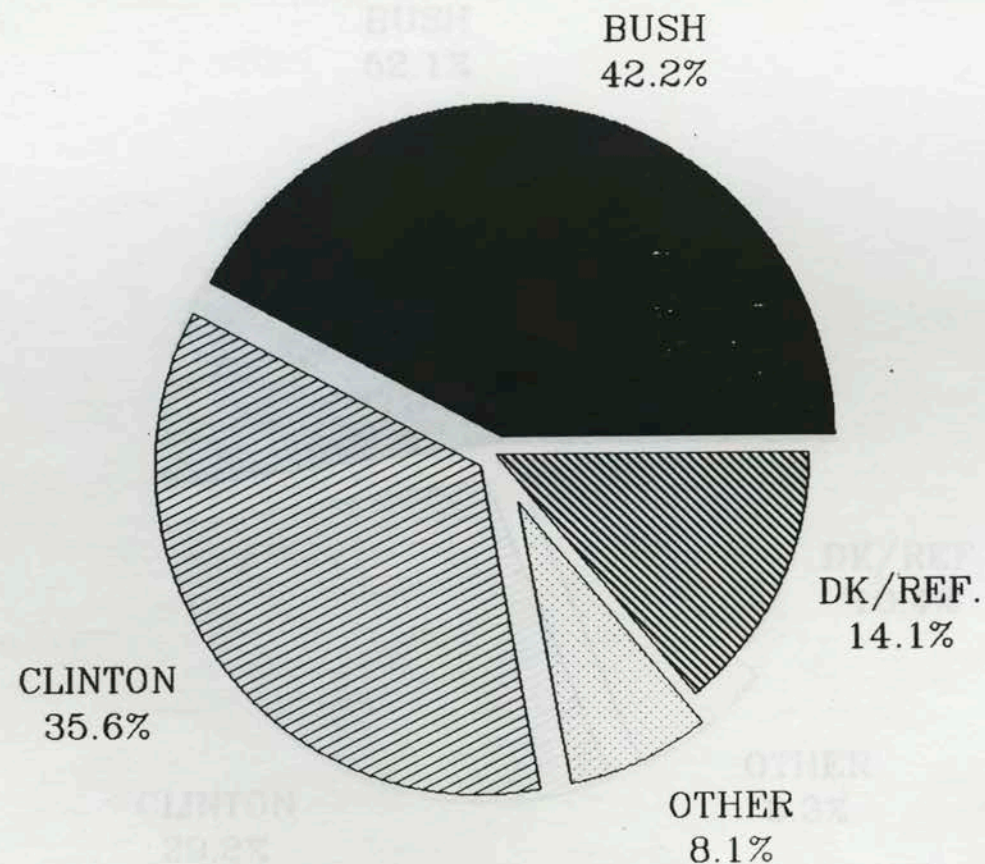
Q.23 *If Ross Perot were not a candidate, would you have voted for George Bush or Bill Clinton?*



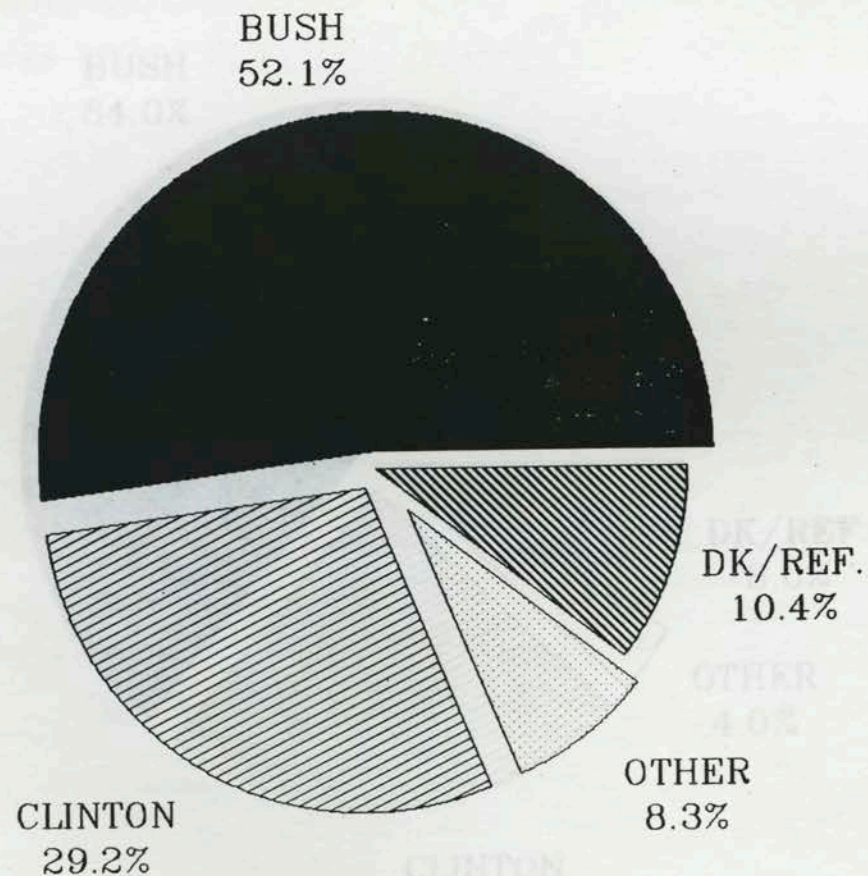
	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>Bush</i>	42.2%	52.1%	64.0%
<i>Clinton</i>	35.6%	29.2%	24.0%
<i>Other</i>	8.1%	8.3%	4.0%
<i>DK/Refused</i>	14.1%	10.4%	8.0%

Q.23 VOTE BUSH/CLINTON

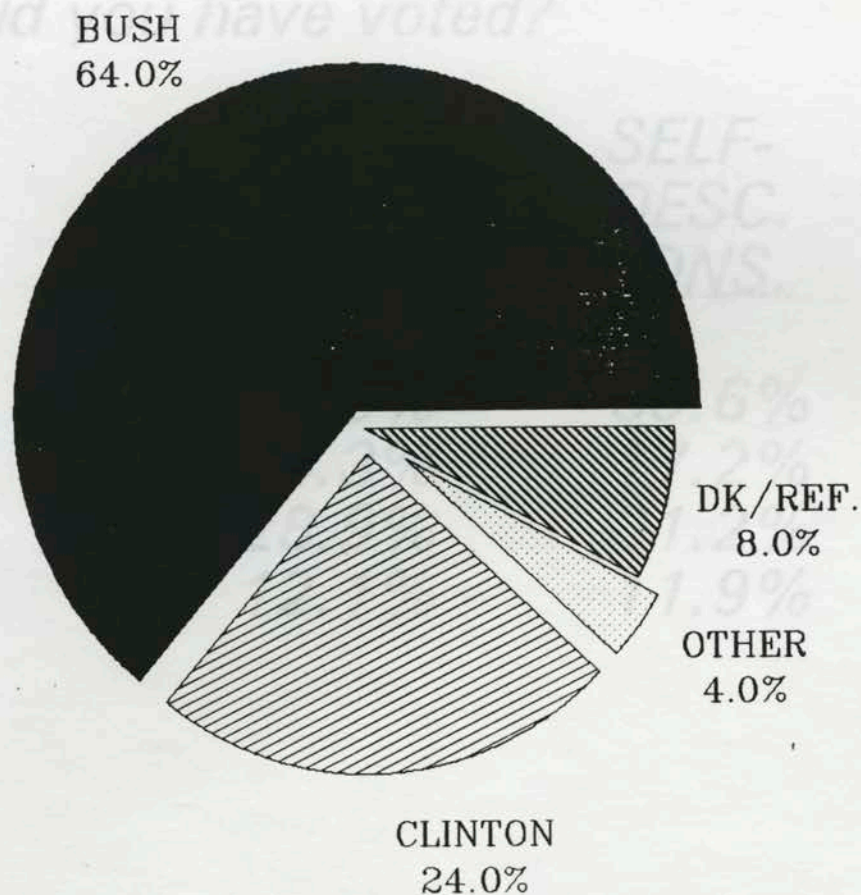
AMONG PEROT VOTERS



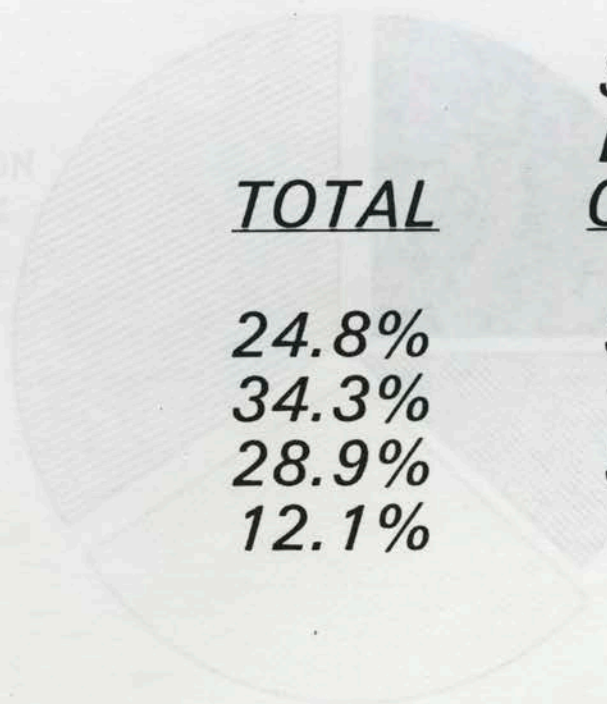
Q.23 VOTE BUSH/CLINTON AMONG CONSERVATIVE PEROT VOTERS



Q.23 VOTE BUSH/CLINTON AMONG REPUB. CONS. PEROT VOTERS

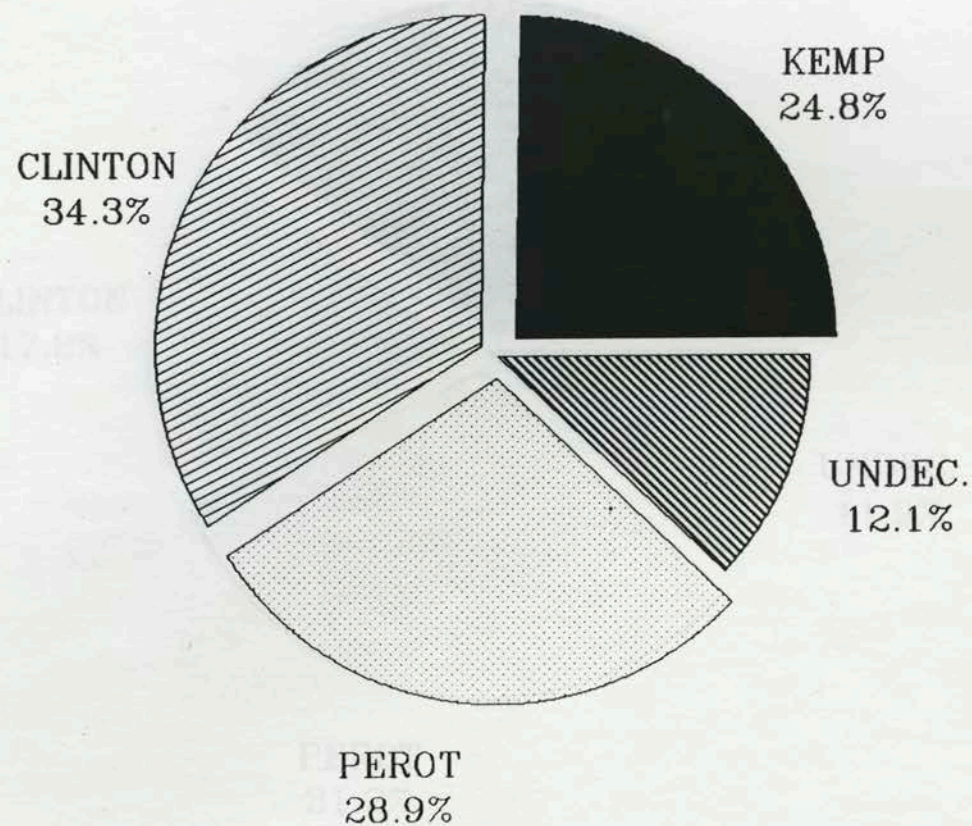


Q.24 Hypothetically, if the Presidential election had been between Jack Kemp, the Republican, Bill Clinton, the Democrat and Ross Perot the Independent for whom would you have voted?

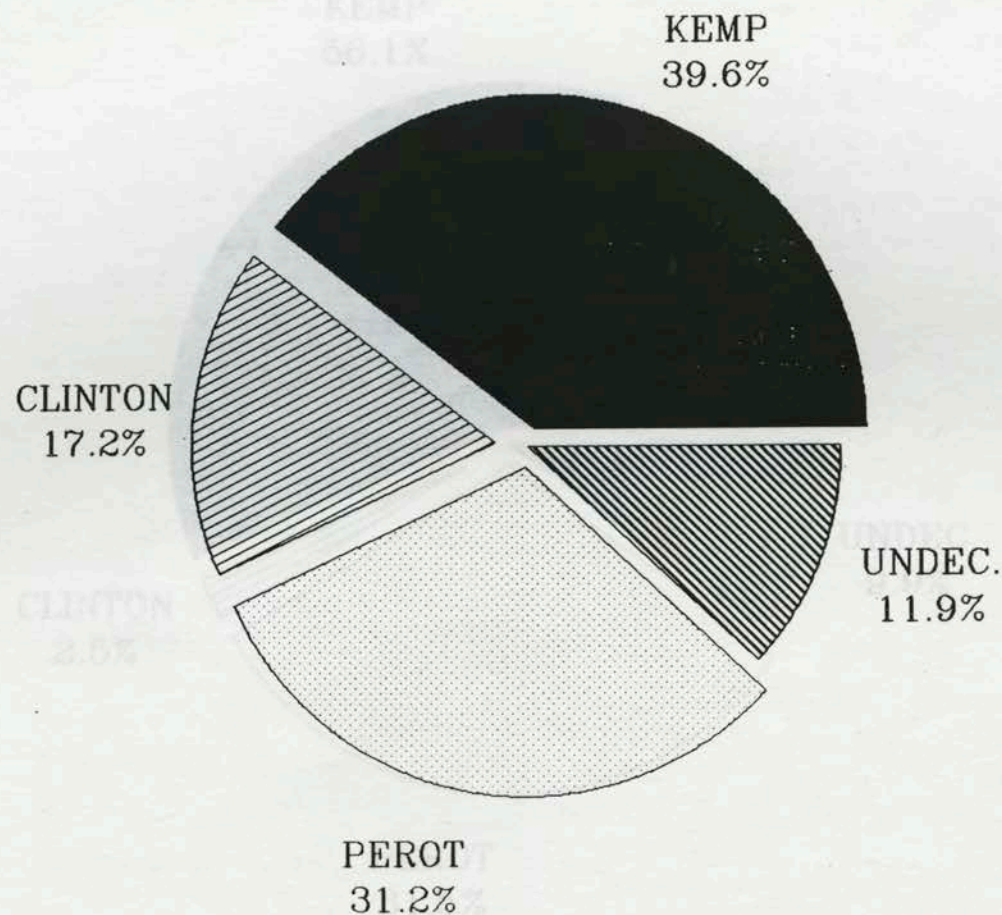


	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>Kemp</i>	24.8%	39.6%	56.2%
<i>Clinton</i>	34.3%	17.2%	2.5%
<i>Perot</i>	28.9%	31.2%	31.5%
<i>Undecided</i>	12.1%	11.9%	9.9%

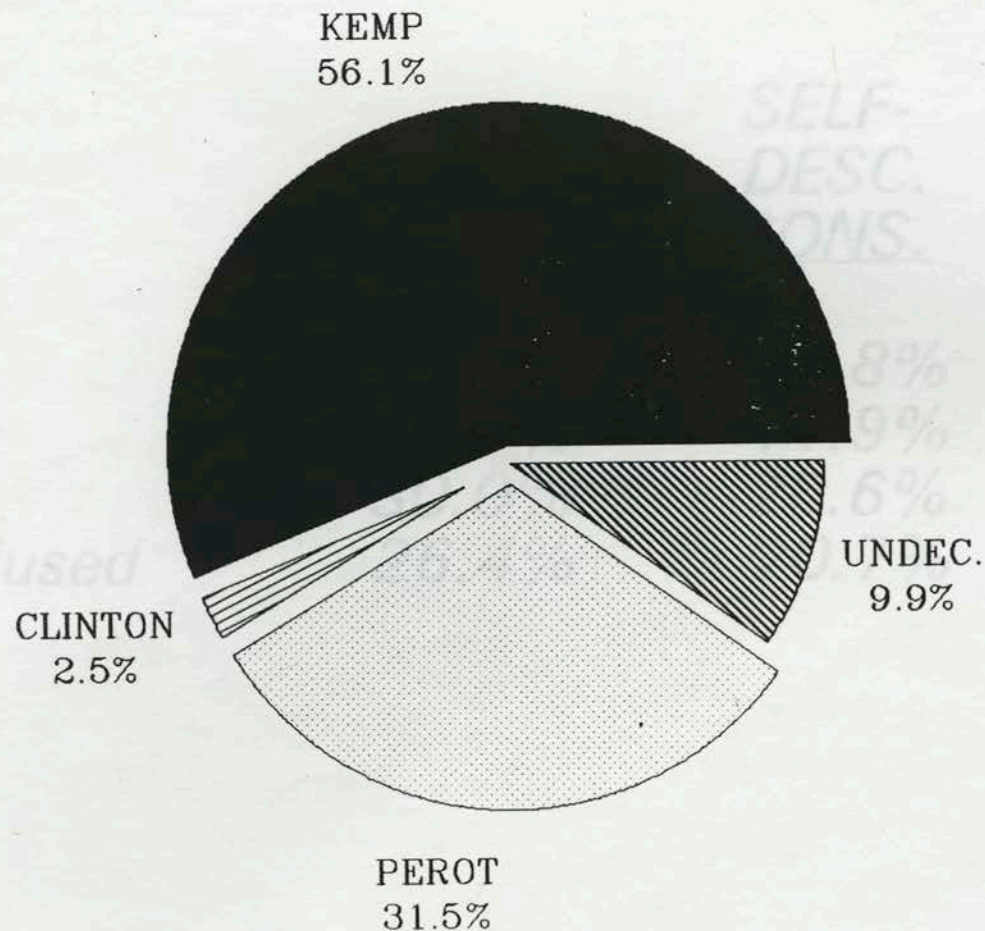
Q.24 1992 PRESIDENTIAL VOTE AMONG ALL RESPONDENTS



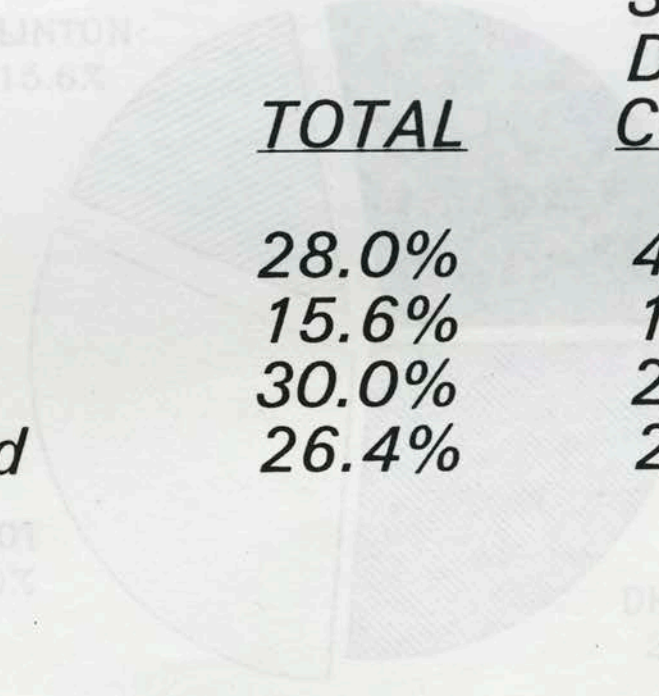
Q.24 1992 PRESIDENTIAL VOTE AMONG SELF-DESCRIBED CONSERVATIVES



Q.24 1992 PRESIDENTIAL VOTE AMONG CONSERVATIVE REPUBLICANS

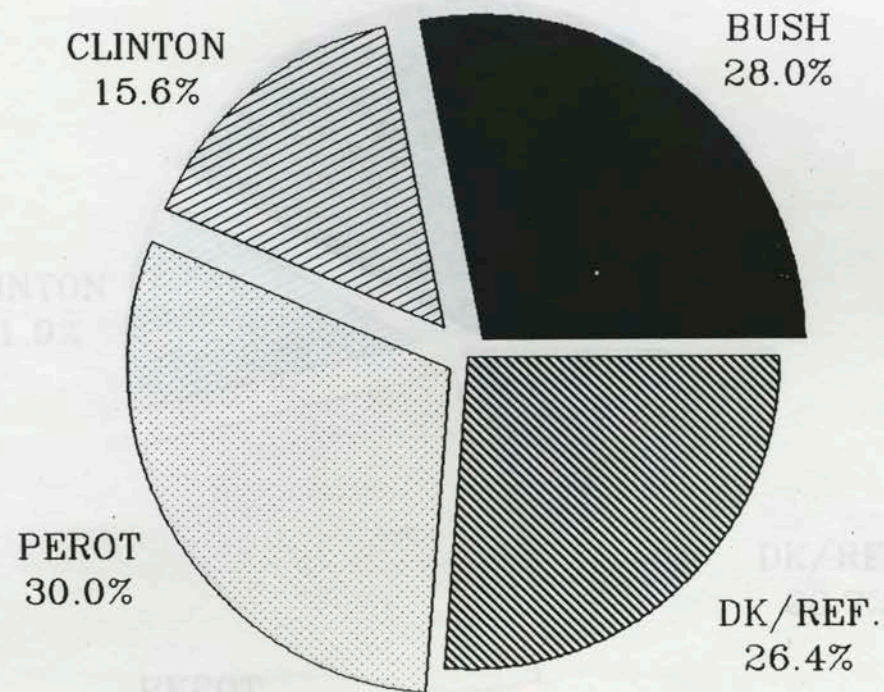


Q.26 *Regardless of who you voted for, who do you think the media treated least fairly?*

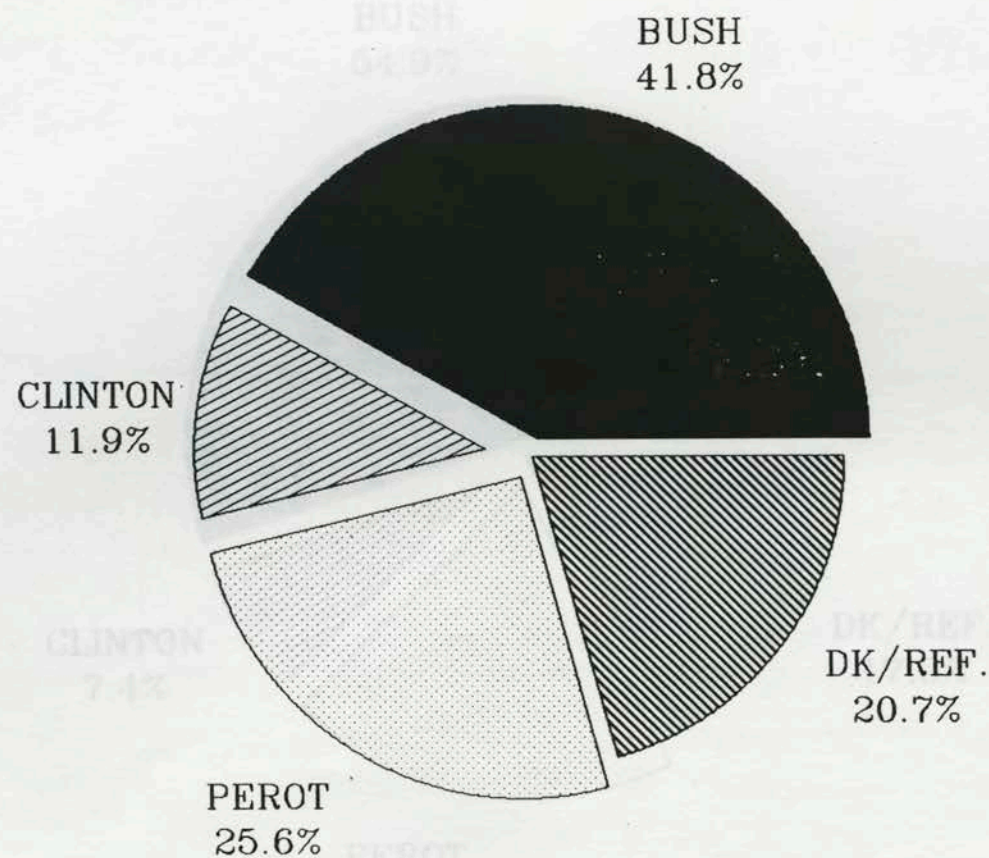


	<u>TOTAL</u>	<u>SELF-DESC. CONS.</u>	<u>CONS. REPUBS.</u>
<i>Bush</i>	28.0%	41.8%	54.9%
<i>Clinton</i>	15.6%	11.9%	7.4%
<i>Perot</i>	30.0%	25.6%	20.4%
<i>DK/Refused</i>	26.4%	20.7%	17.3%

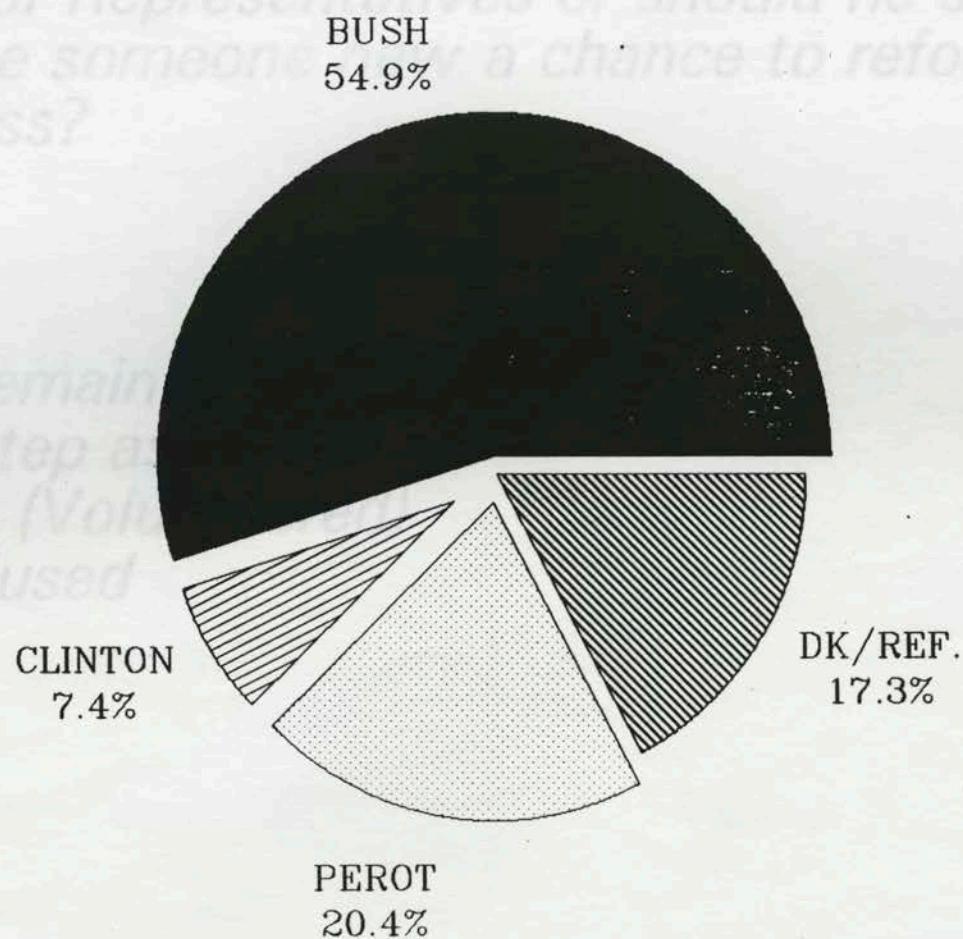
Q26 MEDIA TREATS LEAST FAIRLY AMONG ALL RESPONDENTS



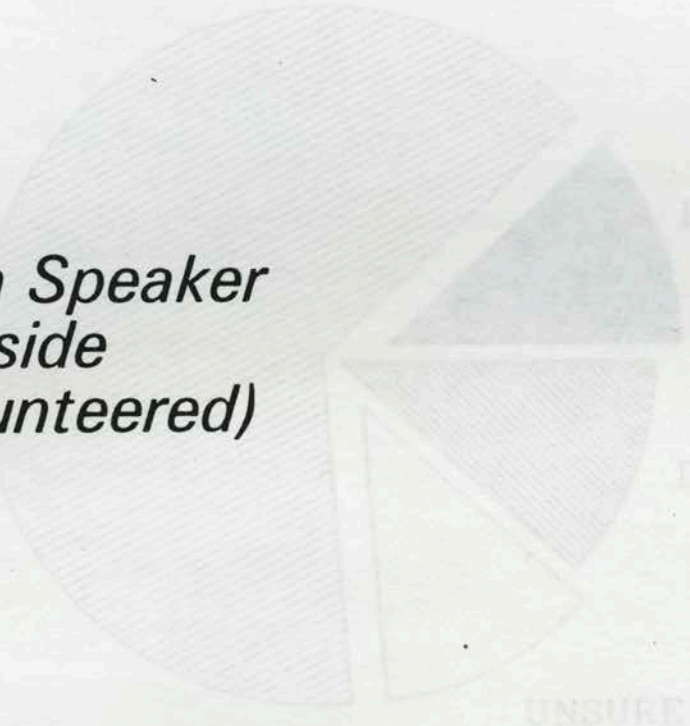
Q26 MEDIA TREATS LEAST FAIRLY AMONG SELF-DESCRIBED CONSERVATIVES



Q26 MEDIA TREATS LEAST FAIRLY AMONG CONSERVATIVE REPUBLICANS

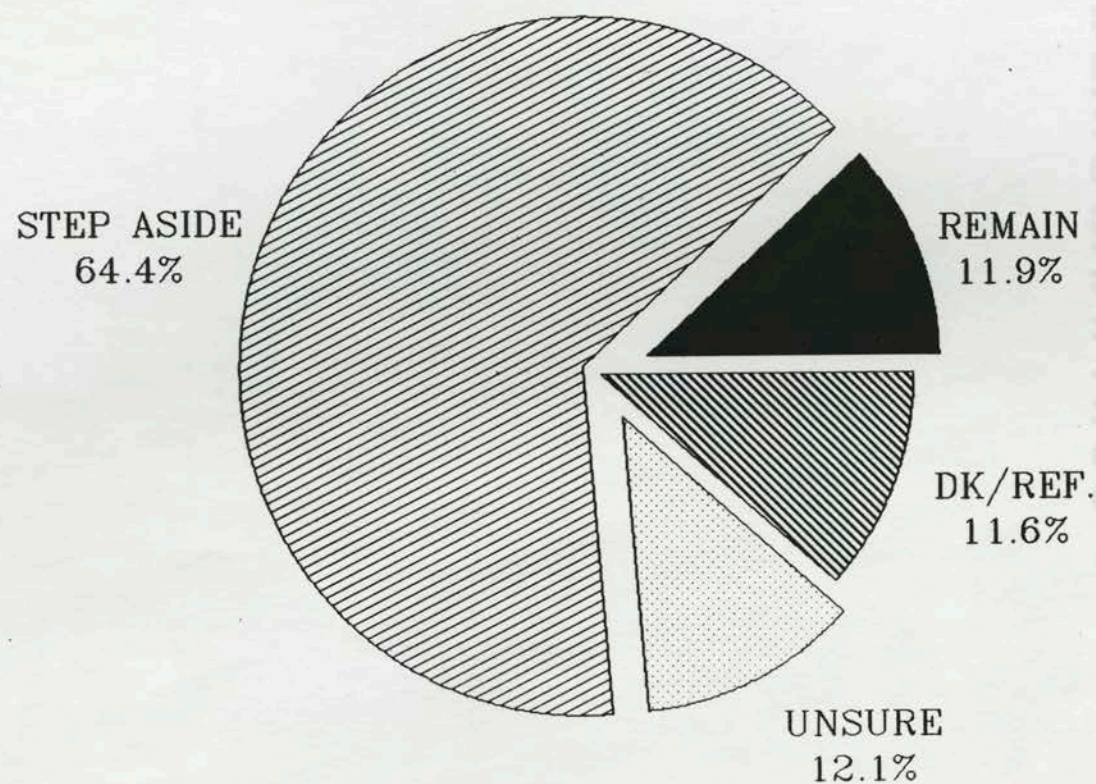


Q.28 *In light of this year's House Bank and Post Office scandals, should Tom Foley remain Speaker of the House of Representatives or should he step aside and give someone new a chance to reform Congress?*



	<u>TOTAL</u>
<i>Foley remain Speaker</i>	11.9%
<i>Foley step aside</i>	64.4%
<i>Unsure (Volunteered)</i>	12.1%
<i>DK/Refused</i>	11.6%

Q.28 FOLEY REMAIN SPEAKER AMONG ALL RESPONDENTS



Q.30 What is the last grade of formal education you have completed?

	TOTAL
Less than high school graduate	5.4%
High school graduate	35.4%
Some College	33.5%
College graduate	13.8%
Post graduate	13.3%
Don't Know/Refused	2.8%

DEMOGRAPHICS

Q.31 What is your annual family income - Is it under \$10,000, between \$10,001 & \$20,000, between \$20,001 & \$30,000, between \$30,001 & \$40,000, between \$40,001 & \$50,000, or over \$50,000?

	TOTAL
Under \$10,000	7.9%
Between \$10,001 & \$20,000	12.0%
Between \$20,001 & \$30,000	15.0%
Between \$30,001 & \$40,000	13.4%
Between \$40,001 & \$50,000	12.1%
Over \$50,000	22.1%
Don't Know/Refused	17.5%

Q.32 What is your religion?

	TOTAL
Mainstream Protestant	32.8%
Evangelical Protestant	10.3%
Fundamentalist Protestants	4.3%
Catholic	22.4%
Jewish	3.9%
Atheist/Agnostic	4.8%
Other (specify)	3.5%
Don't Know/Refused	12.0%

Q.33 What is your race?

	TOTAL
White	65.5%
Black	8.3%
Other (specify)	13.3%
Refused	3.0%

Q.30 What is the last grade of formal education you have completed?

	TOTAL
Less than high school graduate	6.4%
High school graduate	28.4%
Some College	25.6%
College graduate	23.8%
Post graduate	13.3%
Don't Know/Refused	2.6

Q.31 What is your annual family income - Is is under \$10,000, between \$10,001 & \$20,000, between \$20,001 & \$30,000, between \$30,001 & \$40,000, between \$40,001 & \$50,000, or over \$50,000?

	TOTAL
Under \$10,000	7.9%
Between \$10,001 & \$20,000	12.0%
Between \$20,001 & \$30,000	15.0%
Between \$30,001 & \$40,000	13.4%
Between \$40,001 & \$50,000	12.1%
Over \$50,000	22.1%
Don't Know/Refused	17.5%

Q.32 What is your religion?

	TOTAL
Mainstream Protestant	32.8%
Evangelical Protestant	10.3%
Fundamentalist Protestant	4.9%
Catholic	22.4%
Jewish	3.9%
Atheist/Agnostic	4.8%
Other (specify) _____	8.5%
Don't Know/Refused	12.6%

Q.33 What is your race?

	TOTAL
White	85.5%
Black	6.3%
Other (specify) _____	5.3%
Refused	3.0%

Q.34 What is your age?

	TOTAL
18-25	9.6%
26-40	33.0%
41-55	26.8%
56-65	13.8%
Over 65	15.0%
Refused	1.9%

Q.35 Gender:

	TOTAL
Male	49.8%
Female	50.1%

Q.36 Region:

	TOTAL
New England	6.2%
Middle Atlantic	15.5%
East North Central	18.5%
West North Central	8.6%
South Atlantic	15.6%
East South Central	5.6%
West South Central	9.7%
Mountain	5.5%
Pacific	14.6%

A Deficit Reduction Plan to Boost the Economy

By MARTIN FELDSTEIN

As leader of the Democratic Party, President-elect Bill Clinton has an enormous advantage. He can expect the Democratic-controlled Congress to enact his budget proposals. For more than a decade, Republican initiatives for deficit reduction were blocked by partisan wrangling. If all goes well, the new president can put that behind us.

A reliable multiyear deficit reduction law passed early in 1993 would not only provide the future capital for healthy growth but, by reducing the real long-term interest rate, would stimulate a stronger recovery in the near term. A large enough ironclad multiyear deficit reduction that starts in 1994 would reduce long-term rates by enough to make a short-term fiscal stimulus both unnecessary and unwise.

In his campaign, Mr. Clinton promised to "cut the deficit in half by 1996." That means cutting the deficit from \$290 billion in fiscal 1992 to \$145 billion in fiscal 1996, a reduction to 2% of gross domestic product. That's not as much reduction as I would like to see, but it would be a substantial accomplishment and a major step toward budget balance before the year 2000.

CBO Estimates

Cutting the 1996 budget deficit to \$145 billion should not be as hard as it may seem. The bipartisan Congressional Budget Office recently estimated that economic recovery will automatically shrink the 1996 deficit to \$254 billion without any reduction in government programs or increases in tax rates. Even after raising the annual level of spending by \$60 billion for infrastructure and training, which candidate Clinton promised in the campaign, the new president could hit his 1996 budget target by deficit cuts that average \$40 billion a year over the next four years, slightly more than 1% of combined spending and taxes.

Mr. Clinton has already indicated some of the ways in which his promised deficit reduction could be achieved. Not surprisingly, his most publicized proposal was to lower defense spending. President Bush's most recent budget proposed cutting real defense spending by nearly 20% from 1992 to 1996. The Clinton plan would cut defense by an additional 6% in 1996, or \$16.5 billion. Some military experts will argue that this goes too fast and perhaps too far. I will not try to assess that, but only note that even with these proposed defense cuts Mr. Clinton would still need \$150 billion of 1996 nondefense deficit reductions to offset his proposed new spending and still meet his budget target.

In the third presidential debate, Mr.

Clinton called for reducing Social Security benefits for upper income people who "get more out of it than they have paid in." Current retirees receive five or six times as much in benefits as they have paid in. Just taxing benefits like ordinary income would raise \$25 billion a year by 1996 without imposing any burden on those retirees whose incomes are low enough for them to pay no income tax. An additional \$25 billion a year could be saved by 1996 if the automatic cost-of-living adjustment of benefits is scaled back to the excess of inflation over 2%.

Medicare health benefits for the aged will cost \$200 billion in 1996. Mr. Clin-

ton called for reducing Social Security benefits for upper income people who "get more out of it than they have paid in." Current retirees receive five or six times as much in benefits as they have paid in. Just taxing benefits like ordinary income would raise \$25 billion a year by 1996 without imposing any burden on those retirees whose incomes are low enough for them to pay no income tax. An additional \$25 billion a year could be saved by 1996 if the automatic cost-of-living adjustment of benefits is scaled back to the excess of inflation over 2%.

Deficit reduction legislation that turns a campaign promise to halve the budget deficit into an ironclad legal guarantee would reduce long-term interest rates substantially. That fall in long-term rates would stimulate housing construction and business investment. The lower yield on dollar bonds would cause a decline in the dollar, boosting the volume of America's

additional revenue. And deficit reduction should be guaranteed by a tougher version of the old Gramm-Rudman law that automatically cuts spending across-the-board and raises all taxes by an equal percentage if the actual deficit exceeds its annual target.

The economic plan included in Mr. Clinton's campaign document, "Putting People First," is not reassuring. No one believes wishful-thinking cuts in government waste would save the projected \$25 billion a year or that preventing "tax avoidance" by foreign companies would raise \$14 billion a year. The Clinton plan to increase spending on infrastructure and training would simply add to projected deficits. The higher taxes on the top 2% of taxpayers would not even pay for the proposed middle-class tax cuts.

Failure to enact a credible multiyear deficit reduction plan could cause a sharp jump in long-term interest rates and a new economic downturn in 1993. The private saving rate remains exceptionally low and the inflow of funds from the rest of world has fallen sharply along with the improvement in our trade deficit. Without deficit reduction, the funds available for business investment and residential construction over the next few years would be an astonishingly low 3% of GDP. That inevitably would mean higher interest rates and a less competitive dollar.

Immediate Reaction

If financial markets conclude that such a future rise in long-term interest rates is inevitable, they will react immediately, pushing up interest rates now and driving down all types of interest-sensitive spending. Unlike in the early 1980s, when the fear of rising deficits also drove up real interest rates, there would now be none of the positive factors — falling inflation, declining taxes on business and individuals, a rising defense budget and a small initial size of the national debt — to offset the adverse effect of high interest rates on overall economic activity.

Enacting legislation to halve the budget deficit by 1996 will be the first major test of President Clinton's credibility and leadership. The Democratic-controlled Senate and House may balk at inflicting pain on middle class voters through spending cuts and higher taxes. But after defeating the Reagan and Bush proposals for deficit reduction for 10 years, they must now accept the responsibility of supporting the Clinton deficit cuts or putting the current economic expansion in jeopardy.

Mr. Feldstein, former chairman of the president's Council of Economic Advisers, is a professor of economics at Harvard.

Board of Contributors

The right strategy is a long-term deficit reduction plan enacted now and starting in 1994. Long-term deficit reduction is the needed short-run stimulus.

ton has endorsed the idea that people should "pay more for Medicare if they can." Taxing the insurance value of Medicare subsidies would raise \$25 billion in 1996. Increasing the annual deductible for physician services to just \$200 a year would save about \$5 billion more.

Excise taxes on alcohol and tobacco collected revenue of 1% of gross national product under President Kennedy, but only one fifth as much now. Returning to the earlier level would raise more than \$50 billion in 1996. An environmental president should be willing to boost gasoline taxes by five cents a gallon each year until 1996, adding \$20 billion to 1996 revenue.

If Mr. Clinton and the Democrats don't like the distributional implications of these reforms and tax increases, they could use some of their proposed tax increase on high income individuals to achieve what they regard as a fairer distribution of the costs of deficit reduction. It would be irresponsible, however, to use the proceeds from a tax increase on high income taxpayers, as the Clinton campaign proposed, to finance a middle class tax cut at a time when the budget remains in serious deficit.

This combination of spending cuts and tax increases should be enough to cut the 1996 deficit to \$145 billion. But experience shows that actual deficits generally exceed predictions. A pay-as-you-go rule like the one in the 1990 budget accord would ensure that any new spending voted by Congress would be offset by other spending cuts or

exports to the rest of the world and shrinking imports from abroad.

It would be very dangerous to pursue the opposite budget strategy advocated by some Clinton advisers: attempting a Keynesian demand stimulus by increased 1993 government spending and a temporary investment tax credit while postponing action to reduce the deficit. Although more government spending would directly raise GDP, the financial markets would inevitably extrapolate the higher budget deficit of a Democratic president into even greater deficits in the future. The resulting rise in real long-term interest rates would hurt business investment, housing construction, and net exports. The net effect of an attempted Keynesian fiscal stimulus is therefore likely to be counterproductive.

A temporary fiscal stimulus in 1993 would not raise real long-term interest rates if it is accompanied by legislation that provides an ironclad multiyear deficit reduction package. But with the lower real long term rates that result from good budget legislation, a fiscal stimulus might be excessive, causing too fast an upturn with a resulting rise in inflation.

There is, in short, no need to choose between short-run stimulus and long-term deficit reduction. Nor is there a need to combine the two. The right strategy is a long-term deficit reduction plan enacted now and starting in 1994. Long-term deficit reduction is the needed short-run stimulus.

It is critical that the long-term deficit reduction be an ironclad legislative guar-

Save the Peace Dividend

By Richard Nixon

WOODCLIFF LAKE, N.J. President-elect Bill Clinton deserves high marks for aggressively addressing a number of important issues during the transition period. But as was the case during the campaign, the most important issue since the end of World War II has received minimal attention.

It may be politically shrewd to give domestic policy, as it affects an economy just beginning to recover from recession, a higher priority than foreign policy. But the collapse of Boris Yeltsin's pro-Western, democratic Russian Government would have a far greater impact on the American economy than anything the new Administration could do at home.

The Yeltsin Government is in mortal danger. The National Salvation Front, an unholy alliance of ex-Communists and ultra-nationalists, have boldly demanded Boris Yeltsin's resignation, a return to authoritarian rule and the restoration of the Soviet Union within its 1991 borders. That would be a prescription for the beginning of cold war II.

The peace dividend, which the Clinton Administration is counting on to help finance its new domestic policies, will be down the tube. Instead of cutting the defense budget, it will be necessary to increase defense spending by billions of dollars.

It has been projected that the United States over the next 10 years can save between \$250 billion and \$300 billion in defense expenditures if present trends continue. A new Russian nationalist authoritarianism government, heavily controlled by the military and shorn of the failed faith of Communism, would be a greater threat to the forces of peace and freedom in the world than the old Soviet totalitarianism.

What are the chances that the Yeltsin Government will survive? On the minus side, Russia is plagued by massive corruption and runaway inflation. Bloody ethnic conflicts are on the rise. The gridlock in Moscow between President Yeltsin's Cabinet and the heavily Communist Parliament he inherited from the Soviet era is much worse than anything ever witnessed in Washington.

On the plus side, Mr. Yeltsin has proved to be a skillful politician and

formidable statesman. His popularity, at a time when his country is suffering not just from a recession but from a deep depression, is still above 50 percent.

Russia is a rich country; we are not dealing here with a nuclear-armed Bangladesh. Ninety-five percent of the Russian people are literate, and 90 percent of the Russian work force has graduated from high school. The press is free, and Mr. Yeltsin has acted as its greatest defender against undue interference from both conser-

vatives in the Parliament and his own Government. There is considerable progress in overall judiciary reform. Most important, in foreign policy, both vis-à-vis the West and the newly independent post-Soviet states, Mr. Yeltsin has consistently acted with enlightened moderation. He needs our help and he deserves it.

It is essential that we be understanding and tolerant as he tries to find a new way of ruling the country through a compromise with the centrist forces organized under the umbrella of the Civic Union. I personally know some of the top leaders in this diverse coalition. While questioning many of the current Government tactics, they have a fundamental commitment to democracy and a free-market economy and are loyal to Mr. Yeltsin as the Russian President. If he makes a compromise with the Civic Union, there is no need to panic and to perceive it as a mortal blow to

the Russian democratic experiment.

One of the most effective ways we can help Mr. Yeltsin survive is to champion the rights of the 25 million Russian-speaking people in the Baltic and the other post-Soviet states — both bilaterally and in international forums. The Russian people should be able to feel that their human rights are a priority for American diplomacy. This will be a constructive way to respond to xenophobic Russian nationalists who are paranoid and suspicious of the West and violently opposed to President Yeltsin.

The Yeltsin Government will not survive unless it receives a major new economic assistance package. The Freedom Support Act was a positive first step, but it has been overtaken by events. Urgent action on three fronts is required.

1. The \$80 billion debt that Mr. Yeltsin inherited from Mikhail Gorbachev must be rescheduled for 15

years as Mr. Yeltsin has requested.

2. There must be a substantial bridge loan from Western governments to help the Russian people through a cruel, cold winter and to assist the transition from a command to a free-market economy that is unprecedented in a major country.

3. Russia needs massive investment from the private sector in the West. Government aid is limited by budgets. Investment from the private sector is limited only by opportunity. If Russia adopts the same legal guarantees for private property as we have in the West, it has been estimated that \$300 billion would be invested over the next five years, dwarfing the \$25 billion in Western government aid currently allotted.

4. As Senator Sam Nunn has recommended, responsibility for the aid program should be given to one high-level individual reporting directly to the President who would act as the principal coordinator of all U.S. Government efforts. This individual should be of sufficient stature so that he can talk to Mr. Yeltsin and to Western leaders as an equal.

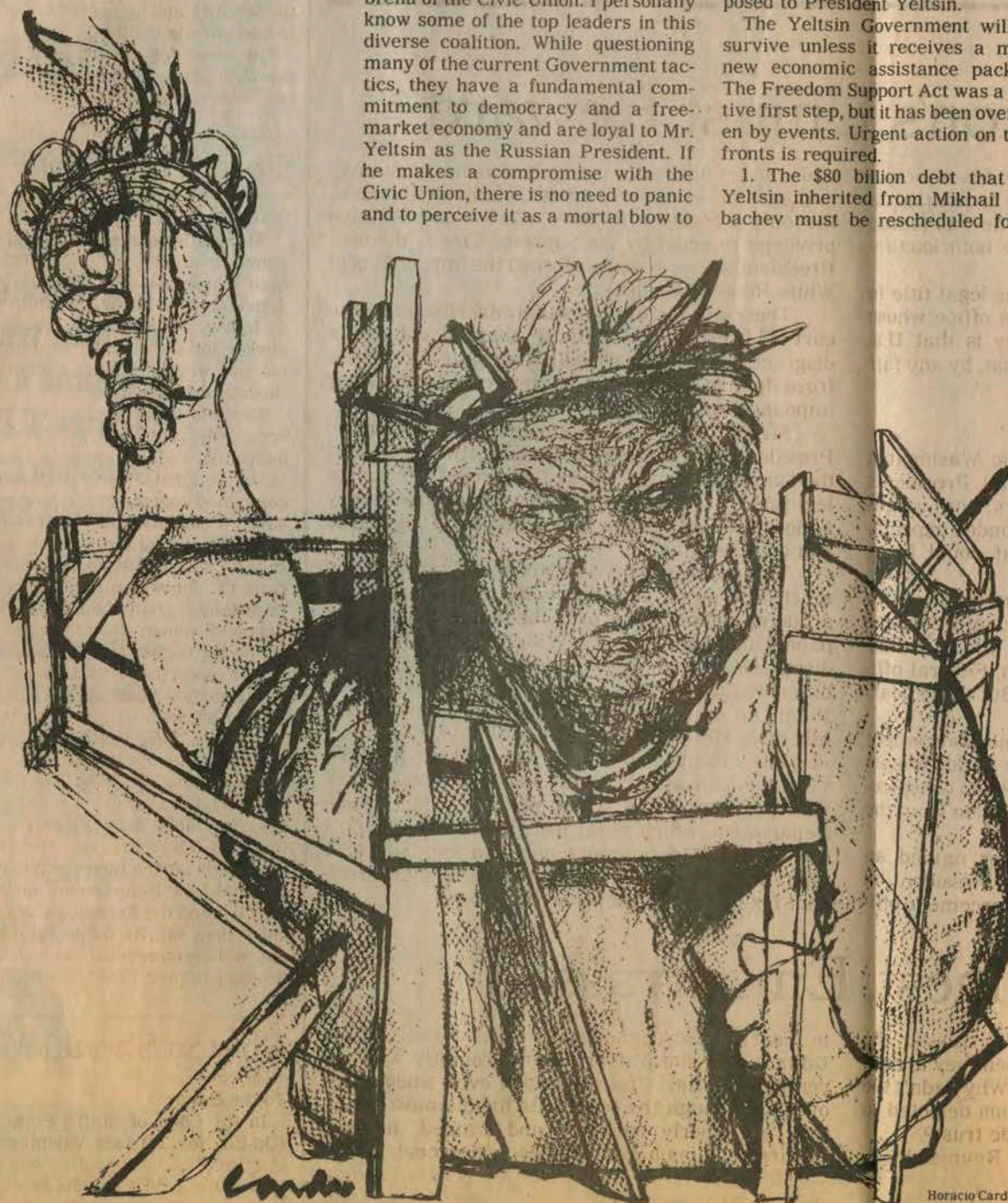
None of these things will happen unless the President plays a direct role. Only he can persuade the Europeans to accept debt relief, force the

If we don't help Yeltsin, it will cost us plenty.

American bureaucracy to shape up and get Congress to approve foreign aid appropriations.

What's in it for us? If Mr. Yeltsin fails, we will again live in a dangerous world with the threat of nuclear war hanging over our heads. The wave of freedom sweeping the world will ebb and we could get caught in the undertow. If Mr. Yeltsin survives, and freedom and democracy succeed in Russia, we will live in a safer world.

We will also live in a richer world. A vigorous free-enterprise economy in Russia will mean billions of dollars in trade and hundreds of thousands of jobs for American workers. We will live in a freer world because the success of democracy and free markets in Russia will be an example for China and other dictatorships around the world to follow.



Horacio Cardo

Richard Nixon, the former President, is honorary chairman of the Fund for Democracy and Development.

ROBERT ELLSWORTH & Co., INC.
818 CONNECTICUT AVENUE, N.W., SUITE 800
WASHINGTON, D. C. 20006

(202) 628-1144
FAX: (202) 331-8735
TELEX: 4900221 MECO

TELECOPIER COVER PAGE

TO:

Name: Sen. Bob Dole

Firm/Company: _____

Location: _____

Telecopier Number: _____

COPY TO:

Name: _____

Fax #: _____

FROM:

Name: Robert Ellsworth

Company: _____

Robert Ellsworth & Co., Inc.

Location: _____

Washington, D.C.

Office Phone Number: _____

202 628-1144

Telecopier Number: _____

202 331-8735

DATE:

Nov. 4, 1992

TOTAL NUMBER OF PAGES, INCLUDING COVER PAGE IS 4.

If you do not receive the number of pages indicated above, please
call 202 628-1144.

Let's see if we can have this emerge in a Republican-oriented
structure. For example, a non-governmental structure like
the Kansas Turnpike Authority, or the New York/New Jersey Ports
Authority.

Bob E.

THE ARTERIES OF COMMERCE

INFRASTRUCTURE

REBUILDING AMERICA: THE MIND-NUMBING COST

INNOVATIVE FINANCING AND PRIVATE-SECTOR HELP ARE KEY

★ Pointing to a trail of colored pins snaking across a huge map of the area surrounding Washington's Dulles International Airport, Ralph L. Stanley sounds like any other public-works administrator as he ticks off cost estimates and traffic projections for a proposed 14-mile expressway from Dulles north to Leesburg, Va. But Stanley isn't a typical bureaucrat.

The former director of the Urban Mass Transportation Administration under President Reagan, Stanley has become one of a pioneering breed of infrastructure entrepreneurs. As the chief executive of Toll Road Corp. of Virginia, Stanley is trying to build the nation's first privately owned toll road in almost a century. "Traffic is a growth industry," says Stanley. "We're selling the most precious commodity for people with today's busy lifestyles—time."

QUAGMIRES. Stanley and his \$300 million project are emblematic of the changes that are sweeping through public investment today. Growing concern about traffic congestion and pollution, and growing distaste at falling behind the infrastructure-obsessed Japanese and Germans (charts), are finally forcing the U.S. to address its long-standing deficit in public works. As a result, a major increase in spending on the nation's sagging infrastructure seems certain over the coming decade.

But with Washington and most states and municipalities stuck in financial quagmires, paying for a new infrastructure boom will require all the enterprise that America can muster. The sums involved are so mind-numbing that the U.S. will have to reinvent the way that public works are financed.

Estimates of the coming infrastructure bill range from the \$30 billion to \$40 billion that will be needed simply to refurbish the most egregiously deficient bridges and roads, to the mammoth \$500 billion public investment plan that is championed by investment banker Felix G. Rohatyn to rebuild highways and airports and help create the digital data networks that are already becoming key to productivity growth (page 200). "This country is starved for cap-

ital investment," says Rohatyn, chairman of New York City's financial watchdog agency, the Municipal Assistance Corp. "Our first priority should be the rebuilding of America."

Financing that effort will require such strategies as imposing user fees, issuing new types of bonds designed to entice pension fund managers wary of direct investment in public-works ventures, and allowing private ownership of roads and waste-treatment plants. "After underinvesting for years, we're probing for a way to

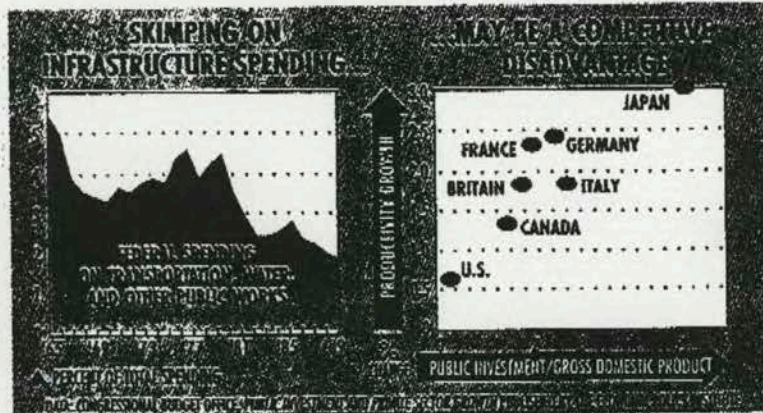
circumvent the shortage of public capital for infrastructure," says Glen A. Barton, group president at heavy-equipment maker Caterpillar Inc. "Unless we do something soon, we'll really have a mess on our hands."

Signs of decaying or inadequate U.S. infrastructure are legion. According to the House Public Works & Transportation Committee, some 40% of the nation's bridges are deficient and more than 28 million Americans are served by inadequate sewage-treatment plants. By 2005, the pan-



el says, traffic delays because of inadequate roads may cost the nation \$50 billion annually in wasted fuel and lost wages. The Federal Aviation Administration, meanwhile, figures that 58 airports, including those in Newark, N. J., and Los Angeles, will be "seriously congested" by the year 2000, causing delays for 74% of the nation's passengers.

One reason for these disturbing statistics: the steady drop in spending on infrastructure in the last quarter-century. In 1965, about 5.5% of all federal outlays went for infrastructure. By 1990, that share had fallen to 2.5%. Even adding in state and local outlays, the U. S. now spends a paltry 0.5% of its gross domestic product on infrastructure, a quarter of what it spent in the mid-1960s. "Politically, there's been pressure



not to raise capital spending for a long time," says Richard C. Leone, chairman of the Port Authority of New York & New Jersey. "Now we're seeing the morning after."

Shifting demographic and technological trends mean the U. S. will be hard-pressed to continue dodging the bill much longer. Fiber-optic cable and other gear needed to build a nationwide digital data network may cost \$325 billion by the year 2000, nearly all of that from private sources. Keeping up with population shifts may cost even more. The West and South saw their populations swell by 17%, to 138 million, during the 1980s, largely at the East's expense.

GRIDLOCK. That trend is continuing. And nationwide, Americans are fleeing central cities for suburbs. The urban landscape now is increasingly populated by "edge cities" that have inherited much of the cities' vitality and infrastructure needs. Take bustling Naperville, Ill., 30 miles west of Chicago. As its population has doubled to 90,000 over the past decade, the community has had to impose occasional bans on lawn watering because of water shortages. Along state highway 34, rush-hour gridlock is the norm most weekdays and every Saturday as shoppers pour into the nearby Fox Valley Mall.

The flight to the suburbs

UPGRADING A NEW YORK-NEW JERSEY MASS-TRANSIT LINK

could afford to do that in the 1950s. We can't anymore."

The struggle to keep up with population shifts troubles a growing number of economists and executives who see a strong link between public spending and the economy's overall productivity. For example, economist David A. Aschauer of Bates College has concluded that produc-

Signs of decay are legion. U.S. airports are clogged, 40% of bridges are deficient, and 28 million Americans are served by inadequate sewage plants

ity growth, the key to improving living standards, has been falling almost in tandem with declining public investment spending since 1970. Countries such as Germany, Japan, and France, which spend a higher percentage of their GDP on infrastructure, clearly outstrip the U. S. in productivity enhancement as well.

The findings have touched off an academic firestorm. The Congressional Budget Office, for instance, argues that Aschauer's relationship may be more coincidental than causal. But that hasn't stopped financiers, unions, and construction groups from calling for more infrastructure spending. Many labor leaders and politicians view a renewed commitment to infrastructure spending as the most effective answer to the most troubling issue plaguing the lackluster U. S. economy: a paucity of high-paying jobs to replace those lost to the brutal forces of corporate restructuring, defense budget cuts, and international competition.

Each \$1 billion spent on infrastructure

THE ARTERIES OF COMMERCE

translates into an estimated 40,000 to 50,000 additional public and private jobs. So using infrastructure spending to prod the national economy out of its current sluggishness is tempting. But there are drawbacks in counting on a renewed infrastructure push to pump up the U.S. economy by creating millions of jobs overnight. Take a typical road project. Jack W. Lillywhite, manager of project development at Bechtel Civil Co., figures that it can take three years to conduct studies, secure permits, acquire land, and assess environmental questions before construction can even start. Some critics even say it's time to cast aside the pork-barrel habit of regarding infrastructure spending as a job machine. They argue that the nation must form a clear vision of how, why, and where it should spend more. "A strategy has to be agreed on," says Lillywhite. "The physical infrastructure we may need for an industrial-based society is totally different than the communications-network infrastructure we need if we want to be a knowledge-based society."

PENSION LURE. Before anything major happens, a sweeping overhaul in the way the U.S. finances its infrastructure must occur. One proposal comes from the Rebuild America Coalition, a consortium of 60 business, finance, government, and labor groups advocating an expanded national infrastructure investment program. The group wants to relax restrictions that the Tax Reform Act of 1986 placed on the ability of states and municipalities to issue tax-exempt debt to fund privately owned projects. Even more attention is being focused on innovative ways to lure America's vast pool of pension savings into public works. Most public-works projects are still funded through tax-exempt bonds. But pension funds don't pay taxes, so they're usually not interested in accepting the low rates available on tax-exempt securities. Aware of this, Congress last year set up a commission to study the creation of a new type of security that could be used to lure some of the more than \$2 trillion in domestic pension fund assets into infrastructure investment.

Perhaps the most ambitious plan has been advanced by investment banker and muni watchdog Rohatyn, senior partner at Lazard Frères & Co. As chairman of New York City's MAC, Rohatyn oversaw a massive surge in public-works spending in the 1980s, financing the effort with \$10 billion in bonds backed by city sales taxes. Now, he is proposing a similar version of his New York plan on a more massive, national scale. He would have the U.S. spend \$500 billion on infrastructure and other public investment over the next decade, financing the outlays through a new federal trust that would sell bonds to pension funds and individuals. To service the debt, Rohatyn proposes increasing the federal gasoline tax

In 1988, for example, the Massachusetts Port Authority overhauled landing fees at Boston's crowded Logan International Airport, more than tripling charges for small aircraft while reducing them for large ones. The change caused noncommercial flights to drop by a third and improved Logan's on-time performance. It was scrapped less than a year later after angry small-aircraft owners challenged the fee structure as discriminatory and unreasonable. Put back on the old system, Logan's on-time performance plunged from second in the nation to 29th.

CONGESTION CITY. To some business executives, it's only a short step from market-based pricing mechanisms to outright private ownership of the facilities themselves. That's certainly the case with Toll Road Corp. of Virginia's Dulles venture, which backer Stanley hopes to finance using investors' equity, bank debt, and bonds. State officials concede that the four-lane highway that now runs between Dulles and rapidly growing Leesburg is horrendously congested. But, says James W. Arwell, assistant finance commissioner for the Virginia Transportation Dept., "the public sector just can't carry the whole load." It's pretty much the same story in budget-crunched California, which has approved four privately developed toll road experiments.

Private ownership has its limits. Local officials are resisting efforts to privatize airports in Los Angeles and New York, objecting that they would lose control of potent industrial development tools. Likewise, America would be wise not to expect too much from new public-works spending alone.

Massive infrastructure investment can do little to counter the long-term impact of a national economy that is hooked on the dual addictions of deficit spending and low savings. Yet as long as its trading partners continue investing heavily in public works, neither can the U.S. afford to let itself become even more run-down. Whether it is the digital highway or Interstate 95, the nation must finally force itself to start digging.

By James E. Ellis in Leesburg, Va.

PRIORITIES FOR UPGRADING AMERICA'S INFRASTRUCTURE

SUPPORT A NEW INFORMATION HIGHWAY

*\$25 billion is needed over the next 10 years to create a communications system that can make the most of modern technology. Allow phone companies into video transmission to make use of upgraded networks. Encourage phone service competition from wireless networks and cable companies. Insist companies set a schedule of network upgrades.

INVEST IN PUBLIC WORKS

*Release the more than \$10 billion surplus in highway and airport trust funds. That's a start on the five-year increase of \$60 billion needed in federal spending. Make states cough up at least \$20 for every \$100 of federal money.

ENLIST THE PRIVATE SECTOR

*Encourage privately funded toll roads, tunnels, and bridges. Temporarily privatize most run-down bridges and tunnels. Boost incentives for pension funds and banks to invest in infrastructure.

SPREAD THE LOAD

*Set tolls on heavily congested roadways and bridges so that rush-hour travelers the highest rates. Charge higher take-off and landing fees at airports' busiest times.

by 50¢ a gallon, phasing in the hike over 10 years. The increased tax revenues would back the bonds, just as sales taxes backed MAC obligations in New York.

Yet before America even considers raising huge sums for new infrastructure, it needs to make sure it's getting the best return out of its current \$1.4 trillion public-works investment. Take highways and airports, where "congestion pricing" could become the norm for tolls during rush hours. Based on the phone company rule that you pay the most to use a system when demand is highest, congestion pricing could generate additional maintenance revenues, discourage travel during peak-use periods, and even eliminate the need to build some new projects altogether.

FINAL

11/19/92

CONTACT:

Jo-Anne Coe
202/408-5105 (O)
202/408-5117 (FAX)
703/845-1714 (H)

Molly Dye
404/320-1992
404/329-7276 (FAX)

SENATOR BOB DOLE SCHEDULE -- NOVEMBER 19-20, 1992Thursday, November 19

5:00 PM Lv. Capitol
5:25 PM Ar. Washington National Airport
Signature Flight Support
703/549-8340
5:30 PM Lv. Washington

AIRCRAFT: Torchmark Hawker
TAIL NO.: N 6 TM

PILOT: Chic Preston
CO-PILOT: Kitty Dietzel

MANIFEST: Senator Dole
Mike Glassner
Rick Shelby

FLIGHT TIME: 1 hr 30 mins

CONTACT: Barbara Nabors
205/325-4205
205/325-4198/4231 (FAX)

Bruce Garrett, Chief Pilot
Hangar: 205/325-2643
205/325-2771 (FAX)
205/625-5271 (Home)

7:00 PM Ar. Atlanta, Georgia
DeKalb-Peachtree Airport
Hangar One - East
404/454-5056

MET BY: Ray Smith, Attorney
(Pres., largest GA YR Club)

PAGE TWO

7:05 PM

Lv. Hangar One - East

DRIVE TIME: 30-35 minutes

7:35 PM

Ar. residence of John and Ann Parker
1766 Garraux Place, N.W.
404/355-7181

7:35 PM-

8:30 PM

ATTEND FUNDRAISING RECEPTION
PAUL COVERDELL FOR SENATE
(Event runs 7:00-9:00 PM)CROWD SIZE: 100 @ varying ticket prices
\$1,000 per couple;
some \$4,000 maxed-out donors;
some PACs at higher price

FORMAT: Informal mix and mingle

PROGRAM: John Price welcome and
introduction of Paul Coverdell
Paul Coverdell remarks and
intro of Senator Dole
REMARKS - SENATOR DOLECONTACT: Laura Butler or Liz Harris
404/262-8957

8:30 PM

Lv. Parker residence

DRIVER: Liz Harris

8:45 PM

Ar. Sheraton Century Center Hotel
2000 Century Boulevard
404/325-0000RON: Sheraton Century Center
(1 Suite and 1 room reserved in
name of Mike Glassner)

PAGE THREEFriday, November 20

7:55 AM Lv. Hotel suite

8:00 AM Ar. Century Ballroom

8:00 AM- ATTEND FUNDRAISING BREAKFAST -
8:30 AM PAUL COVERDELL FOR SENATE
(Event runs 7:30-8:30)

NOTE: Paul Coverdell will not be present

CROWD SIZE: 75-100 @ \$25 per person

PROGRAM: Oscar Persons welcomes guests and
introduces Senator Dole
REMARKS - SENATOR DOLE

CONTACT: Laura Butler or Liz Harris
404/262-8957

8:30 AM Lv. Sheraton Century Ballroom

PRIVATE TIME IN SUITE

NOTE: Bill Crane, Coverdell Press Secretary,
working on radio interviews from the suite

9:00 AM Ar. Hotel Lobby

MET BY: James Cecil
NRSC Staff

(He will accompany you throughout the day)

9:00 AM Lv. Sheraton Century Center

DRIVER: James Cecil

9:25 AM Ar. DeKalb-Peachtree Airport
Hangar One - East
404/454-5056

9:30 AM Lv. Atlanta

FLIGHT TIME: 25 minutes

MANIFEST: Senator Dole
Mike Glassner
Alec Poitevint, Georgia GOP Chairman and
National Committeeman
James Cecil, NRSC

PAGE FOUR

9:55 AM

Ar. Chattanooga, Tennessee - Lovell Field
Krystal Aviation
615/899-3444

MET BY: Tony Denny
706/226-8872 (O)
706/275-0100 (Hotel)

10:00 AM-
10:30 AM

AIRPORT PRESS CONFERENCE/RALLY

CROWD SIZE: 100

FORMAT: Local official welcomes crowd;
Alec Poitevint warms-up the crowd;
Alec introduces Senator Dole;
REMARKS - SENATOR DOLE (5-7 minutes)

Q&A FROM AUDIENCE/PRESS TO FOLLOW

10:30 AM

Lv. Chattanooga

FLIGHT TIME: 40 minutes

MANIFEST: Senator Dole
Mike Glassner
Alec Poitevint
James Cecil

NOTE: Paul Coverdell returns to Atlanta for
schedule with Barbara Bush

11:10 AM

Ar. Augusta, Georgia
Bush Field
Bush Field Aviation Services
404/798-2656

MET BY: Alex Albert
706/736-2876 (H)
706/650-2200 (O)
706/722-2131 (FAX)

11:15 AM

Lv. Bush Field

DRIVER: Alex Albert

11:30 AM

Ar. Daniel Field
Augusta Aviation - Main Hangar
404/733-8970

PAGE FIVE

11:35 AM-
12:00 PM

PRESS CONFERENCE/RALLY

CROWD SIZE: 100

FORMAT: Local official welcomes crowd;
Alec Poitevint warms-up the crowd;
Alec introduces Senator Dole;
REMARKS - SENATOR DOLE (5-7 minutes)

Q&A FROM AUDIENCE/PRESS TO FOLLOW

12:00 PM

Lv. Daniel Field

12:15 PM

Ar. Bush Field
Bush Field Aviation Services
404/798-2656

12:15 PM

Lv. Augusta

FLIGHT TIME: 25 minutes

MANIFEST: Senator Dole
Mike Glassner
Alec Poitevint
James Cecil

MEAL SERVICE: Sandwiches

12:45 PM

Ar. Savannah International Airport
Signature Flight Support
912/964-1557

MET BY: Gabe Sterling
912/598-0926 (H)
912/927-8440 (O)

12:45 PM

Lv. Signature Flight Support

DRIVER: Gabe Sterling

1:05 PM

Ar. Johnson Square
Town Square, on Bull Street, near City Hall
Inclement Weather Site: Sisters Court Hotel

PAGE SIX

1:05 PM-
1:25 PM

PRESS CONFERENCE/RALLY

CROWD SIZE: 100

FORMAT: Local official welcomes crowd;
Alec Poitevint warms-up the crowd;
Alec introduces Senator Dole;
REMARKS - SENATOR DOLE (5-7 minutes)

Q&A FROM AUDIENCE/PRESS TO FOLLOW

1:25 PM

Lv. Johnson Square

1:45 PM

Ar. Signature Flight Support
912/964-1557

1:50 PM

Lv. Savannah

FLIGHT TIME: 15 minutes

MANIFEST: Senator Dole
Mike Glassner
Alec Poitevint
James Cecil

2:05 PM

Ar. Brunswick - Glynco Jetport
Glynco-Taj Aviation
912/264-9200

MET BY: Bill Thorne
912/598-0926 (H)
912/927-8440 (O)

2:10 PM

Lv. Glynco-Taj Aviation

DRIVER: Bill Thorne

2:25 PM

Ar. City Park
(No phone on site)

PAGE SEVEN

2:25 PM-
2:55 PM

PRESS CONFERENCE/RALLY

CROWD SIZE: ± 75

FORMAT: Local official welcomes crowd;
Alec Poitevint warms-up the crowd;
Alec introduces Senator Dole;
REMARKS - SENATOR DOLE (5-7 minutes)

Q&A FROM AUDIENCE/PRESS TO FOLLOW

2:55 PM

Lv. Rally site

3:10 PM

Ar. Glynco-Taj Aviation
912/264-9200

3:10 PM

Lv. Brunswick

FLIGHT TIME: 35 minutes

MANIFEST: Senator Dole
Mike Glassner
Alec Poitevint
James Cecil

3:45 PM

Ar. Albany - Southwest Georgia Regional Airport
Gray Air Service
912/436-4648

MET BY: PAUL COVERDELL

3:50 PM

Lv. Gray Air Service

DRIVER: John Moulton
912/883-2900 (Car phone)

4:10 PM

Ar. Thronateeska Heritage Foundation
(Old railroad depot -- outdoor event, but
with covered platform)
912/432-6955

4:10 PM-
5:10 PM

ATTEND SOUTHWEST GEORGIA BBQ/RALLY

CROWD SIZE: 500

FORMAT: Local official welcomes crowd;
Alec Poitevint warms-up the crowd;
Alec introduces Paul Coverdell
REMARKS - PAUL COVERDELL - and
Intro of Senator Dole

PAGE EIGHT

REMARKS - SENATOR DOLE (5-7 minutes)

Q&A FROM AUDIENCE/PRESS TO FOLLOW

5:10 PM

Lv. BBQ site

5:25 PM

Ar. Gray Air Service
912/436-4648

5:30 PM

Lv. Albany

MANIFEST: Senator Dole
Mike Glassner

FLIGHT TIME: 1 hr 5 mins

6:35 PM

Ar. Ft. Lauderdale, Florida
International Airport
AMR Combs
305/359-0000

MET BY: Seaview Car and Driver

RON: Seaview
305/866-4441Saturday, November 21

PRIVATE TIME

Sunday, November 22

4:30 PM

Lv. Fort Lauderdale

US AIR # 1884
(Seats 1A and 1C)

7:00 PM

Ar. Washington National Airport

MET BY: Wilbert Jones

PROCEED TO PRIVATE

ROBERT ELLSWORTH & CO., INC.
818 CONNECTICUT AVENUE, N. W., SUITE 800
WASHINGTON, D. C. 20006

(202) 628-1144
FAX: (202) 331-8735
TELEX: 4900221 MECO

TELECOPIER COVER PAGE

TO:

Name: Sen. Bob Dole

Firm/Company: _____

Location: _____

Telecopier Number: _____

COPY TO:

Name: _____

Fax #: _____

FROM:

Name: Robert Ellsworth

Company: _____

Robert Ellsworth & Co., Inc.

Location: _____

Washington, D.C.

Office Phone Number: _____

202 628-1144

Telecopier Number: _____

202 331-8735

DATE:

Nov. 4, 1992

TOTAL NUMBER OF PAGES, INCLUDING COVER PAGE IS 4.

If you do not receive the number of pages indicated above, please call 202 628-1144.

Let's see if we can have this emerge in a Republican-oriented structure. For example, a non-governmental structure like the Kansas Turnpike Authority, or the New York/New Jersey Ports Authority.

Bob E.

THE ARTERIES OF COMMERCE

INFRASTRUCTURE

REBUILDING AMERICA: THE MIND-NUMBING COST

INNOVATIVE FINANCING AND PRIVATE-SECTOR HELP ARE KEY

★ Pointing to a trail of colored pins snaking across a huge map of the area surrounding Washington's Dulles International Airport, Ralph L. Stanley sounds like any other public-works administrator as he ticks off cost estimates and traffic projections for a proposed 14-mile expressway from Dulles north to Leesburg, Va. But Stanley isn't a typical bureaucrat.

The former director of the Urban Mass Transportation Administration under President Reagan, Stanley has become one of a pioneering breed of infrastructure entrepreneurs. As the chief executive of Toll Road Corp. of Virginia, Stanley is trying to build the nation's first privately owned toll road in almost a century. "Traffic is a growth industry," says Stanley. "We're selling the most precious commodity for people with today's busy lifestyles—time."

QUAGMIRE. Stanley and his \$300 million project are emblematic of the changes that are sweeping through public investment today. Growing concern about traffic congestion and pollution, and growing distaste at falling behind the infrastructure-obsessed Japanese and Germans (charts), are finally forcing the U.S. to address its long-standing deficit in public works. As a result, a major increase in spending on the nation's sagging infrastructure seems certain over the coming decade.

But with Washington and most states and municipalities stuck in financial quagmires, paying for a new infrastructure boom will require all the enterprise that America can muster. The sums involved are so mind-numbing that the U.S. will have to reinvent the way that public works are financed.

Estimates of the coming infrastructure bill range from the \$30 billion to \$40 billion that will be needed simply to refurbish the most egregiously deficient bridges and roads, to the mammoth \$500 billion public investment plan that is championed by investment banker Felix G. Rohatyn to rebuild highways and airports and help create the digital data networks that are already becoming key to productivity growth (page 200). "This country is starved for cap-

ital investment," says Rohatyn, chairman of New York City's financial watchdog agency, the Municipal Assistance Corp. "Our first priority should be the rebuilding of America."

Financing that effort will require such strategies as imposing user fees, issuing new types of bonds designed to entice pension fund managers wary of direct investment in public-works ventures, and allowing private ownership of roads and waste-treatment plants. "After underinvesting for years, we're probing for a way to

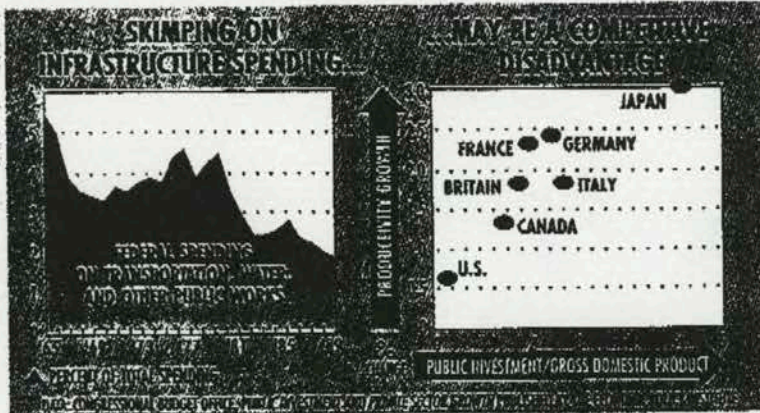
circumvent the shortage of public capital for infrastructure," says Glen A. Barton, group president at heavy-equipment maker Caterpillar Inc. "Unless we do something soon, we'll really have a mess on our hands."

Signs of decaying or inadequate U.S. infrastructure are legion. According to the House Public Works & Transportation Committee, some 40% of the nation's bridges are deficient and more than 28 million Americans are served by inadequate sewage-treatment plants. By 2005, the pan-



el says, traffic delays because of inadequate roads may cost the nation \$50 billion annually in wasted fuel and lost wages. The Federal Aviation Administration, meanwhile, figures that 58 airports, including those in Newark, N. J., and Los Angeles, will be "seriously congested" by the year 2000, causing delays for 74% of the nation's passengers.

One reason for these disturbing statistics: the steady drop in spending on infrastructure in the last quarter-century. In 1965, about 5.5% of all federal outlays went for infrastructure. By 1990, that share had fallen to 2.5%. Even adding in state and local outlays, the U.S. now spends a paltry 0.5% of its gross domestic product on infrastructure, a quarter of what it spent in the mid-1960s. "Politically, there's been pressure



not to raise capital spending for a long time," says Richard C. Leone, chairman of the Port Authority of New York & New Jersey. "Now we're seeing the morning after."

Shifting demographic and technological trends mean the U.S. will be hard-pressed to continue dodging the bill much longer. Fiber-optic cable and other gear needed to build a nationwide digital data network may cost \$325 billion by the year 2000, nearly all of that from private sources. Keeping up with population shifts may cost even more. The West and South saw their populations swell by 17%, to 138 million, during the 1980s, largely at the East's expense.

GRIDLOCK. That trend is continuing. And nationwide, Americans are fleeing central cities for suburbs. The urban landscape now is increasingly populated by "edge cities" that have inherited much of the cities' vitality and infrastructure needs. Take bustling Naperville, Ill., 30 miles west of Chicago. As its population has doubled to 90,000 over the past decade, the community has had to impose occasional bans on lawn watering because of water shortages. Along state highway 34, rush-hour gridlock is the norm most weekdays and every Saturday as shoppers pour into the nearby Fox Valley Mall.

The flight to the suburbs

UPGRADING A NEW YORK-NEW JERSEY MASS-TRANSIT LINK

could afford to do that in the 1950s. We can't anymore."

The struggle to keep up with population shifts troubles a growing number of economists and executives who see a strong link between public spending and the economy's overall productivity. For example, economist David A. Aschauer of Bates College has concluded that productivity growth,

Signs of decay are legion. U.S. airports are clogged, 40% of bridges are deficient, and 28 million Americans are served by inadequate sewage plants

the key to improving living standards, has been falling almost in tandem with declining public investment spending since 1970. Countries such as Germany, Japan, and France, which spend a higher percentage of their GDP on infrastructure, clearly outstrip the U.S. in productivity enhancement as well. The findings have touched off an academic firestorm. The Congressional Budget Office, for instance, argues that Aschauer's relationship may be more coincidental than causal. But that hasn't stopped financiers, unions, and construction groups from calling for more infrastructure spending. Many labor leaders and politicians view a renewed commitment to infrastructure spending as the most effective answer to the most troubling issue plaguing the lackluster U.S. economy: a paucity of high-paying jobs to replace those lost to the brutal forces of corporate restructuring, defense budget cuts, and international competition.

Each \$1 billion spent on infrastructure

THE ARTERIES OF COMMERCE

translates into an estimated 40,000 to 50,000 additional public and private jobs. So using infrastructure spending to prod the national economy out of its current sluggishness is tempting. But there are drawbacks in counting on a renewed infrastructure push to pump up the U.S. economy by creating millions of jobs overnight. Take a typical road project. Jack W. Lillywhite, manager of project development at Bechtel Civil Co., figures that it can take three years to conduct studies, secure permits, acquire land, and assess environmental questions before construction can even start. Some critics even say it's time to cast aside the pork-barrel habit of regarding infrastructure spending as a job machine. They argue that the nation must form a clear vision of how, why, and where it should spend more. "A strategy has to be agreed on," says Lillywhite. "The physical infrastructure we may need for an industrial-based society is totally different than the communications-network infrastructure we need if we want to be a knowledge-based society."

PENSION LURE. Before anything major happens, a sweeping overhaul in the way the U.S. finances its infrastructure must occur. One proposal comes from the Rebuild America Coalition, a consortium of 60 business, finance, government, and labor groups advocating an expanded national infrastructure investment program. The group wants to relax restrictions that the Tax Reform Act of 1986 placed on the ability of states and municipalities to issue tax-exempt debt to fund privately owned projects. Even more attention is being focused on innovative ways to lure America's vast pool of pension savings into public works. Most public-works projects are still funded through tax-exempt bonds. But pension funds don't pay taxes, so they're usually not interested in accepting the low rates available on tax-exempt securities. Aware of this, Congress last year set up a commission to study the creation of a new type of security that could be used to lure some of the more than \$2 trillion in domestic pension fund assets into infrastructure investment.

Perhaps the most ambitious plan has been advanced by investment banker and muni watchdog Rohatyn, senior partner at Lazard Frères & Co. As chairman of New York City's MAC, Rohatyn oversaw a massive surge in public-works spending in the 1980s, financing the effort with \$10 billion in bonds backed by city sales taxes. Now, he is proposing a similar version of his New York plan on a more massive, national scale. He would have the U.S. spend \$500 billion on infrastructure and other public investment over the next decade, financing the outlays through a new federal trust that would sell bonds to pension funds and individuals. To service the debt, Rohatyn proposes increasing the federal gasoline tax

In 1988, for example, the Massachusetts Port Authority overhauled landing fees at Boston's crowded Logan International Airport, more than tripling charges for small aircraft while reducing them for large ones. The change caused noncommercial flights to drop by a third and improved Logan's on-time performance. It was scrapped less than a year later after angry small-aircraft owners challenged the fee structure as discriminatory and unreasonable. Put back on the old system, Logan's on-time performance plunged from second in the nation to 29th.

CONGESTION CITY. To some business executives, it's only a short step from market-based pricing mechanisms to outright private ownership of the facilities themselves. That's certainly the case with Toll Road Corp. of Virginia's Dulles venture, which backer Stanley hopes to finance using investors' equity, bank debt, and bonds. State officials concede that the four-lane highway that now runs between Dulles and rapidly growing Leesburg is horrendously congested. But, says James W. Atwell, assistant finance commissioner for the Virginia Transportation Dept., "the public sector just can't carry the whole load." It's pretty much the same story in budget-crunched California, which has approved four privately developed toll road experiments.

Private ownership has its limits. Local officials

are resisting efforts to privatize airports in Los Angeles and New York, objecting that they would lose control of potent industrial development tools. Likewise, America would be wise not to expect too much from new public-works spending alone.

Massive infrastructure investment can do little to counter the long-term impact of a national economy that is hooked on the dual addictions of deficit spending and low savings. Yet as long as its trading partners continue investing heavily in public works, neither can the U.S. afford to let itself become even more run-down. Whether it is the digital highway or Interstate 95, the nation must finally force itself to start digging.

By James E. Ellis in Leesburg, Va.

PRIORITIES FOR UPGRADING AMERICA'S INFRASTRUCTURE

SUPPORT A NEW INFORMATION HIGHWAY

*\$25 billion is needed over the next 10 years to create a communications system that can make the most of modern technology. Allow phone companies into video transmission to make use of upgraded networks. Encourage phone service competition from wireless networks and cable companies. Insist companies set a schedule of network upgrades.

INVEST IN PUBLIC WORKS

*Release the more than \$10 billion surplus in highway and airport trust funds. That's a start on the five-year increase of \$60 billion needed in federal spending. Make states cough up at least \$20 for every \$100 of federal money.

ENLIST THE PRIVATE SECTOR

*Encourage privately funded toll roads, tunnels, and bridges. Temporarily privatize most run-down bridges and tunnels. Boost incentives for pension funds and banks to invest in infrastructure.

SPREAD THE LOAD

*Set tolls on heavily congested roadways and bridges to charge rush-hour travelers the highest rates. Charge higher take-off and landing fees at airports' busiest times.

by 50¢ a gallon, phasing in the hike over 10 years. The increased tax revenues would back the bonds, just as sales taxes backed MAC obligations in New York.

Yet before America even considers raising huge sums for new infrastructure, it needs to make sure it's getting the best return out of its current \$1.4 trillion public-works investment. Take highways and airports, where "congestion pricing" could become the norm for tolls during rush hours. Based on the phone company rule that you pay the most to use a system when demand is highest, congestion pricing could generate additional maintenance revenues, discourage travel during peak-use periods, and even eliminate the need to build some new projects altogether.

November 19, 1992

MEETING WITH PRESIDENT-ELECT CLINTON

SENATOR DOLE

CLINTON

• Recession

- You'll have our help on much -- depending on substance

PRIORITIES

- Short-term incentives and stimulus coupled with long-term deficit reduction.

• Deficit Reduction

- We'll try to devise constructive ideas.
- I've got some internal problems too.

- Long-term deficit reduction.
- Lets keep an open line -- give me a chance.
- I've got to take care of my base constituencies -- who have to understand they can't have everything they want right away.

- Need to offset spending in some way -- it will be tough.

- Walk on Georgia Avenue -- people very realistic -- will give me a chance.

• Line Item Veto

- Senator Byrd opposed.
- Enhanced recession like Stehmholm being discussed.

- Hope we can reach a consensus. Foley proposal offers interesting possibility. (Clinton

SENATOR DOLE

CLINTON

reviewed his
own power in
Arkansas and
how it works.)

- Nominations

- We'll help with nominations. You're likely to have an easy time with Cabinet level.

- I'm going to be careful -- can't remove name once released -- may not have all names at once.

- Deficit/
Recession

- Danger Point -- people may not say no to anything -- it could be tough.

- Senators Domenici/Nunn working on a bipartisan effort.

- Their ideas have some real potential.
- I must have credible budget reduction to convince Wall Street I'm serious.

- We also need investment to make us globally competitive.
- Can't do deficit reduction that makes situation worse.

- Cut taxes -- can't be only answer.

- Mentioned Governor Cuomo's report --

SENATOR DOLE

CLINTON

thinks it goes
too far-- must
have mix of
cuts/restraints
and investment.

- I'll help if I
can -- but
loyal
opposition.
- China
- MFN -- tough
issue --
different
views.
- Some movement
over there --
personal shifts
help --
President
Bush's
positions have
helped -- don't
want to take
MFN away -- use
to leverage.

Richard Bond, Chairman	(202) 863-8700
Jeanie Austin, Co-Chairman	(202) 863-8545
Samuel N. Skinner, General Chairman	(202) 863-8704
William J. McManus, Treasurer	(202) 462-6578
Kit Mehrtens, AZ, Secretary	(602) 998-9555
Robert A. Mosbacher, General Chairman - Finance Republican National Committee	(202) 863-8720
Ben Ginsberg, General Counsel	(202) 863-8638 (202) 863-8654 (FAX)
Evelyn McPhail, MS, Chairman Republican State Chairmen's Advisory Committee	(601) 948-5191
Harold B. Smith, Jr., Chairman RNC Budget Committee	(708) 657-4005
Huda Jones, President National Federation of Republican Women	(202) 547-9341

Vice Chairmen

Midwestern:
Martha Moore, OH
Duane Acklie, NE

Southern:
Martha Edens, SC
Ernest Angelo, Jr., TX

Northeastern:
Basil Battaglia, DE
Augusta Hornblower, MA

Western:
Jim Nicholson, CO
Jan Larimer, WY

Chairman's Executive Council

Midwestern:
Gwen Boeke, IA
Chuck Yob, MI

Southern:
Flo Traywick, VA
Perry Hooper, AL

Northeastern:
Elsie Hillman, PA
Ron Kaufman, MA

Western:
Ione Brownson, MT
Blake Hall, ID

Chairman's Appointments to Executive Council:

Robert Bennett, OH

Mary Rumph, OK
Ted Welch, TN

The above constitute the Chairman's Executive Council

RNC Budget Committee Members*

Betsy DeVos, MI*
Ann Heuer, D.C.
Bill Powers, NY*
Alec Poitevint, GA

Joyce Terhes, MD*
Ron Carlson, WA
Harold Smith, IL

*Chairman's Appointments

AUXILIARIES OF THE REPUBLICAN NATIONAL COMMITTEE

Huda Jones, President
National Federation of Republican Women
310 First Street, S. E.
Washington, DC 20003
(703) 548-9688

Enid Greene, Chairman
Young Republican National Federation
310 First Street, S.E.
Washington, D.C. 20003
(801) 521-2808 (h)
(202) 662-1340 (YRs)

Tony Zagotta, Chairman
College Republican National Committee
310 First St., S. E.
Washington, DC 20003
(202) 662-1330

Frank Stella, Chairman
National Republican Heritage Groups Council
7000 Fenkell Avenue
Detroit, MI 48238
(313) 341-6400 (o)
(313) 537-8263 (h)

Fred Brown, Chairman
National Black Republican Council
375 South End Avenue, Plaza 400-8u
New York, NY 10280
(212) 912-0160 (h)
(202) 662-1335 (o)

Jose Manuel Casanova, Chairman
Republican National Hispanic Assembly
440 First Street, N. W., Suite 414
Washington, DC 20001
(202) 662-1355 or 301 (652-3450)

The Hon. Victor Ashe, President
Republican Mayors and Cty. Officials
Mayor of Knoxville Tennessee
P.O. Box 1631
Knoxville, TN 37901
(615) 521-2046

Robert J. Dole, Republican Leader
United States Senate
Washington, DC 20510
(202) 224-6521

Robert H. Michel, Minority Leader
House of Representatives
Washington, DC 20515
(202) 225-6201

Tommy G. Thompson, Chairman
Republican Governors Association
Governor of Wisconsin
115 E. State Capitol, P.O. Box 7863
Madison, WI 53707
(608) 266-1212

Joan Hastings, President
Nat'l. Conf. of Rep. County Officials
500 S. Denver, Suite 121
Tulsa, OK 74103
(918) 596-5851

Rep. Ken Harper, President
National Rep. Legislators Association
2700 Main Chase
Crestview Hills, KY 41017
(606) 341-1270

John W. Sweezy, Chairman
Nat'l. Assoc. of Urban Rep. Cty. Chm.
14 North Delaware Street
Indianapolis, IN 46204
(317) 635-8881

Max Fisher, Hon. Chrmn.
Representative of Jewish-Americans
Fisher Building
Twenty Seventh Floor
Detroit, MI 48202
(313) 871-8000

John G. McCarthy, Jr., Chairman
Republicans Abroad International
310 First Street, S.E.
Washington, DC 20003
(202) 662-1390

Thomas J. Ridge, Chairman
Republican Labor Council
1714 Longworth House Office Bldg.
Washington, DC 20515
(202) 225-5406

MEMBERS

ALABAMA

ALABAMA REPUBLICAN EXECUTIVE COMMITTEE

Post Office Box 320800, Birmingham, AL 35232-0800
2940 Clairmont, Birmingham, AL 35205
Contact: Elbert Peters

(205) 324-1990
(205) 324-0682 FAX #

Perry O. Hooper, National Committeeman
3191 Thomas Avenue
Montgomery, AL 36106

(205) 834-3200 (o)
(205) 834-3216 FAX #
(205) 262-6007 (h)

Martha McBryde Foy, National Committeewoman
305 Blumberg Avenue
Dothan, AL 36303

(205) 671-1613 (h)

J. Elbert Peters, Chairman
1701 Jeannette Circle, NW
Huntsville, AL 35816

(205) 859-3186 (h)
(205) 324-1990 (GOP)

ALASKA

REPUBLICAN PARTY OF ALASKA

P.O. Box 243732, Anchorage, AK 99524-3732
1001 W. Fireweed Lane, Anchorage, AK 99503
Executive Director: VACANT

(907) 276-4467

Wayne A. Ross, National Committeeman
327 E. Fireweed Lane
Anchorage, AK 99503

(907) 276-5307 (o)
(907) 346-2697 (h)

Edna DeVries, National Committeewoman
P.O. Box 1027
Palmer, AK 99645

(907) 745-3495 (h)
(907) 745-3362 (o)

Pauline Martens, Acting Chairman
1001 W. Fireweed Lane
Anchorage, AK 99503

(907) 276-4467 (GOP)
(907) 274-4047 FAX #

AMERICAN SAMOA

REPUBLICAN PARTY OF AMERICAN SAMOA

P. O. Box 3820, Pago Pago, AS 96799
Executive Director: VACANT

011 (684) 633-4116

Peter Tali Coleman (Gov.), National Committeeman
Post Office Box 1178
Pago Pago, AS 96799

011 (684) 633-4116 (o)
011 (684) 633-4828 FAX
011 (684) 633-4271 (h)

Amata Radewagen (Mrs.), National Committeewoman
Pacific House
1615 New Hampshire Avenue, NW, Ste. 400
Washington, DC 20009

(202) 797-0400 (o)
(202) 332-9162 FAX #
(703) 548-2244 (h)

Te'o J. Fuavai (Mr.), Chairman
Post Office Box 95
Pago Pago, AS 96799

011 (684) 699-9490

ARIZONA

ARIZONA REPUBLICAN STATE COMMITTEE

3501 North 24th Street, Phoenix, AZ 85016-6607
Executive Director: Griffin Merkel

(602) 957-7770
(602) 224-0932 FAX #

Mike Hellon, National Committeeman
5775 N. Camino Real
Tucson, AZ 85718

(602) 577-5182 (h)

Sue Sossaman, National Committeewoman
19105 E. Ocotio
Queen Creek, AZ 85236

(602) 987-9188 (h)

Gerald Davis, Chairman
3501 North 24th Street
Phoenix, AZ 85016-6607

(602) 957-7770 (GOP)

ARKANSAS

REPUBLICAN PARTY OF ARKANSAS

One Riverfront Place, Suite 550
North Little Rock, AR 72114
Political Director: Richard Bearden

(501) 372-7301
(501) 372-1656 FAX #

Sheffield Nelson (Mr.), National Committeeman
3400 TCBY Tower
425 West Capitol
Little Rock, AR 72201

(501) 664-3873 (h)
(501) 375-1122 (o)

Mildred Homan, National Committeewoman
Route 3, Box 225AA
Mountain Home, AR 72653

(501) 491-5305 (h)

Asa Hutchinson (Mr.), Chairman
602 Garrison Avenue, Suite 505
Fort Smith, AR 72901

(501) 782-4028 (o)
(501) 372-7301 (GOP)

CALIFORNIA

CALIFORNIA REPUBLICAN PARTY

1903 West Magnolia, Burbank, CA 91506
Executive Director: Lorelei Kinder

(818) 841-5210
(818) 841-6668 FAX #

Daniel E. Lungren (Hon.), National Committeeman
1515 K St., 5th Floor
Sacramento, CA 95814

(916) 324-5437 (o)
(916) 324-2960 FAX #

Charlotte M. Mousel, National Committeewoman
14475 Galy Street
Tustin, CA 92680

(714) 838-3796 (h)

Jim Dignan, Chairman
1620 North Carpenter Road, Suite C-19
Modesto, CA 95351

(209) 578-0686 (o)
(209) 578-4297 FAX #

COLORADO

REPUBLICAN STATE CENTRAL COMMITTEE OF COLORADO

1275 Tremont Place, Denver, CO 80204

Executive Director: Kathy Arnold

(303) 893-1776

(303) 629-0459 FAX #

R. James (Jim) Nicholson, National Committeeman

19563 E. Main Street, Suite 201B

Parker, CO 80134

(303) 841-6110 (o)

(303) 841-3091 FAX #

(303) 781-2642 (h)

Mary Dambman, National Committeewoman

7470 Delmonico Drive

Colorado Springs, CO 80919

(719) 593-0210 (h)

Bruce Benson, Chairman

Benson Mineral Group

1560 Broadway, Suite 1900

Denver, CO 80202

(303) 863-3500 (o)

(303) 863-1932 FAX #

CONNECTICUT

CONNECTICUT REPUBLICAN STATE CENTRAL COMMITTEE

78 Oak Street, Hartford, CT 06106

Executive Director: Kevin Del Gobbo

(203) 547-0589

(203) 278-8563 FAX #

John Miller, National Committeeman

1137 Silas Deane Highway

Wethersfield, CT 06109

(203) 563-9375 (o)

(203) 529-5978 (h)

Jo McKenzie, National Committeewoman

Robert Henry's Restaurant

1032 Chapel Street

New Haven, CT 06510

(203) 789-1010 (o)

(203) 789-0435 (o)

Rep. Richard Foley, Chairman

78 Oak Street

Hartford, CT 06106

(203) 547-0589 (GOP)

DELAWARE

DELAWARE REPUBLICAN STATE COMMITTEE

2 Mill Road, Suite 108, Wilmington, DE 19806

Executive Director: Bob Chadwick

(302) 651-0260

(302) 651-0270 FAX #

W. Laird Stabler, Jr., National Committeeman

Post Office Box 124

Montchanin, DE 19710

(302) 658-6771 (o)

(302) 656-1170 (h)

Priscilla B. Rakestraw, National Committeewoman

2301 West 17 Street

Wilmington, DE 19806

(302) 451-0098 (o)

(302) 656-7755 (h)

Basil Battaglia, Chairman

1401 Clinton Street

Wilmington, DE 19806

(302) 368-6868 (o)

DISTRICT OF
COLUMBIA

DISTRICT OF COLUMBIA REPUBLICAN COMMITTEE

440 First St., N.W., Suite 301, Washington, DC 20001 (202) 662-1382
Executive Director: Mike Duffy (202) 628-6492 FAX #

Harry Singleton, National Committeeman (202) 291-9566 (h)
604 Butternut St., NW (202) 291-1781 (o)
Washington, DC 20012

Ann Heuer, National Committeewoman (202) 362-9189 (h)
4831 Indian Lane (202) 362-9189 (o)
Washington, DC 20016

Julie H. Finley (Mrs. William T.), Chairman (202) 338-2849
3221 Woodland Dr., NW (202) 337-3570 FAX #
Washington, DC 20008

FLORIDA

REPUBLICAN PARTY OF FLORIDA

P. O. Box 311, Tallahassee, FL 32302 (719 N. Calhoun) (904) 222-7920
Executive Director: Ned Monroe (904) 681-0184 FAX #

Chester Clem, National Committeeman (407) 562-2807 FAX #
2222 Victory Blvd. (407) 569-9494 (o)
Vero Beach, FL 32960 (407) 778-8257 (h)

Maryanne Morse, National Committeewoman
349 Sparrow Wood Ct. (407) 323-4330 (o)
Lake Mary, FL 32746 x4335
(407) 324-1432 (h)

Van B. Poole (Mr.), Chairman
Post Office Box 311 (904) 668-0395 (h)
Tallahassee, FL 32302 (904) 222-7920 (GOP)

GEORGIA

GEORGIA REPUBLICAN PARTY

3091 Maple Dr., NE, Ste. 315, Atlanta, GA 30305 (404) 365-7700
Executive Director: David Shafer (404) 365-7718 FAX #

Alec. Poitevint, National Committeeman (912) 246-2601 FAX #
P. O. Box 506 (912) 243-0170 (o)
Bainbridge, GA 31717 x330
(912) 246-8577 (h)

Dot Burns, National Committeewoman
2429 Island Dr. (404) 532-8950 (h)
Gainesville, GA 30501 (404) 532-8441

Alec Poitevint, Chairman (912) 246-2601 FAX #
P.O. Box 506 (912) 243-0170 (o)
Bainbridge, GA 31717 x330
(912) 246-8577 (h)

GUAM
REPUBLICAN PARTY OF GUAM

Post Office Box 2846, Agana, GU 96910

Executive Director: VACANT

011 (671) 472-3450

Edward Calvo, National Committeeman

115 Chalen Sando Papa

Agana, GU 96910

011 (671) 472-6854 (o)

Rosa Carter (Dr.), National Committeewoman

Post Office Box 322

Agana, GU 96910

011 (671) 789-1507 (h)

Philip J. Flores, Chairman

Post Office Box 216

Agana, GU 96910

011 (671) 472-8160 (o)

011 (671) 477-1483 FAX

HAWAII

REPUBLICAN PARTY OF HAWAII

1188 Bishop Street, Suite 2012, Honolulu, HI 96813

Contact: Cindy Comer

(808) 526-1755

(808) 545-4039 FAX #

Howard Chong, Jr., National Committeeman

c/o Healani Land Co. Inc.

P.O. Box 17658

Honolulu, HI 96817

(808) 486-4196 (o)

Miriam Hellreich, National Committeewoman

225 Kuuhua Place

Kailua, HI 96734

(808) 261-9120 (h)

(808) 262-9222 (o)

(808) 261-9140 FAX #

Jared H. Jossem, Chairman

700 Bishop Street, 15th Floor

Honolulu, HI 96813

(808) 521-1051 (o)

(808) 521-8239 FAX #

IDAHO

IDAHO REPUBLICAN STATE CENTRAL COMMITTEE

P.O. Box 2267, Boise, ID 83701

612 W. Hays St., Boise, ID 83702

Executive Director: Jeff Malmen

(208) 343-6405

(208) 343-6414 FAX #

Blake Hall, National Committeeman

Post Office Box 51630

Idaho Falls, ID 83405

(208) 522-3001 (o)

(208) 529-2033 (h)

Cindy Moyle, National Committeewoman

Route 1, Box 1762

Burley, ID 83318

(208) 654-2033 (h)

Philip Batt, Chairman

Post Office Box 428

Wilder, ID 83676

(208) 482-7380 (o)

(208) 337-3102 (h)

ILLINOIS

ILLINOIS REPUBLICAN STATE CENTRAL COMMITTEE

320 S. 4th Street, Springfield, IL 62701

Executive Director: Andy Foster

Regional Office: 300 Park Blvd.

Itasca, IL 60143

(217) 525-0011

(217) 753-4712 FAX #

(312) 641-6400

Harold B. Smith, Jr., National Committeeman

3600 West Lake Avenue

Glenview, IL 60025-5811

(708) 657-4005 (o)

(708) 657-4392 FAX #

Mary Jo Arndt, National Committeewoman

35 South Stewart

Lombard, IL 60148

(708) 627-6307 (h)

(708) 627-7090 (o)

(708) 627-6325 FAX #

Albert M. Jourdan, Jr., Chairman

4112 North Riverdale Drive

McHenry, IL 60050

(815) 338-2040 (o)

(815) 385-0357 (h)

INDIANA

INDIANA REPUBLICAN STATE CENTRAL COMMITTEE

200 So. Meridian, # 400, Indianapolis, IN 46225

Contact: Rex Early

(317) 635-7561

(317) 632-8510 FAX #

Robert Hiler, Jr., National Committeeman

P.O. Box 639

La Porte, IN 46350

(219) 326-1273 (h)

(219) 362-8531 (o)

Jean Ann Harcourt, National Committeewoman

509 E. Main

Milroy, IN 46156

(317) 629-2555 (h)

(317) 629-2625 (o)

Rex Early, Chairman

200 So. Meridian, #400

Indianapolis, IN 46225

(317) 635-7561 (GOP)

IOWA

REPUBLICAN STATE CENTRAL COMMITTEE OF IOWA

521 East Locust Street, Des Moines, IA 50309

Contact: Richard Schwarm

(515) 282-8105

(515) 282-9019 FAX #

Stephen W. Roberts, National Committeeman

2300 Financial Center

Des Moines, IA 50309

(515) 243-2300 (o)

(515) 243-0654 FAX #

(515) 282-8105 (h))

Gwen Boeke (Mrs.), National Committeewoman

Route 2 - Box 149

Cresco, IA 52136

(319) 547-2649 (h)

Richard P. Schwarm, Chairman Home:

201 East Main

Lake Mills, IA 50450

110 West Main

Lake Mills, IA 50450

(515) 282-8105 (GOP)

(515) 592-1031 (o)

(515) 592-2902 (h)

KANSAS

KANSAS REPUBLICAN STATE COMMITTEE

214 West 6th Street, Topeka, KS 66603
Executive Director: Steve Brown

(913) 234-3416
(913) 234-3436 FAX #

John "Jack" Ranson, National Committeeman
1701 Woodrow Court
Wichita, KS 67203

(316) 262-2651 (o)
(316) 262-6511 FAX #
(316) 267-7991 (h)

Mary Alice Lair (Mrs. Virgil), National Committeewoman
Rural Route 1
Piqua, KS 66761

(316) 431-1400 (o)
(316) 431-1505 FAX #
(316) 468-2596 (h)

Kim Wells (Mr.), Chairman
214 West 6th Street
Topeka, KS 66603

(913) 234-3416 (o)

KENTUCKY

REPUBLICAN PARTY OF KENTUCKY

105 West Third (Fed-X Only)
PO Box 1068, Frankfort, KY 40602 (Send Mail Only)
Executive Director: VACANT

(502) 875-5130
(502) 223-5625 FAX #

Robert M. Duncan (Mike), National Committeeman
P.O. Box 331
Inez, KY 41224

(606) 298-3511 (o)

Nelda L. Barton-Collings (Mrs.), National Committeewoman
1311 Seventh Street Road
Corbin, KY 40701

(606) 528-0374 (o)
(606) 528-8487 FAX #
(606) 528-2404 (h)

Robert E. (Bob) Gable, Chairman
410 West Vine Street
Lexington, KY 40507

(606) 231-7878 (o)
(502) 695-1674 (h)

LOUISIANA

THE REPUBLICAN PARTY OF LOUISIANA

650 North 6th Street, Baton Rouge, LA 70802
Executive Director: Darryl Gissel

(504) 383-7234
(504) 383-8334 FAX #

Haywood H. Hillyer, III, National Committeeman
P.O. Box 50476
New Orleans, LA 70150-0476

(504) 899-0890 (h)

Sally Campbell, National Committeewoman
306 Legendre Drive
Slidell, LA 70460

(504) 649-0797 (h)
(504) 524-8316 FAX #

William A. "Billy" Nungesser, Chairman
5740 Durham Drive
New Orleans, LA 70114

(504) 362-0744 (o)
(504) 394-7561 (h)

MAINE

MAINE REPUBLICAN PARTY

P.O. Box 0, Augusta, ME 04332 (207) 622-6247
3 Wade, Augusta, ME 04330 (207) 623-5322 FAX #
Executive Director: Jay M. Hibbard

Kenneth M. Cole, III, National Committeeman (207) 775-7271 (o)
P.O. Box 4510 Home: 56 Bowdoin St. (207) 772-1415 (h)
Portland, ME 04112 Portland, ME 04102

Doris M. Russell (Mrs.), National Committeewoman
Post Office Box 63
Castine, ME 04421 (207) 326-4374 (h)

Edward S. O'Meara, Jr., Chairman
P.O. Box 0 Home: 37 Bowers (207) 774-5545 (o)
Augusta, ME 04332 S. Portland, ME 04106 (207) 767-2634 (h)

MARYLAND

REPUBLICAN STATE CENTRAL COMMITTEE OF MARYLAND

1623 Forest Dr., Suite 400, Annapolis, MD 21403 (301) 269-0113
Executive Director: Kevin Igoe (301) 269-5937 FAX #

Richard P. (Dick) Taylor, National Committeeman (202) 840-5720 (h)
1330 Connecticut Ave., N.W. (202) 429-6459 (o)
Washington, DC 20036 (301) 429-9204 FAX #

Helen Delich Bentley (Hon.), National Committeewoman (202) 225-3061 (o)
408 Chapelwood Lane (410) 337-7222 (o)
Lutherville, MD 21093 (410) 561-1777 (h)

Joyce Terhes, Chairman (301) 855-8192 (h)
1623 Forest Dr., Ste. 400 (301) 269-0113 (o)
Annapolis, MD 21403 (301) 269-5937 FAX #

MASSACHUSETTS

MASSACHUSETTS REPUBLICAN STATE COMMITTEE

114 State St., 5th Floor, Boston 02109 (617) 367-1992 (GOP)
Executive Director: Alan Safran (617) 367-7342 FAX #

Ron Kaufman, National Committeeman (703) 569-1042 (h)
56 Linfield Street (617) 767-3941 (h)
Holbrook, MA 02343

Augusta Hornblower (Rep.), National Committeewoman (617) 722-2487 (o)
Rocky's Point (617) 722-2897 FAX #
Groton, MA 01450 (508) 448-5358 (h)

Leon Lombardi, Chairman
114 State St., 5th Floor (617) 367-1992 (GOP)
Boston, MA 02109

MICHIGAN

MICHIGAN REPUBLICAN STATE COMMITTEE

2121 E. Grand River, Lansing, MI 48912

Political Director: Beth Griffin

(517) 487-5413

(517) 487-0090 FAX #

Charles (Chuck) Yob, National Committeeman
Industrial Belting Supply
3770 Hagan - P.O. Box 2568
Grand Rapids, MI 49501

(616) 247-8624 (o)

(616) 247-4953 FAX #

(616) 676-0378 (h)

Elisabeth (Betsy) DeVos, National Committeewoman
The Windquest Group - 600 Penn Plaza
126 Ottaw, N.W.
Grand Rapids, MI 49506

(616) 459-4500 (h)

David Doyle, Chairman
2121 E. Grand River
Lansing, MI 48912

(517) 487-5413 (GOP)

MINNESOTA

INDEPENDENT - REPUBLICANS OF MINNESOTA

8030 Cedar Avenue, Suite 202, Bloomington, MN 55425

Executive Director: Mike Triggs

(612) 854-1446

(612) 854-8488 FAX #

Jack Meeks, National Committeeman
Box 451
New Ulm, MN 56073

(507) 354-6400 (h)

Evie Axdahl, National Committeewoman
2209 Payne Avenue
Maplewood, MN 55117

(612) 771-5034 (h)

Bob Weinholzer, Chairman
2422 Schadt
Maplewood, MN 55119

(612) 854-1446 (GOP)

(612) 735-3318 (h)

MISSISSIPPI

MISSISSIPPI REPUBLICAN PARTY

P.O. Box 60, Jackson, MS 39205-0060

555 Tombigbe, Jackson, MS 39201

Contact: Evelyn W. McPhail

(601) 948-5191

(601) 354-0972 FAX #

Haley R. Barbour (Mr.), National Committeeman
Post Office Box 960
Yazoo City, MS 39194

(601) 746-2134 (o)

(202) 333-8767 (o)

(601) 746-4292 (h))

Suzanne Case-Rogers, (Mrs.), National Committeewoman
Route 1, Box 5
Leakesville, MS 39451

(601) 394-5559 (h)

Evelyn W. McPhail (Mrs. John), Chairman
P.O. Box 60
Jackson, MS 39205-0060

(601) 948-5191 (GOP)

(601) 957-0049

MISSOURI

MISSOURI REPUBLICAN STATE COMMITTEE

P.O. Box 73, Jefferson City, MO 65102
204 E. Dunklin, Jefferson City 65101
Executive Director: Tony Hammond

(314) 636-3146
(314) 636-3273 FAX #

Hillard F. Selck, National Committeeman
414 Main
Boonville, MO 65233

(816) 882-3366 (o)
(816) 882-6221 (h)

Roberta (Bobbie) Capps Moore (Mrs. Lowell), National Committeewoman
309 Camelot Drive
Liberty, MO 64068

(816) 781-2471 (h)

Tom Fowler, Chairman
3310 East Sunshine
P.O. Box 10828
Springfield, MO 65808

(417) 882-1400 (o)
(417) 831-3890 (h)

MONTANA

MONTANA REPUBLICAN STATE CENTRAL COMMITTEE

1419-B Helena Avenue, Helena, MT 59601
Executive Director: Mark Baker

(406) 442-6469
(406) 442-3293 FAX #

Tim Babcock (The Honorable), National Committeeman
720 Madison
Helena, MT 59601

(406) 442-5611 (h)
(406) 442-7261 (o)

Ione Brownson, National Committeewoman
421 Fourth Avenue, South
Glasgow, MT 59230

(406) 228-4263 (h)

M. Susan Good, Chairman
2717 Third Avenue, North
Great Falls, MT 59401

(406) 452-5442 (h)
(406) 442-6469 (GOP)

NEBRASKA

NEBRASKA REPUBLICAN STATE CENTRAL COMMITTEE

421 South 9th Street, Suite 233, Lincoln, NE 68508
Executive Director: Jerry Selletine

(402) 475-2122
(402) 475-3541 FAX #

Duane W. Acklie, National Committeeman
2200 Woodsdale
Lincoln, NE 68502

(402) 474-4141 (o)
(402) 474-3033 (h)

Pat Dorwart, National Committeewoman
2310 South 11th
Sidney, NE 69162

(308) 254-4333 (h)
(308) 254-2330 (o)

Jerry Schenken, Chairman
421 South 9th Street
#233
Lincoln, NE 68508

(402) 390-4541 (o)
(402) 551-0338 (h)

NEVADA

REPUBLICAN STATE CENTRAL COMMITTEE OF NEVADA

6114 West Charleston, Las Vegas, NV 89102

Executive Director: Keith Lynam

(702) 258-9182

(702) 258-9352 (FAX)

Tom Wiesner, National Committeeman

3025 Sheridan Street

Las Vegas, NV 89102

(702) 368-3715 (o)

(702) 368-3723 FAX #

Patty Cafferata, National Committeewoman

205 Urban Road

Reno, NV 89509

(702) 825-2694 (o)

(702) 962-5171 (h)

Brian McKay, Chairman

1100 Valley Bank Plaza

50 W. Liberty

Reno, NV 89501

(702) 788-8666 (o)

NEW HAMPSHIRE

NEW HAMPSHIRE REPUBLICAN STATE COMMITTEE

134 North Main Street, Concord, NH 03301

Executive Director: VACANT

(603) 225-9341

(603) 225-7498 FAX #

Hugh Gregg, National Committeeman

RFD #5 Gregg Road

Nashua, NH 03062

(603) 886-1743 (o)

(603) 595-9010 FAX #

(603) 882-4763 (h)

Ruth Griffin, National Committeewoman

479 Richards Ave.

Portsmouth, NH 03801

(603) 271-2111 (o)

(603) 463-5272 (h)

Hon. Rhona Charbonneau, Chairman

102 Old Derry Road

Hudson, NH 03051

(603) 883-9252 (h)

NEW JERSEY

NEW JERSEY REPUBLICAN STATE COMMITTEE

312 West State Street, Trenton, NJ 08618

Executive Director: Bill Ulrey

(609) 989-7300

(609) 989-8685 FAX #

David Norcross, National Committeeman

Montgomery, McCracken, Walker & Rhoads

1156 15th St., NW, Suite 550

Washington, DC 20005

(202) 828-6901 (o)

(609) 429-1010 (o)

Noel L. Gross (Mrs. Nelson), National Committeewoman

2 Chestnut Ridge Road

Saddle River, NJ 07458

(201) 941-2300 (o)

(201) 941-2308 FAX #

(201) 445-7870 (h)

Bob Franks, Chairman

310 West State Street

Trenton, NJ 08618

(609) 989-7300 (o)

NEW MEXICO

REPUBLICAN PARTY OF NEW MEXICO

Post Office Box 36900 - Albuquerque, NM 87176
2901 Juan Tabo, Albuquerque, NM 87112
Executive Director: Tim Wigley

(505) 298-3662

(505) 292-0755 FAX#

Phelps Anderson, National Committeeman
P.O. Box 1000
Roswell, NM 88202

(505) 625-8700 (o)

(505) 625-6876 FAX #

(505) 623-1563 (h)

Laree Perez, National Committeewoman
2125 Louisiana, Suite 200
Albuquerque, NM 87110

(505) 884-9845 (o)

(505) 271-9353 (h)

John Lattaudio, Chairman
5809 Mimosa, N.E.
Albuquerque, NM 87111

(505) 298-3662 (o)

(505) 275-0766 (h)

NEW YORK

NEW YORK REPUBLICAN STATE COMMITTEE

315 State Street, Albany, NY 12210
Executive Director: John Sweeney

(518) 462-2601

(518) 449-7443 FAX #

Joseph Mondello, National Committeeman
164 Post Avenue
Westbury, NY 11590

(516) 334-5800 (o)

Eunice B. Whittlesey (Mrs. Joseph I.), National Committeewoman
118 Acorn Drive
Scotia, NY 12302

(518) 399-0863 (h)

William Powers, Chairman
315 State Street
Albany, NY 12210

Home:

1624 New York Post Road.
Castleton, NY 12033

(518) 462-2601 (GOP)

(518) 732-2996 (h)

NORTH CAROLINA

NORTH CAROLINA REPUBLICAN EXECUTIVE COMMITTEE

1410 Hillsborough St., PO Box 12905, Raleigh, NC 27605
Contact: R. Jack Hawke

(919) 828-6423

(919) 899-3815 FAX #

Jack Laughery, National Committeeman
800 Tiffanny Blvd., Suite 305
Rocky Mountain, NC 27804

(919) 977-4236 (o)

(919) 977-4235 FAX #

(919) 443-6778 (h)

Linda Shaw, National Committeewoman
P.O. Box 8618
Greensboro, NC 27419

(919) 855-7533 (h)

(919) 292-5805 (o)

R. Jack Hawke, Chairman
1410 Hillsborough Street, PO Box 12905
Raleigh, NC 27605

(919) 828-6423 (GOP)

(919) 269-0500 (h)

NORTH DAKOTA

NORTH DAKOTA REPUBLICAN STATE COMMITTEE

P. O. Box 1917, Bismarck, ND 58502
4007 State Street, Suite #8, Bismarck, ND 58501
Contact: Kevin Cramer

(701) 255-0030
(701) 255-7513 FAX #

Bernie Dardis, National Committeeman
507 Third Ave., West
West Fargo, ND 58078

(701) 282-7133 (h)
(701) 235-5323

Connie Nicholas, National Committeewoman
Rural Route 1
Cando, ND 58324

(701) 968-3149 (h)

Kevin Cramer, Chairman
P.O. Box 1917
Bismarck, ND 58502

(701) 255-0030 (GOP)
(701) 255-7513 FAX #

OHIO

REPUBLICAN STATE CENTRAL AND EXECUTIVE COMMITTEE OF OHIO

172 East State St., 4th Fl., Columbus, OH 43215
Executive Director: Rex Elsass

(614) 228-2481
(614) 228-1093 FAX #

Michael F. Colley, National Committeeman
536 South High Street
Columbus, OH 43215

(614) 228-6453 (o)
(614) 228-7122 FAX #
(614) 771-9768 (h)

Martha C. Moore (Miss), National Committeewoman
501 Oakland Boulevard
Cambridge, OH 43725

(614) 228-2481 (GOP)
(614) 432-2527 (h)

Robert T. Bennett, Chairman
172 East State Street, Fourth Floor
Columbus, OH 43215

(614) 228-2481 (GOP)
(216) 333-4848 (h)

OKLAHOMA

REPUBLICAN STATE COMMITTEE OF OKLAHOMA

4031 N. Lincoln Blvd., Oklahoma City, OK 73105
Political Director: John Cox

(405) 528-3501
(405) 528-8513 FAX #

Lynn Windel (Mr.), National Committeeman
P.O. Box 627
Madill, OK 73446

(405) 223-7474 (h)
(405) 795-3397 (o)

Mary Rumph (Mrs.), National Committeewoman
1501 Ramona
Enid, OK 73703

(405) 233-9619 (h)

Clinton Key, Chairman
4031 N. Lincoln Blvd.
Oklahoma City, OK 73105

(405) 528-3501 (o)

OREGON

OREGON REPUBLICAN PARTY

9900 SW Greenburg Rd., #280, Portland, OR 97223
Executive Director: Jim Whitfield

(503) 620-4330
(503) 620-5791 FAX #

Vic Atiyeh (The Hon.), National Committeeman
519 Southwest Park, #208
Portland, OR 97205

(503) 222-2244 (o)
(503) 292-0101 (h)
(503) 224-3209 FAX #

Rita Swyers, National Committeewoman
2000 Eastside Road
Hood River, OR 97031

(503) 386-4961 (h)

Craig L. Berkman, Chairman
806 S.W. Broadway
Jackson Tower, Suite 625
Portland, OR 97223

(503) 228-0700 (o)
(503) 244-8194 (h)

PENNSYLVANIA

REPUBLICAN STATE COMMITTEE OF PENNSYLVANIA

112 State St., Harrisburg, PA 17101
Executive Director: Chris Bravacos 17101

(717) 234-4901
(717) 231-3828 FAX #

Herbert Barnes, National Committeeman
975 Easton Road
Warrington, PA 18976

(215) 343-0700 (o)
(215) 343-5090 FAX #
(215) 345-9040 (h)

Elsie H. Hillman (Mrs. Henry L.)
National Committeewoman
Box 113 Westin-William Penn Hotel, Suite 375
Pittsburgh, PA 15219

(412) 471-8312 (o)
(412) 471-3271 FAX #
(412) 681-2078

Anne B. Anstine, Chairman Home:
112 State Street 609 9th Street
Harrisburg, PA 17101 Port Royal, PA 17082

(717) 234-4901 (o)
(717) 527-4973 (h)

PUERTO RICO

THE NATIONAL REPUBLICAN PARTY OF PUERTO RICO

502 Hostos Avenue, Hatorby, PR 00918
Executive Director: Cesar Cabrera

(809) 754-0144
(809) 753-8950
(809) 767-6866 FAX #

Edison Mislá-Aldarondo (Hon.), National Committeeman
Tenth Street SO #1590
Caparra Terrace
San Juan, PR 00920

(809) 722-2494 (o)
(809) 722-0458 (o)
(809) 725-2978 FAX #
(809) 783-9865 (h)

Nitza Navarro (Mrs.), National Committeewoman
C-8, Street 16 - Quintas de Cupey
Rio Piedras, PR 00926

(809) 725-9189 (o)
(809) 720-6585 (h)

Luis Ferre', Chairman
G.P.O. Box 6108
San Juan, PR 00936

(809) 764-2490 (o)
(809) 765-2251 FAX #
(809) 764-7474 (h)

RHODE ISLAND

RHODE ISLAND REPUBLICAN STATE CENTRAL COMMITTEE

18 Burnside St., P.O. Box 838, Bristol, RI 02809
Executive Director: Joan Quick

(401) 247-1993
(401) 247-1999 FAX #

Michael Traficante, National Committeeman
51 Woodview Drive
Cranston, RI 02920

(401) 941-5380 (o)
(401) 461-2602 FAX #
(401) 943-0026 (h)

Eileen Slocum, National Committeewoman
431 Bellview Avenue
Newport, RI 02840

(401) 847-3276 (h)

Michael Kehew, Chairman
18 Burnside St., PO Box 838
Bristol, RI 02809

(401) 846-4442 (h)
(401) 847-5033 (o)
(401) 849-3180 FAX #

SOUTH CAROLINA

THE SOUTH CAROLINA REPUBLICAN PARTY

P. O. Box 21765, Columbia, SC 29221
720 Greycern Rd., Suite. 121
Executive Director: Mike Burton

(803) 798-8999
(803) 731-9338 FAX #

Lonnie Rowell, National Committeeman
P. O. Box 835
Summerville, SC 29484

(803) 873-4500 (o)
(803) 873-3346 (h)

Martha C. Edens (Mrs.), National Committeewoman
6311 Eastshore Road
Columbia, SC 29206

(803) 787-3353 (h)

Barry Wynn (Mr.), Chairman
104 Plantation Drive
Spartanburg, SC 29302

(803) 591-0074 (o)
(803) 573-7142 (h)

SOUTH DAKOTA

SOUTH DAKOTA REPUBLICAN PARTY

PO Box 1099, Pierre, SD 57501 (401 E Sioux Ave.)
Executive Director: Herb Jones

(605) 224-7347 (GOP)
(605) 224-7349 FAX #

Walter D. Miller (The Hon.), National Committeeman
500 E. Capitol, Capitol Building
Pierre, SD 57501

(605) 773-3661 (o)
(605) 773-4711 FAX #
(605) 224-6768

Arlene Ham, National Committeewoman
Conrad - Ham & Associates
3121 West Chicago
Rapid City, SD 57702

(605) 343-1600 (o)
(605) 348-1506 (h)

Don Peterson, Chairman
P.O. Box 1099
Pierre, SD 57501

(605) 224-7347 (GOP)

TENNESSEE

TENNESSEE REPUBLICAN STATE EXECUTIVE COMMITTEE

2323 Hillsboro Rd., 5th Fl. Nashville, TN 37212
Contact: Thomas Hopper

(615) 292-9497
(615) 292-9619 FAX #

Ted Welch (Mr.), National Committeeman
109 Lynwood Terrace
Nashville, TN 37205

(615) 244-3588 (o)
(615) 298-1763 (h)

Alice Algood, National Committeewoman
804 Athenaeum Street
Columbia, TN 38401

(615) 388-5373

Thomas Hopper, Chairman
2323 Hillsboro Rd., 5th Floor
Nashville, TN 37212

(615) 292-9497 (GOP)

TEXAS

REPUBLICAN PARTY OF TEXAS

211 East 7th St, Suite 620, Austin, TX 78701
Executive Director: Karen Parfitt Hughes

(512) 477-9821
(512) 480-0709 FAX #

Ernest Angelo, Jr., National Committeeman
410 North Main
Midland, TX 79701

(915) 684-4449 (o)
(915) 683-1831 FAX #
(915) 694-6034 (h)

Penny Butler, National Committeewoman
819 Briar Ridge
Houston, TX 77057

(713) 850-9295 (o)
(713) 960-9106 FAX #
(713) 461-9747 (h)

Fred Meyer, Chairman
2121 San Jacinto Street
Suite 895, LB-5
Dallas, TX 75201

(214) 754-1800 (o)
(214) 691-5848 (h)
(214) 880-0401 FAX #

UTAH

UTAH REPUBLICAN STATE CENTRAL COMMITTEE

637 E. 400 South, Suite A
Salt Lake City, UT 84102
Executive Director: David Hansen

(801) 533-9777
(801) 533-0327 FAX #

Jack Roberts, National Committeeman
1257 3rd Avenue
Salt Lake City, UT 84103

(801) 355-7950 (h)

Arlene Ellis, National Committeewoman
1496 Jamestown Dr.
Salt Lake City, UT 84103

(801) 277-6862 (h)

Bruce R. Hough, Chairman
1080 West Rivercrest
South Jordan, UT 84065

(801) 254-9340 (o)
(801) 254-2658 (h)

MONT

VERMONT REPUBLICAN STATE COMMITTEE

PO Box 70, Montpelier, VT 05602 (43 Court St.)

Executive Director: Brian Cosgrove

(802) 223-3411

(802) 229-1864 FAX #

Jack Lindley, III, National Committeeman

17 Chestnut Hill Road

Montpelier, VT 05401

(802) 223-6590 (h)

(802) 658-2034 (o)

Sara Gear, National Committeewoman

76 Crescent Beach Dr.

Burlington, VT 05401

(802) 862-2492

Allen Martin, Chairman

c/o Law Offices of Downs, Rachlin & Martin

P. O. Box 190

Burlington, VT 05401

(802) 863-2375 (o)

VIRGINIA

REPUBLICAN PARTY OF VIRGINIA

115 East Grace Street, Richmond, VA 23219

Executive Director: Joe Elton

(804) 780-0111

(804) 343-1060 FAX #

Morton Blackwell, National Committeeman

8001 Braddock Road, Suite 502

Springfield, VA 22151

(703) 321-8580 (o)

(703) 321-7194 FAX #

(703) 243-7660 (h)

Flo Traywick (Mrs.), National Committeewoman

3101 Rivermont Avenue

Lynchburg, VA 24503

(804) 384-6458 (h)

Patrick McSweeney, Chairman

P.O. Box 1463

Richmond, VA 23212

(804) 794-5740 (h)

(804) 783-6802 (o)

VIRGIN ISLANDS

THE REPUBLICAN PARTY OF THE VIRGIN ISLANDS

Post Office Box 5396, St. Thomas, VI 00803

Executive Director: VACANT

Edgar D. Ross, National Committeeman

P.O. Box 1548

Frederiksted, St. Croix, VI 00841-1548

(809) 772-4444 (o)

(809) 772-4679 (h)

Liliana Belardo de O'Neill (Mrs.), National Committeewoman

P.O. Box 3383

Christiansted, St. Croix, VI 00820

(809) 772-7477 (o)

(809) 773-8543 (h)

Holland L. Redfield, II, Chairman

P.O. Box 5520

Sunny Isle

St. Croix, VI 00823

(809) 773-3510 (o)

(809) 773-4748 FAX #

WASHINGTON

REPUBLICAN STATE COMMITTEE OF WASHINGTON

Nine Lake Bellevue Dr, # 203, Bellevue, WA 98005
Executive Director: Lance Henderson

(206) 454-1992
(206) 451-9266 FAX #

Ron Carlson, National Committeeman
24514 219th Avenue, S.E.
Maple Valley, WA 98038

(206) 432-0203 (h)

Gretchen Horton, National Committeewoman
2407 E. Thurston
Spokane, WA 99223

(509) 534-0826

Ben Bettridge, Chairman
Nine Lake Bellevue Drive, Suite 203
Bellevue, WA 98005

(206) 454-1992 (GOP)
(206) 451-9266 FAX #

WEST VIRGINIA

REPUBLICAN STATE EXECUTIVE COMMITTEE OF WEST VIRGINIA

404 S. Front Street, Wheeling, WV 26003
Executive Director: Trent Benzo

(304) 233-0140
(304) 233-4613 FAX #

Bill Pauley, National Committeeman
857 Lower Chester Road
Charleston, WV 25302

1-800-642-8598(o)

Donna Boley (The Hon.), National Committeewoman
Route 2, Box 72
St. Marys, WV 26107

(304) 684-3266 (o)

David B. McKinley, Chairman
404 South Front Street
Wheeling, WV 26003

(304) 233-0140 (o)

WISCONSIN

REPUBLICAN PARTY OF WISCONSIN

PO Box 31, Madison, WI 53701 (121 S. Pinckney St., Ste. 200, 53703)
Executive Director: R.J. Johnson

(608) 257-4765
(608) 257-4141 FAX #

Michael W. Grebe, National Committeeman
Foley & Lardner - 777 East Wisconsin Avenue
Milwaukee, WI 53202-5367

(414) 289-3551 (o)
(414) 354-4188

Mary Buestrin, National Committeewoman
13259 N. Lakewood Dr.
Mequon, WI 53092

(414) 243-5252 (h)
(414) 243-5655 (o)

David Opitz, Chairman
5132 Country Club Beach Road
Port Washington, WI 53074

(414) 284-5746 (o)
(414) 285-3898 (h)

WYOMING

WYOMING REPUBLICAN STATE COMMITTEE

Post Office Box 241, Casper, WY 82602
212 North Wolcott, Casper, WY 82602
Executive Director: Judy Catchpole

(307) 234-9166
(307) 473-8640 FAX #

John Barrasso (Dr.), National Committeeman
1450 East A
Casper, WY 82601

(307) 577-0037 (h)
(307) 265-7205 (o)

Jan Larimer (Mrs.), National Committeewoman
P. O. Box 610
Teton Village, WY 83025

(307) 733-3843 (h)

Lorraine Quarberg, Chairman
Post Office Box 423
Thermopolis, WY 82443

(307) 864-2381 (o)
(307) 864-5778 (h)

Please contact the RNC Convention & Meetings Office at (202) 863-8630
for corrections and changes.

THE
Sea View
ON THE OCEAN



9909 COLLINS AVENUE

•

BAL HARBOUR, FLA. 33154

Bill Gaston. GoldKist
E.W. Brooks. Ret'd
Σ. D.

Spencer. Stu.
Jack Stephens

Sr. Jean h 532.7995
D 899.3010



9909 COLLINS AVENUE

BAL HARBOUR, FLA. 33154

Op. K5
Orville Sweet
913.345.0290

Sally Belle

* 214. 786. 3003 *

3001

214. 823. 8448

* 24. 788.0021 *

NOV-22-1992 08:05PM FROM

TO

913056361898

P.02

SENATOR BOB DOLE
REVISED: 11/22 (SUN) 5:40PM

MONDAY, NOVEMBER 23

3:05 PM Arrive Macon - Middle Georgia Regional Airport (Lewis B. Wilson
Airport) (MCO) (123)
FBO: Lowe Aviation
912/788-3491
Met by: Oliver Baseman 912/788-4070 (h) & Paul Jones 912/477-2941 (h)
Note: Senator Gramm & Alec Poitevint will meet Senator Dole at
airport. They will continue on trip.

3:05 -
3:25 PM Drive to event by Oliver & Paul

3:25 -
4:00 PM **MACON GOTV RALLY**
(Dole, Gramm, Poitevint)
Woodruff House - Coleman Hill
Bond Street
Mercer University
Macon
912/752-2698
Contact: Jamie Tucker 912/746-0591 (h), 912/474-4959 (w), 912/746-
3011 (fx)

4:00
4:20 PM Drive to airport by Oliver & Paul
FBO: Lowe Aviation
912/788-3491
Note: Senator Gramm and Alec will depart on a separate plane.
Cong.-Elect Mac Collins and Col. Ron Ray (Congressional Medal of
Honor Recipient) will meet Sen. Dole & Sen. Gramm at airport and
fly to Marietta with Sen. Gramm.

4:20 -
5:00 PM Fly to McCullum Air Field (RYF) (123)
FBO: Gem City Aviation
404/422-2345
Pssngrs: Sen. Dole, Mike Glassner
Met by: Paul & Nancy Coverdell, Lynn Martin, and other surrogates at
airport. Party boards campaign bus.

NOV-22-1992 08:07PM FROM

TO

913058661898

P.03

SENATOR BOB DOLE

REVISED: 11/22 (SUN) 5:46PM

MONDAY, NOVEMBER 23

5:00 -

5:30 PM Drive to Marietta on BUS

5:30 -

7:30 PM

GRAND FINALE GOTV RALLY

(Coverdell, Martin, Dole, Gramm, Warner, McConnell, Gingrich,
Collins, Poitevint)

Marietta City Club

510 Powder Street

Marietta

404/528-0400

Contact: Sharon Mutch (Club) 404/425-1520 (n), 404/514-9542 (fx);

David Bath (staging/sound) 404/986-0346 (w), 404/570-2876 (pgr)

7:30 -

8:00 PM

Drive to Marietta - McCullum Air Field (RYY) by Campaign Bus

FBO: Gem City Aviation

404/422-2345

Note: Sen. Gramm & Sen. Warner will fly to D.C. with Sen. Dole.

8:00 PM

Fly to Washington National (DCA)

FBO: Butler/Signature Aviation

703/549-8340

Pssngrs: Sen. Dole, Sen. Gramm, Sen. Warner, Mike Glassner, Alan Hill

###

NOV-22-1992 08:05PM FROM

TO

913059601898

P.01

Coverdell
U.S. SENATE

Fax Cover Sheet

1730 Northeast Expressway • Atlanta, Georgia 30329

(404) 320-1992

Fax (404) 329-7276

Date: 11/22/92

No. of Pages (including cover sheet) 2

To MIKE GLASSNER

Company _____

FAX No. 305/866-1898

Telephone No 305/966-4441 X 1210

Regarding _____

If you don't receive all pages, call (404) 329-7277 or 320-1992
and ask for _____

SENDER